

*Patent Act—Trade Marks Act*

spending the taxpayers' money in this careless manner. Why should the importer not pay for it?

Now I would like to deal with another point regarding a doubt which was expressed by officials within the department. The Canadian drug advisory committee of the Department of National Health and Welfare passed a unanimous resolution last fall expressing concern as to the ability of the Food and Drug Directorate to safeguard adequately the quality of drugs under Bill C-102.

Next I would like to say a few words about patents. There is no positive mechanism to date for the revocation of an in-force licence in the interest of public safety or to prevent abuse. For example, in July of last year over 2,500 bottles of an impure health salt had to be removed from the Canadian market. The manufacturer discovered this impurity and he felt it was his moral duty to report it. It was not the Food and Drug Directorate that discovered it. Neither did they discover the counterfeit drugs that were sold in the city of Montreal. Let us be careful. But what about patent drugs arriving from some foreign country on which no one has the responsibility to report? I do not believe the Food and Drug Directorate has the staff to police this and I do not think they should be expected to do it. I feel that it does a good job, and I have said this before.

In introducing bill C-102 the Minister of Consumer and Corporate Affairs made certain statements. He claimed that the proposed government action on drug patents will break a monopoly and reduce drug prices. He knows better than that. This statement is not according to fact. Many patents have been broken by compulsory licensing in the last ten years, and he knows this as well as I do. Many Canadian manufacturers are operating under compulsory licences.

The minister said that the new legislation, if passed, will increase competition. Later he said that competition is present now. As a matter of fact, the bill may well destroy this competition by destroying the source of Canadian chemicals. The minister knows as well as I do that most of our chemicals are bought in Europe or Asia. Pharmacists buy those chemicals and have their contracts there. If foreign companies are going to manufacture more drugs they will require more of those chemicals. There is a danger there.

The minister also spoke about reducing drug prices, and then stated there was competition now. He mentioned that the owner of

a drug patent has a 17-year hold on a drug, but then he admitted that a compulsory licence can be granted at any time if the applicant qualifies. Although the minister is a nice guy, it is not quite cricket to play the game this way.

The minister also mentioned that the industry would give a loan to Canadian companies and he added: "But they will have to compete with imported drugs". What will this cost the taxpayer? How many more millions of dollars will have to go into this? Will the United States subsidiaries qualify for this loan? I would like to have an answer from the minister because under the automotive trade pact they did. Will the drug firms be treated in the same way if they establish their factories in incentive areas?

● (12:40 p.m.)

The minister stated that this bill was necessary because of the high cost of drugs. When the discussion was started some years ago this was true in that there was not as much competition in the open market as there is today. I want to draw attention to the fact that the minister's figures, the ones he used to substantiate this statement, are not correct today. They are not in accordance with the facts. He probably picked them up somewhere—I don't know where—but they are a few years old. The table which appears in *Hansard* at pages 1512 and 1513 on October 17, 1968 is very misleading. In the first place, no dosage is given; there is no indication of the strength of the drug. I do not think it is fair to make use of a table of that kind. Then again, no generic equivalent of the drug is given. I might say there are many Canadian firms which have begun to manufacture generic drugs which bear a brand name—and I can give details if I am asked to do so. They are manufacturing these drugs. They have made their own stamps and put them on.

Here is another paradox. The minister said the purpose of Bill C-102 was to reduce the price of drugs. Then he carefully indicated that he had no control over the doctors who write the prescriptions to be filled at retail level. I wonder what is behind this. Is it an indication that the government intends to take over and control the whole practice of medicine? Will the next step be to tell the doctor that he must prescribe a certain drug whether or not he believes it to be suitable? Is this what lies behind the minister's statement?

[Mr. Rynard.]