

would have no right that is not enjoyed by the national research council itself. As I stated before the recess hour, the provisions of this bill are few in number and simple in language. As we pass into committee, I do not think hon. members will have any difficulty in agreeing with the government as to the desirability of the proposals that are now being placed before the house.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Golding in the chair.

On section 1—Definitions.

Mr. MacNICOL: I am not going to make any extended remarks on this section or on the bill, but I want to express the fears that I have expressed before as to the gigantic business into which the government is apparently going to enter. I am a private enterprise man and I believe that private enterprise can do a job better and at less cost than the government. After the results of experiments have been arrived at, I submit that private enterprise can carry on better. I am afraid of what this country is going to get into.

The minister was a big business man, and I often think he must laugh to himself when he looks back at the days when he had to figure everything carefully on a business basis and compare that with what is going on today, with the possibility of the government setting up a long line of businesses. I am not going to oppose the bill, but I am not in favour of that sort of thing.

There is nothing new about a research council. The Ontario government set up a research council in 1928, and I understand that the dominion act was passed in 1924. It was around 1924 that I went out of business. The Ontario set-up is entirely different from what is now before the committee. I should like to read from the Ontario act which is chapter 57 of the statutes of 1928:

1. This act may be cited as the Research Foundation Act, 1928.

2. There shall be established a corporation to be known as the Ontario Research Foundation, hereinafter called the "foundation," which shall consist of such persons as may from time to time be designated by the lieutenant governor in council to be members of the foundation.

3. The objects of the foundation shall be the carrying on of research work and investigations having for their purposes,—

(a) the improvement and development of manufacturing and other industries by the introduction of advanced methods and processes;

It was felt by manufacturers and others that the government could assist them materially along general lines, and it was for that reason the foundation was set up. They

[Mr. Howe.]

became members of the foundation and subscribed in amounts of \$100 or more. The particular section reads:

6. (1) The foundation may enter into an agreement in writing with such persons as may desire to become subscribers to the foundation for receiving from such persons subscriptions of money in sums of \$100, or multiples thereof, until the sum of \$1,000,000 has been subscribed.

In 1929 there was an amendment to permit of a total of \$2,500,000. The basis of the Ontario foundation was to give direct service to the whole manufacturing industry. It was something to which they themselves subscribed. If anything worth while was discovered, the action to be taken was set out in section 10 (a), as amended in 1929, which reads:

The foundation may apply for, or acquire by purchase, assignment or otherwise, rights in any patent of invention for industrial or other processes of any nature or kind whatsoever, and may sell and dispose of the same, or any interest therein, and grant or assign any rights which may be acquired by the foundation thereunder.

I do not take it, either from the act of 1928 or the amendments of 1929, that the foundation was to do any processing of the patents obtained. They were to dispose of them, and in my opinion that is the right thing to do. I have nothing but the highest regard for the minister and I realize the tremendous activities he has carried on. I know he has a great knowledge of affairs in general, and particularly of business affairs. I cannot figure out why he has not followed the programme which was set up by the Ontario government. There will be no limit to the number of plants that may be set up under this bill, and there is no limit to the total cost. The minister is a business man, and he knows just as well as I do that the government cannot begin to do anything of a business nature at anything like the cost that private industry can do it.

The minister has two striking examples of this before him. The first is the Abasand Oil company at Fort McMurray. He says he did not put that through, but I find his name all through the agreements with the old Abasand company and the crown company which took the place of the old Abasand company. Then there is Dominion Magnesium, On May 21, 1943, I asked some questions which were answered by the Minister of Trade and Commerce (Mr. MacKinnon). I do not know why they were answered by that minister. I asked how much capital was at that time invested in Dominion Magnesium and was informed that the capital cost was \$3,349,504.03. In reply to further questions I was informed that the working capital was \$820,000, or a total capital of \$4,169,504.03; that 1,186 tons