

Patent Act—Trade Marks Act

Although I do not support this legislation as wholeheartedly as the hon. member for Waterloo does, I support it being not at all convinced that it will do the job the minister expects of it. If events prove me wrong I shall be glad to be wrong. I am not so naïve as to think that, following this legislation, the drug industry in this country will quietly and co-operatively work towards the attainment of the objectives of this bill. The industry will go to great lengths to show that the legislation cannot work. I point out that the amendments hon. members of this group proposed that were ruled out of order are on the record. The minister may adopt them at any time. He may use them one year from now or sooner if it becomes evident that drug prices in this country have not been reduced significantly. I submit that the five main proposals we brought before the minister and the house on second reading are still valid and relevant if this legislation is to control drug prices and the drug industry effectively.

It seems that international drug companies are now manufacturing many of our drugs. For years we have been told by Canadian and United States drug manufacturers that "foreign" drug manufacturers are dangerous because the quality of their drugs is inferior to ours. The public was warned not to use "foreign" drugs. Yet less than a year ago, the Pharmaceutical Manufacturers Association of Canada went to Europe to hold meetings with European manufacturers. I believe the meetings took place in Stockholm a few months ago. The two sets of manufacturers formed themselves into an international association. Mr. Speaker, I am gazing into a crystal ball; it may be clouded, but I can see this international association going to great lengths to achieve co-operation between companies in Canada, the United States, Europe and, possibly, Japan.

It will all be very subtle. There will be understandings between various companies, and the Government of Canada alone will find it impossible to oversee the activities of such an association. What has happened within the drug industry in North America will spread to other countries, and no one government alone will be able to properly police the activities of such an organization. I suggest that the minister ought to talk to the Solicitor General and suggest to him that instead of having R.C.M.P. officers spending a great deal of time in plain clothes trying to find a few grains of marijuana in some kids' pocket, it

might be wise to set up an underground network so the R.C.M.P. can secure information to enable us to control in this country the activities of such an international association.

May I also ask the minister to persuade his colleague, the Minister of Industry, Trade and Commerce (Mr. Pepin), not to be overly generous with non-Canadian owned drug manufacturing companies in the dispensing of loans under the pharmaceutical industry development assistance program. If anyone is worried about the welfare of our own companies and about their inability to survive, the Minister of Industry, Trade and Commerce can give our companies financial assistance to enable them to compete on an equal basis with international companies.

Under this legislation, the minister will not be able to do much with respect to patents on new drugs until five years have elapsed. That provision has been introduced allegedly to allow the inventors of new drugs to recover their costs of development. It seems to me that if a manufacturer is given a five year monopoly to recover the costs of research and development, he ought to be required by law to file complete information on those costs which are to be recovered. This would serve as a check on the price he wishes to charge. It would enable the government to check him if he seeks to engage in unreasonable and unconscionable pricing within that five year period which he has to recover these costs. Giving manufacturers a blanket five years without knowing what is involved in the makeup of these prices certainly leaves the door ajar, if not wide open, to the manufacturer to, I won't say cook the books, but to exaggerate the so-called costs of research development and promotion in an effort to get the maximum profit.

● (4:00 p.m.)

Mr. Basford: I hesitate to interrupt the hon. member. I am not clear precisely as to what agreements there were. I do not know how long the hon. member intends to speak. I believe there was discussion and an agreement that we would stop now and deal with private members business, namely, the Quebec Savings Bank bill. I believe there was substantial agreement we would then come back to the drug bill in order to give it third reading before 4.30.

Mr. Knowles (Winnipeg North Centre): On the point the minister raised, I believe the