

*Patent Act—Trade Marks Act*

would be remiss in my responsibilities to the house were I to make this statement on second reading too abbreviated.

Here is the important sentence:

My impression has always been that there appears to be needless concern within the drug industry about the effects of the bill.

I tell the Minister of Consumer and Corporate Affairs that this needless concern is demonstrated by the drug companies. I recall the debate on Bill C-190 in the early spring of last year. The drug representatives were lined up in the galleries and there was a constant running back and forth with speeches they had prepared for certain members of the opposition. I looked around yesterday and again today and found there were present very few, if any, representatives of the drug companies. Therefore I am inclined to think they are laughing all the way to the bank with regard to Bill C-102.

I am rather worried about the attitude and action of members of the Progressive Conservative party. In view of the poverty in the maritimes, in Newfoundland and other parts of the country, the high prices paid by the poor people in these provinces and by the sick and elderly, I would have thought there would have been a real spark in the speeches of members from those parts of the country. I notice that the Minister of Defence Production (Mr. Jamieson) agrees with me. These are known as the poor provinces of Canada and the people there suffer as a result of high prices. I have been really sad to watch the performance of members of the Progressive Conservative party and some Liberals in this debate. The only strength they lent to the argument against this bill was the safety factor, and they appeared to be walking on eggs as they made their speeches.

Most Canadians are determined to have safe drugs at reasonable prices. One must look first at the cost of drugs in Canada and ask why the cost is so high. I cannot think of any better authority to quote than one successful Canadian drug manufacturer who is quoted in an article which appeared in the *Globe and Mail* of Tuesday, August 13, 1968. The president of Micro Chemicals Ltd., Gryphon Laboratories Ltd. and Paul Maney Laboratories Canada Ltd. set forth in an interview the problem the small Canadian drug manufacturer is having. The problem is caused by the penetration of foreign ownership. Mr. Speaker, you have heard me and many of my colleagues speak about the problem of foreign ownership in Canada and you

[Mr. Gilbert.]

are well aware of how conscious we are of it. I ask the house to take note of the words of the president of the three companies I have mentioned. He said:

In the past decade, says Mr. Cook, running through a mental list without effort, these Canadian companies have been sold:

Charles E. Frosst and Co. of Montreal to Merck and Co. Inc. of Rahway, N.J.; Elliott-Marion Co. Ltd. of Montreal to American Home Products Corp. of New York; Ayerst McKenna and Harrison Ltd. of Montreal to American Home Products; Frank W. Horner Ltd. of Montreal to Carter-Wallace Inc. of New York; L. D. Craig Ltd. of Toronto (Bell-Craig Pharmaceuticals) to Denver Chemical Manufacturing Co. of Stamford, Conn.

That is just a list that he gave from memory of Canadian firms which have been sold to foreign companies. Then he said:

Some of these, like Frosst, Ayerst and Frank W. Horner, had been giving Canada an international reputation in drug-making. They were also providing the country with a competition in drug marketing that has practically disappeared, Mr. Cook says. Competition now is strictly in the marketplace, depending mainly on how good the companies' sales and advertising campaigns are.

The article continues:

The solution was to tackle the large companies in the area of the money-making drugs to which the large companies alone had patent rights.

Here you have a successful Canadian manufacturer setting forth what is probably the main reason why there is so little control over drug prices. The reason is that foreign ownership has gained the day and dictates to the Canadian public the price it should pay for drugs. This is a sad commentary on our government, a government that pretended to be concerned about foreign ownership, set up the Watkins commission and received its report but did nothing about it.

I am sure the minister will agree that a more important factor in the cost of drugs depends upon the stroke of the doctor's pen when he writes a prescription for his patient. When I speak to my doctor friends they say, "Mr. Gilbert, I always put in the prescription the generic name of the drug." Sometimes I wonder just what doctors set forth the brand names, because the culprit appears to be the brand name drugs with their high prices. I think that most druggists are dependent on a medical book called the *Vade-mecum*. I had not heard of it until a doctor friend of mine told me that the *Vade-mecum* is the bible that doctors use in prescribing drugs. Many doctors thought it was a public book, but in point of fact the *Vade-mecum* is compiled by a commercial firm which sells space to different drug companies throughout the country, and