

Plant Breeders' Rights

ing that period. Thus during the process of applying there are protection safeguards in place.

Regulations will be introduced on a species by species basis and priority will be given to those species of major importance to Canadian producers. Coverage of all major crops will take several years to complete. An advisory committee representing all interested parties will be established to advise on the administration of the legislation.

Generally, these are the main provisions of Bill C-15. I am confident that the Bill deals fairly and directly with the major issues involved in plant breeders' rights.

I would also like to deal with some of the concerns that have been expressed. I understand and appreciate the concerns. I want to deal with them hopefully in a manner that puts these issues into proper perspective. However, I also hope that the committee will deal with them fully as well, since that is clearly the place to have these issues clarified.

One of the main concerns is that government plant breeding programs will decrease as a result of plant breeders' rights. This is simply not our intention and it will not be the case. We believe it is essential to maintain a strong government plant breeding effort. The purpose of the legislation is to ensure more and not less plant breeding research, particularly by stimulating the private sector efforts. We believe that the royalties will help in pursuing that initiative. This increase in private sector plant breeding will complement the federal Government's activities and will in no way diminish our ongoing commitment to breeding, research, and variety development.

Crop research is the mainstay of this Government's agricultural research effort. In fact, more than half of Agriculture Canada's research dollars is spent on crop research, and 23 per cent of that amount goes directly toward plant breeding. Federal spending on plant breeding research during the past 10 years approached \$200 million. This year alone more than \$23 million will be spent on plant breeding. So it is not surprising that Agriculture Canada will be the main beneficiary, initially, of plant breeders' rights legislation for most crops. For example, 84 per cent of the cereal and oilseeds acreage grown on the Prairies in 1988 were Agriculture Canada varieties. Agriculture Canada has been in the business. It is in the business, and it will continue to be in

that business. In a few years, this could involve up to \$4 million in royalties for future research and plant development.

• (1130)

I am pleased to inform the House that Treasury Board has approved a plan whereby a substantial portion, 60 per cent of the federal royalty funds, will be funnelled back into public plant breeding programs. That should remove any doubt about this Government's strong commitment to public plant breeding in Canada. I think that for the first time we have a clear example where we can replenish the dollars that are spent on plant research in an orderly and positive fashion.

A second concern that has been raised is that the market will be flooded with inferior varieties. This will not happen. As I said earlier, the strengthened Seeds Act ensures that all new agricultural varieties are properly tested. They must perform as well or better than current registered varieties.

As for fears about genetic uniformity, this legislation if anything ensures against that danger. By encouraging greater investment in plant breeding programs, the legislation helps to increase the opportunities for genetic diversity. Varieties will only receive rights if they are different from existing ones.

Another concern that has been mentioned is the possibility of domination of the seed industry by multinational companies. This fear, more so than any others, has been greatly exaggerated.

Let us look at the facts. The vast majority of plant breeders in Canada are at Agriculture Canada and at our universities. We should also recognize the many small, often independently owned businesses that are involved in the seed industry. Most pedigreed seed is sold by Canadian farmers who are seed growers, or by Canadian farmer-owned co-operatives. Multinational corporations play a relatively minor role. I do not expect that this balance within the industry will change radically as a result of plant breeders' rights legislation.

There are also concerns that have been mentioned that royalty charges will be unreasonable and that seed costs will increase dramatically as a result of this legislation. It is fair to say that the average price of seed may increase as researchers recover part of their investment. I think that is only fair. We believe that any increases will