

HOUSE OF COMMONS

Wednesday, May 26, 1971

The House met at 2 p.m.

[Translation]

ROUTINE PROCEEDINGS

LABOUR, MANPOWER AND IMMIGRATION

Third report of Standing Committee on Labour, Manpower and Immigration—Mr. Portelance.

[Editor's Note: For text of above report, see today's Votes and Proceedings.]

[English]

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DRUGS

ANNOUNCEMENT OF EXTENSION OF QUALITY ASSURANCE PROGRAM

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I wish to outline a significant extension to my department's drug quality assurance program which I anticipate will be a major step toward the government's goal of reducing the cost of drugs to the public. When operational on a full fiscal year basis, this extended program will cost an additional \$2,355,000 per annum. This amount will be in addition to funds currently being expended in the drug quality assurance area.

The drug quality assurance program will be operated by the Food and Drug Directorate of my department, in co-operation with the Department of Consumer and Corporate Affairs. This program is being built on four cornerstones: drug analysis; intensive inspection of manufacturing facilities; assessment of the effectiveness of drugs on the Canadian market; and provision of information concerning results, along with information on comparative prices, to the health professions, provincial drug purchasing agencies, and the general public.

Provision of information on drug quality and comparative prices will allow physicians and pharmacists to prescribe and dispense lowest-priced drug products of assured high quality. It should also encourage the general public, and other drug purchasers including the provinces, to buy lowest-priced drug products of assured quality, by comparative shopping.

I will not attempt at this time to say more about the program. However, because of the interest of the House in this subject, in accordance with Standing Order 41(2) I wish to table in both official languages a document which outlines the program in more detail.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, the Official Opposition welcomes the announcement of a federal government program aimed at reducing drug costs to Canadians by guaranteeing the effectiveness of lower-cost brand name and generic drugs. There are certain aspects

of the extended federal drug quality assurance program just announced that are of merit. For example, the provision of comparative information on drug quality and prices will be important.

However, the program is inadequate in two ways. It is inadequate to deal with the costs of drugs in the present and the immediate future, and it is inadequate to deal with the larger problems of prescription drugs.

First of all, let us look at the problem of when the impact of the program will be felt. The time frame during which this program is to become fully operational is worrisome. For example, the annual inspection of manufacturing and distributing firms will not commence until 1973. The inevitable lag in publishing results of such inspections means that the information gained from this part of the program alone will not reach the Canadian consumer for several years. Therefore the reduction of drug costs is not an immediate prospect but merely a long-term possibility.

• (2:10 p.m.)

The timing and amount of the financial resources to be expended on this extended program also point to its inadequacy. Only slightly more than 2 million dollars is to be added to the annual budget for the extension of the program, a drop in the bucket compared to the 271 million spent by Canadians buying retail prescription drugs in 1970. The additional allocation will not be fully used until the program is in full operation. The minister does not state when that will be, although my estimate from reading this document is that the full amount will not be utilized at least until 1973 and perhaps later.

For the immediate future, then, the additional funds to be spent can hardly be termed significant for accomplishing the minister's stated aim of reducing drug costs to the public. Many Canadians need a reduction in drug costs now, not in 1975 or 1977. As I stated in the House on March 15, 1971:

—the government should give immediate consideration to the provision of free drugs for all persons in receipt of social services and for graded payments for those on limited incomes who are now covered by medicare.

As I stated then, certain disadvantaged persons such as welfare recipients and old age pensioners suffer most from present high drug costs. Older people have limited incomes but are subject to more medical and drug costs at that time of life than younger age groups.

The second major inadequacy of the proposed extended drug quality scheme is the failure of the government to include this proposal in a larger program to attack the problems of prescription drugs. The government is introducing reforms on a piecemeal basis. As the minister and the government well know, this was part and parcel of the national health plan. As Emmett Hall said when he