

*Patent Act*

**Mr. Redway:** Point of order. Mr. Speaker, perhaps the Right Hon. Member, his party, and the House, will unanimously agree to allowing me to put a question to him.

**Some Hon. Members:** Agreed.

**Some Hon. Members:** No.

**Mr. Andre:** I wonder if the Right Hon. Leader of the Opposition (Mr. Turner) would consent to one short question?

**Some Hon. Members:** No.

**Mr. Andre:** I was just asking if the—

**The Acting Speaker (Mr. Paproski):** Is the Minister asking a question or standing on a point of order?

**Mr. Andre:** Yes, just one short question.

**The Acting Speaker (Mr. Paproski):** Before the Hon. Minister asks the question I must have unanimous consent.

**Mr. Turner (Vancouver Quadra):** If you want some advice I will be glad to give it to you privately, Andre.

**The Acting Speaker (Mr. Paproski):** Is there unanimous consent?

**Some Hon. Members:** Agreed.

**Some Hon. Members:** No.

**Mr. Andre:** Then debate.

**The Acting Speaker (Mr. Paproski):** The Hon. Member for Ottawa West (Mr. Daubney).

**Mr. Andre:** On debate.

**The Acting Speaker (Mr. Paproski):** On debate?

**Mr. Andre:** Yes.

**The Acting Speaker (Mr. Paproski):** The Hon. Minister of Consumer and Corporate Affairs (Mr. Andre) on debate.

**Hon. Harvie Andre (Minister of Consumer and Corporate Affairs):** Mr. Speaker, the question I was going to ask—

**Mr. Ouellet:** Point of order. He has already spoken.

**The Acting Speaker (Mr. Paproski):** Order, please.

**Mr. Andre:** This is on the amendment, Mr. Speaker.

**The Acting Speaker (Mr. Paproski):** Before anyone else rises on a point of order, the Hon. Minister spoke on the main motion but not on the amendment. He is entitled to speak on the amendment. I recognize the Hon. Minister on debate.

**Mr. Andre:** Mr. Speaker, in 1968, when the Right Hon. Leader of the Opposition (Mr. Turner) was proud to bring in

changes to the Patent Act, he said that drug prices in Canada were the highest in the world.

**Mr. Turner (Vancouver Quadra):** Among the highest, I said.

**Mr. Marchi:** Next to the States.

**Mr. Andre:** Next to the States. Actual expenditures in 1968 in Canada on drugs were 84 per cent of the estimated cost of those drugs in the U.S. That comes from the Eastman report.

**Mr. Turner (Vancouver Quadra):** I said they were among the highest.

**Mr. Andre:** In fact I have a paper prepared by Dr. George Platt, an employee of the Government at the time the Right Hon. Leader of the Opposition was Minister of Consumer and Corporate Affairs. That paper points out that the investigation carried on by the Department and the various commissions and committees that looked into drug prices was based on false data. That data was supplied by the then Restrictive Trade Practices Commission which claimed that prices in Canada were higher than they were in the U.S. Based on that false data people worked themselves up into a lather, including the then Minister of Consumer and Corporate Affairs, now Right Hon. Leader of the Opposition, and he removed patent protection.

Canada was the second country to do that, the first being Mussolini's Italy which changed back in 1955. The fact is that prices in Canada at that time were 84 per cent of what they were in the U.S., or about the same ratio that exists today. Very little happened, except we removed patent rights.

The Right Hon. Leader of the Opposition talked about the savings Eastman identified. He said in 1983 there were savings of \$211 million. That is in Table 7.7 at page 315 of the Eastman Report. There were 32 generic drugs in Canada at that time which generated this \$211 million. I asked my Department what would happen if Bill C-22 were in place in 1983, what would be the savings? The savings would be between \$230 million and \$366 million. The savings would have been greater because of Bill C-22 in 1983 than under the existing system.

**Some Hon. Members:** Oh, come on.

**Mr. Andre:** I will explain why. If the gentlemen who have so much to say and who have not read the Eastman report, upon which they are apparently basing their position, would look at Table 9.3 which lists those 32 drugs, they will find that every one of those drugs except one would be past the ten-year market exclusivity period. There would be generic competition under Bill C-22 for 31 of those 32 drugs. Only one drug would not have a generic competitor in 1983. However, there would have been in place a Drug Prices Review Board to hold down the price of the 80 per cent of drugs where there was no generic competitor, single source drugs, to the cost of living.