

Mr. HOWE: I can assure my hon. friend that it has been very carefully considered. I doubt whether the national research council could carry out the responsibility it is taking under this act without the right to sell. For example, it appoints a university as an agent. Suppose that university develops something that is patented and asks the national research council to sell the patent for the account of the university. Surely it should have that right.

Mr. PROBE: That is as agent.

Mr. HOWE: If it cannot sell a Canadian patent, then it cannot sell it; that is all. Let us take another case. Supposing a milling company came to the research council and asked them to carry out certain research work at their expense. Technically, anything that was arrived at by the staff of the national research council would be the property of the council, and it would be necessary to sell the discovery back to the milling company in order to give it value for the payment it had made. I am simply putting a hypothetical proposition. This policy was not invented by parliament; it has been the practice of the national research council since its inception. For this parliament to take this opportunity to move in and impose restrictions on the activities of the council is, to my mind, not only unwise but immoral.

Mr. COLDWELL: I believe it is immoral for us to give rights that may lead to monopoly.

Mr. HOWE: We are giving no rights.

Mr. COLDWELL: As far as my opinion goes, I would not give an exclusive right by law for the use of a patent to anybody. I think the time has come when we have to protect the Canadian public against the kind of patent scalping we have had in this country for a long time. The minister gave the example of a milling company. If the milling company hired scientists to do a particular job in the way of developing a particular process and they were successful, I suppose that would be their property?

Mr. HOWE: Not under the act.

Mr. COLDWELL: Unless an agreement otherwise is made. I should like to see it provided that any patent obtained by the national research council shall be held permanently as an asset of the crown and leased, if necessary, to those who can use it. I do not want to see these patents sold within Canada for the exclusive use of anyone.

Mr. HOWE: They never have been.

Mr. COLDWELL: It seems to me that a simple change in this section would meet the difficulty. We are anxious to support the minister with his bill.

The ACTING CHAIRMAN (Mr. Golding): Does the hon. member for Kindersley (Mr. Jaenicke) wish to have his amendment stand?

Mr. PROBE: Unless we can have a compromise.

Mr. JOHNSTON: The minister referred to a university which might develop a patent and then give it to the research council to sell as agent. It seems to me that that would not require legislation because they would be acting merely as agents. As far as the milling company is concerned, if the research council developed a certain process it seems to me there would be grave doubt as to whom the patent belonged to once it was developed. A milling company might pay a scientist to develop a patent, and if it paid all the costs, probably the resultant patent would belong to the company. In that case you would not need legislation because the patent would already be the property of the milling company. The same is true of a university which developed a patent and gave it to the research council to sell as its agent. I do not think that would require a statute. The same would be true of United States concerns that put a patent into the hands of the research council as their agent. I do not think that would require a statute. The agent could go ahead legally and sell the patent wherever he wished. So it seems to me that "sell" is redundant and unnecessary. The minister has certainly not convinced me that these words are necessary, and if they are not necessary and redundant they should be struck out.

Mr. HOWE: I think my hon. friends are quite mistaken. Section 8 reads:

11. (1) All discoveries, inventions, or improvements in processes, apparatus or machines made by a member or any number of members of the technical staff of the council or a company and all rights with respect thereto shall be vested in the council.

That covers the milling company case.

Mr. JAENICKE: But you are repealing that.

Mr. HOWE: No.

Mr. JAENICKE: Yes, you are repealing it by section 8.

Mr. HOWE: That is right.

Mr. COLDWELL: That makes all the difference. Could this section not stand over?