

3. With reference to the cost of research... "are we being asked to pay more than our share because of our proximity to the American market place?" (Minutes 1176)

Canadians benefit in common with peoples all round the world from the research successes of the pharmaceutical companies, and a share of this cost should surely be met in Canada. Canadians also pay North American prices for drugs—as they pay North American prices for other goods and services.

4. "Some ads distort the therapeutic value of a drug or fail to include necessary data on side effects. The physician either accepts the ad or is forced into a tedious search of the literature in order to determine the true nature of the drug." (Minutes 1176)

In cooperation with the Food and Drug Directorate, PMAC has set up a review board for the advertising of its member companies, to ensure that advertisements carry essential information. Further, few if any advertisements are designed to carry all prescribing information, which the physician has readily at hand.

5. "The association feels that a pharmacist has an obligation to inform the consumer about possible savings (through the purchase of generic-named drugs) (Minutes 1180).

When a physician prescribes a specific preparation it is wrong for the pharmacist to question the professional judgement of the physician with the patient.

6. "...it is surprising to find the PMAC arguing that the costs of drugs in Canada are lower than in most other developed countries. This claim is based on a simple averaging of a selected group of drug prices in terms of labour hours." (Minutes 1184)

In fact, the PMAC brief contained the following statement: "It has been widely maintained that the cost of drugs to Canadians is unduly high in comparison with what is paid in other countries... These comparisons were made in terms of actual prices, translating the foreign currencies into Canadian dollars. They did not take into account either standards of living or earning powers in the countries concerned."

7. "To present a fair picture of the cost of drugs to Canadians, it is, we believe, essential that these factors be related to the prices paid." (Minutes 291)

Interestingly, in his evidence, Dr. English, speaking for CAC, refers to the cost of labour as the first of what he describes as "real costs." (Minutes 1136)

8. The CAC makes a comparison between U.S. and Canadian prices to show the impact of tariff duty and sales duty. (Minutes 1187) This is calculated on the basis that finished goods are imported, not raw materials or even bulk goods. As such, it is by no means representative of the present situation in Canada. In general, Canadian prices are closely comparable with those prevailing in the United States.