

THE ESTIMATES, 1987-88

SUPPLEMENTARY ESTIMATES (D) REFERRED TO NATIONAL FINANCE COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (D) for the fiscal year ending the 31st March, 1988 (Sessional Paper No. 332-664).

Motion agreed to.

NOTICE OF COMMITTEE MEETING

Hon. Fernand-E. Leblanc: Honourable senators, I would like to advise the Senate that the Standing Senate Committee on National Finance will be sitting tomorrow evening at six o'clock to examine Supplementary Estimates (D). This announcement will give notice to the members of that committee.

LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Joan Neiman, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, with leave of the Senate and notwithstanding rule 45(1)(a), moved:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at three fifteen o'clock in the afternoon on Thursday next, 28th January, 1988, even though the Senate may then be sitting, and that Rule 76(4) be suspended in relation thereto.

Motion agreed to.

BUSINESS OF THE SENATE

On Notices of Motions:

Hon. Joan Neiman: Honourable senators, I wish to present another motion, asking for permission for the Standing Senate Committee on Legal and Constitutional Affairs to meet today at 3:30 p.m. However, I do not yet have the motion, and I would therefore ask leave to revert to Notices of Motions later today.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

QUESTION PERIOD

[English]

PHARMACEUTICAL INDUSTRY

DRUG PRICE INCREASES—ROLLBACK—GOVERNMENT ACTION

Hon. M. Lorne Bonnell: Honourable senators, the headlines on the front page of the *Globe and Mail* of Friday, January 22, 1988, read: "Drug firms increase prices faster than inflation rate". The drug firms promised the Government of Canada that they would not do this, and that they would try to keep the price of drugs within the CPI. What does the government intend to do to ensure that these prices will revert to lower than the CPI until the Drug Prices Review Board has been set up?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, without attempting to revisit an old controversy and an old bill that took a very long time to pass in this house, let me say that the intentions of the government on this matter were made well known more than a year ago, when Bill C-22 was brought in. Had the bill been passed sooner and had the Drug Prices Review Board been in place, the board would have been in a position to act more effectively on this matter.

I expect the board will be in place within the next month or so. There can be no doubt that its existence means that there will be a downward pressure on the prices of drugs, with the rate of inflation as the marker.

Senator Bonnell: Honourable senators, the Leader of the Government must know that Bill C-22 has been passed and that it is law. He must know that the drug manufacturers had promised the Senate and the House of Commons—and I suspect they had promised the minister, although I do not know that—that they would not do what they have already done a month and a half after this legislation was passed. According to the Ministry of Health in Ontario, some drug prices have been increased by 100 per cent.

Some Hon. Senators: Shame!

Senator Bonnell: If we cannot trust the pharmaceutical companies a month and a half after the bill has been passed into law, are we going to be able to trust them with research money and with jobs? Is Canada going to be out all those billions of dollars and lose the 9,000 jobs in the generic drug companies and other companies? Our economy will be destroyed by paying this extra money for drugs and by losing the competition of the generic companies. Is the government going to say to these people, "You are breaking your promise a month and a half after the bill has been passed, and we are going to do something about it."? Is the government going to make it known that they are not happy about it? The minister has yet to say a word.

Senator Murray: Honourable senators, the Drug Prices Review Board will be in place by March. I am glad to welcome the honourable senator as a belated convert to the usefulness of this organization.