

Patent Act—Trade Marks Act

After all, he does not know how long the smaller companies will stay in business. He has confidence in the man he has been dealing with and therefore continues to prescribe the drugs of the larger manufacturers despite the fact that equally effective and cheaper generic drugs are available.

A Crown corporation which would act as an independent marketing agent for some drug manufacturers would gain the public's confidence. The corporation need not be a manufacturer of drugs. Being a crown corporation, involved perhaps in the distribution and marketing of products in which the public could have confidence, it need not spend 30 per cent of the money it takes in pushing sales to doctors. A Crown corporation would have to act in a responsible way because, in the final analysis, it is answerable to the highest forum in this country, this house. The operations of such a corporation would mean that the smaller drug manufacturers could have their products marketed, with the public enjoying full confidence in the quality of those products. That would cut through the entire nonsense of present marketing techniques.

The operating costs of a Crown corporation would not be low because it would need to employ well paid, high calibre people. The great advantage to be gained from a Crown corporation, however, is that we could circumvent present spurious marketing techniques which undermine the public's credibility in drugs. People would have more confidence in drugs approved by the Crown corporation, and that is an important point to consider.

The hon. member for Notre-Dame-de-Grâce (Mr. Allmand) demonstrated the fallacies in an argument raised by a previous speaker. He showed that 95 per cent of all drug patents do not originate in Canada. Any Canadian looking at the facts casually must be shocked. After years of having their own sweet way, the drug manufacturers have undertaken almost no research in this country.

An hon. Member: Parasites.

Mr. Saltsman: My colleague from the west uses strong language, but I think it describes the situation.

Mr. McCleave: You are thinking of insecticides.

Mr. Saltsman: The language is becoming very strong. Perhaps I better continue with my argument.

[Mr. Saltsman.]

Mr. Knowles (Winnipeg North Centre): Tell it as it is.

Mr. Saltsman: I will tell it as it is. Obviously, the major drug manufacturers will not conduct any research in this country. Let's stop kidding ourselves that they will. They will not, despite all the incentives we give them. Most of our drug companies are owned by United States parents, and it makes no sense for them to do research here. Why should our drug companies undertake research here? I suggest that most of the significant Canadian research has been undertaken within government agencies. After all, our government agencies have no United States parents.

Since our Crown agencies have no United States parents they undertake original research work. In fact, such research work has been undertaken only in our universities, Crown corporations and research institutes. Therefore let us stop kidding ourselves that if we allow drug companies larger profit margins we will induce them to undertake research. The value of a Crown corporation such as I suggest ought to be set up lies in the fact that it will undertake research. The money we are spending in support of research—so far that money has brought negligible results—will bring results, and original research will be undertaken in this country.

Canadians search for fields in which they can excel. We have specialized in the production of raw materials, such as forestry products. Canadian grown wheat is greatly admired all over the world. I suggest that we could excel in the production and distribution of generic drugs, which could be made available to the developing countries of the world. We could take a lead in this field, have the know-how, the personnel and the appropriate institutions in which such work could be undertaken. In conjunction with countries like Sweden, Germany, France and Italy we could work towards the objective of producing drugs at low cost to be made available all over the world.

Though drug prices are high in this country, we are fortunate in that drugs are available here. The people of many emerging countries who need drugs do not have access to drugs. If through a Crown corporation we managed to market high quality but low cost drugs in those countries we could break this international cartel that exists only for the purpose of making as great a profit out of us as it can. Any research the cartel does it does with a view to increasing its profits and not