

information is that the process was made available to the Saskatchewan wheat pool. The argument was that this organization has large quantities of low-grade wheat in its possession from time to time, and that it would be the logical organization to manufacture.

On what terms would a process, such as the making of glycol from wheat, be made available to the wheat pool? Is it sold, or what charge is made for turning over the process?

Mr. HOWE: No Canadian patent is involved in the process of making glycol from Canadian wheat. It is a well known process. We give them the information, as one government to another. I believe there is no charge, as a rule.

Mr. COLDWELL: Some of us, and probably also the hon. member for Vancouver South, are interested in securing patents for the Canadian people with the title remaining in the crown. I can understand the minister's point of view when we are acting as the agent, say for the United States, or if we are sending a patent to Egypt; the probability is that we would sell for the United States or sell for ourselves in Egypt. Could this section not be so worded that there would be no doubt that what we have in mind is that we license or grant in Canada and authorize the council to sell on behalf of another government or beyond the borders of Canada?

Mr. JOHNSTON: If the Canadian government had a patent in connection with which they were negotiating in Egypt, what would stand in the way of the development of an Egyptian company by the Canadian government, merely granting them permission to use the patent on a royalty basis? I cannot see any reason why a company in Egypt would refuse to go ahead and manufacture on a royalty basis and not go ahead when it was not on an outright sale basis. I cannot see the logic of the minister's argument.

Mr. HOWE: The policy that we are discussing to-night is not a policy imposed by parliament upon the national research council, it has been the policy of the national research council since its inception not to sell its own patents in Canada but to grant non-exclusive rights. We are not changing that policy. It is contended that under the present act it was not possible to sell, but they have been selling for years. I doubt if they have been violating their own act.

Mr. JAENICKE: Not in Canada.

Mr. HOWE: They have been selling foreign patents in Canada as agents for other governments, and they have sold their own

patents abroad. I do not think anyone will argue that there is anything in the present act to prevent them from selling a patent. In any event, it is not the intention to change the policy of the national research council, and for that reason I see no purpose in restricting the generality of the present bill.

Mrs. STRUM: Is this bill bringing the act into harmony with the practice?

Mr. HOWE: Yes. It is not changing the previous act particularly. I contend that the previous act gives authority to sell. The purpose of this is not to change the policy that has been the policy of the national research council since its inception; it is simply to clarify the language.

Mr. ZAPLITNY: I am far from satisfied with the explanation that has been given. It is stated clearly in paragraph (i) of section 7, "to license or sell or otherwise grant." Then it says, "any other rights, vested in or owned or controlled by the council." It is definitely changing the policy, if the policy has been not to sell patents that are owned by the council in the name of the crown. It states here, "or owned or controlled by the council." If it is not the intention to sell patents in Canada that are owned by the council, then that is not stated here.

I think what is required is a revision of paragraph (i). I believe that a new subsection is needed so that these patents may be handled in Canada for Canadian industry, as well as patents for other governments or for this government beyond the borders of Canada. I think it would be well to let the section stand and reword this paragraph because we shall talk about it for two hours and not get anywhere. I do not think the committee is satisfied with the explanation.

Mr. COLDWELL: I believe the hon. member for Dauphin has made a suggestion which should be followed. There is a general feeling, not only in this house but all over Canada, that in many respects the patent business is a great evil. We are anxious to see that this bill shall not give some future council some powers which we do not want to give out. I do not think any patent in the hands of the crown should be sold. I have no objection to making a patent available to business, but it should not be on an exclusive basis. I suppose, when we come to the Combines Investigation Act, we shall have an opportunity to go into this whole evil of patents. There are some examples of it in the field of radio and so on. I certainly object to the paragraph as it is worded; I think it needs rewording as the hon. member for Dauphin has suggested.