

are ensuring the search for new drugs continues in Canada.

**Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)):** Mr. Speaker, I apologize that I did not hear all of the hon. member's speech, but I understand that he has some concerns about the cost of drugs as they will affect seniors.

I would ask the member why he has those concerns. How does he feel that this bill will impact on seniors adversely? It is simply is not accurate to contend that for a number of reasons. First of all, most seniors are covered by drug plans that cover most of the cost of drugs whether they are patented drugs or whether they are not patented drugs. Even for those seniors who are not covered, we are really only talking about a gradual increase of up to 2 per cent by the year 2000. It will actually be 1.7 per cent by the year 2000 which is over nine years. We are talking only about those drugs that are under patent. You must remember that is only a small proportion of the entire drug product that is sold to Canadians each year across the country at retail outlets across the country.

I might also mention that the Liberals had in fact, as I understand it, contemplated rescinding the compulsory licensing regime before they lost the election in 1984, because they too could see that this was a backward step in an increasingly globally competitive world. Therefore I am quite surprised that my colleague would come forward with an objection to the ending of this compulsory licensing regime because clearly the members of the previous Liberal government believed that it was something whose time had come, that it had fulfilled its purpose and should be rescinded.

Perhaps the hon. member could tell me why he thinks prices will rise inordinately when we have a prices review board that has been given additional powers to roll back drug price increases, to penalize, very severely, those offenders who dare to try to raise prices over the recommended level and which can put these people in jail, imprison them, or fine them.

Surely the member must know something I do not if he feels that prices will increase in view of all of these things.

### *Government Orders*

**Mr. Pagtakhan:** Mr. Speaker, history must be quoted correctly. The Liberal government introduced compulsory licensing in Canada and we are proud of that.

Second, it is anticipated by this government in so many documents that I cannot read them all to the House at this time that by the year 1996 it will go even further into the issue of why no prices will increase.

The government has already admitted prices will increase. What else can I say? It has admitted prices will increase, but it has said by only 2 per cent. For seniors on fixed incomes, only 2 per cent. For seniors who may in fact already be poor, only 2 per cent.

The seniors of our country paid their dues during their working years. We cannot afford the national disgrace of saying now that the seniors should give an additional 2 per cent of expenditures for the drugs that they need.

I ask the hon. member if it is true, if it has been admitted. As there is no more time for me to speak further, I would be glad to elaborate outside the walls of this Chamber.

**The Acting Speaker (Mr. DeBlois):** I remind all hon. members that the first five hours of debate have now expired and we begin the period for speeches of 10 minutes maximum without questions or comments.

**Mr. Ken James (Parliamentary Secretary to Minister of Labour):** Mr. Speaker, many things have been said about this bill and what it entails in the last few hours and weeks.

This House and the other place have heard many debates on the subject of patent protection for some pharmaceuticals for some years now, but what this government has achieved since 1987 and what it intends to achieve with these amendments to the Patent Act is nothing less than a concrete and lasting example of providing good, effective government for the people of Canada.

Our government has succeeded in balancing economic growth with consumer protection through its policy on pharmaceutical patent protection. Bill C-91 continues in that tradition, building upon the successes of the 1987 revisions to the Patent Act.

In 1987 this government took its first step to begin to correct an outflow of economic activity in an industry which has traditionally had a strong scientific and manufacturing presence in Canada but which was on its way