

On the other hand, government analysts have spent two years assessing the impact on a product-by-product basis to determine, in the most accurate manner possible, the costs over the next five years. We are confident of our figures. We stand by them. The legislation will cost the drug purchasers of Canada \$129 million over five years -- that is, one dollar per Canadian per year.

Opponents maintain that provincial health care systems will be devastated. How could this be? Patented drugs account for only 3 per cent of the total health care costs in Canada.

The cost of drug plans has been rising rapidly, and this is a serious concern to us all. There are those who would like to blame this on the prices of patented medicines and who claim Bill C-91 will have devastating effects. This is a gross exaggeration. As I have said, patented drugs are a minor component of drug plan costs. Drug costs are driven far more by drug usage -- the type of drug, the size and number of prescriptions. Indeed, if each Canadian were to use just one less prescription per year, we would save almost 20 times the additional cost of Bill C-91 to the drug purchasing system.

The third misconception I want to address is the mistaken notion that Bill C-91 will double the patent period for pharmaceuticals from 10 to 20 years.

Let me be clear: the patent term remains exactly the same under Bill C-91 as it was under Bill C-22: 20 years from start to finish. What has changed under Bill C-91 is the length of time that the innovator has to market the product in the absence of generic competition. This will increase from 7 to 10 years. The first 10 years of the 20-year patent term are normally used up in product development and in meeting regulatory requirements. This leaves just 10 years, on average, of patent protection for the innovator once the product is on the market. Under Bill C-22, generic firms have been able to obtain a compulsory licence to market a copy of the brand name product an average of three years before the patent expires -- in other words, around year 17 of the 20-year term. Under Bill C-91, they will have to wait the full term of the patent, on average another three years.

Once the patent expires, the generic drug companies in Canada will be able to compete openly with the company that invented the medicine, as is the case with any other sector of technology and as is the case for generic companies operating in the markets of our major trading partners.

Opponents have come up with much longer estimates of the extension of market exclusivity. How do they do this? Sometimes they draw conclusions from a few extreme cases. Sometimes they include in their analysis products that will be unaffected by