

Adjournment Debate

realize that prices will go up and that they will be stuck with higher bills.

• (1815)

The Minister of Health for Nova Scotia, for example, says that the increased expenses to his province's pharmacare program will not be offset by the money offered so far by the federal Government.

I call upon the Government again to release all the cost impact studies it has done regarding the changes proposed to the Patent Act because Canadians have a right to know exactly how much it will cost them as a result of the Government's action. We know even before we start that it will cost them \$100 million in the first four years. If the Minister or the Government does not understand that this will be paid by Canadians, it will be the first Bill that Canadians will have to foot as a result of the amendment the Government is proposing to this Act.

• (1820)

[Translation]

Mrs. Gabrielle Bertrand (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I want to give the Hon. Member the assurance that none of the proposed amendments to the Patent Act will increase the prices of the 3,000 drugs available on the Canadian market.

The competitive pricing brought about by the generic sector will continue under the new policy, since generic products now on the market will not be affected by the proposed changes. Furthermore, the new compulsory licences will continue to be granted to generic producers as soon as the compliance period for patented products expires.

Furthermore, the proposed amendments to the Patent Act provide for establishing a Patented Medicine Prices Review Board, which will be authorized to review prices of all patented medicines. If a price is declared excessive according to the standards set by the Board, the latter will be empowered to impose sanctions on the producer. The Board can then prescribe a reasonable price level. It can also revoke the compliance period for the medicines concerned or for any other medicines sold by the manufacturer.

To set standards for evaluating the prices of medicines currently on the market, the Board will be authorized to consider the prices of other medicines in the same therapeutic class, the prices at which the same or similar products were sold in the past, prices charged in other countries, the costs of making and marketing the medicine, the rate of increase of the price of the medicine compared with the Consumer Price Index, and any other factor the Board deems relevant.

In the case of medicines being brought on the market for the first time, the Board will be authorized to set an entry price on the basis of factors similar to those mentioned earlier.

The Patent Act requires every manufacturer to provide the Board with the information it needs to carry out comparative

analyses. Failure to do so will be dealt with in exactly the same manner as the setting of excessive price levels. In this way, the Board can be certain it will obtain the information it needs to determine whether medicine prices are reasonable.

Finally, the Bill contains provisions that allow for a review of the legislation, four years and ten years after its implementation, at which time the price trends for medicines and the level of industrial benefits will be analyzed and, if necessary, adjustments made to the original legislation.

CONSUMER AFFAIRS—POSSIBLE GASOLINE PRICE INCREASE—(A) DELAYED IMPLEMENTATION ON BEHALF OF CONSUMERS (B) GOVERNMENT MEASURES TO GIVE EQUALITY OF TREATMENT TO CANADIAN CONSUMERS

Mrs. Thérèse Killens (Saint-Michel—Ahuntsic): Last October 30, Mr. Speaker, I asked the Minister of Consumer and Corporate Affairs (Mr. Andre) a question concerning gasoline prices at the pump.

• (1825)

It is quite normal that gasoline prices should go up or down according to supply and demand, on both domestic and international markets. What is not normal is that when oil prices go down the impact is not as quickly felt at the pump. Yet when the price of crude oil increases the consumer can feel the impact very rapidly at the pump. Consumers are fully aware of this phenomenon, and recently this prompted Consumers' Association of Canada President Sally Hall to state:

The oil industry claims that it takes between 75 and 100 days before lower oil prices are reflected by a decrease at the pump. (...) Therefore the same time lag should exist whenever prices go up.

As he said in his reply last October 6, the Minister can tell us that the federal Government has no constitutional authority to set gasoline prices. Fair enough. He might also tell me that he can only do his best to make sure that market prices remain as competitive as possible. I agree. But, Mr. Speaker, if we go back a few months when oil prices were going down for every customer, much more rapidly elsewhere in the world than in Canada, the federal Government—it has no constitutional authority, the Minister said—did send a telex to the oil companies to ask them to reduce gasoline prices at the pump. It had become obvious that the oil companies were dragging their feet and seemed in no hurry to lower prices at the pump.

Under pressure from the Opposition, the Minister of Energy, Mines and Resources at the time sent a telegram to the oil companies. Its purpose was to ensure there would be a speedy cut in the price of gas. Did she have any constitutional authority? No, but she did have, still has and always will have, a moral authority and obligation to do so. Mr. Speaker, I think the same moral authority and obligation is binding on the Minister of Consumer and Corporate Affairs.

The Minister may answer, as he has done on several occasions in this House, that the Director of Investigations and Research in the Competition Branch is monitoring petroleum markets directly. Mr. Speaker, the Director does this under the provisions of an Act of Parliament. In fact, it seems Petro-