

industry also has been carrying on extensive research. There are all these ways of developing research in Canada.

We doubt very much the wisdom of putting the research council into business. Its name has been made by research, not by doing business, and yet there are changes in this bill which indicate that from now on the research council may be put into business, may be operating companies. As an example, the minister said that the council may be operating a plant at Chalk River. There is also the suggestion that it might be carrying on mining operations in the northwest territories, where uranium is found. We suggest to him that the research council is not designed for that type of work, and if there is placed upon it the responsibility for carrying on such operations, it is possible that the efficiency of the council will be undermined.

The house has not been given complete information with regard to the policy on patents, and we would like to have further explanation from the minister. We do notice that section 11 of the Research Council Act had this provision with regard to patents:

All discoveries, inventions and improvements in processes, apparatus or machines, made by a member or any number of members of the technical staff of the council shall be vested in the council and shall be made available to the public under such conditions and payment of fees or royalties or otherwise as the council may determine, subject to the approval of the governor in council.

I direct attention particularly to the words "shall be made available to the public". I take it that the intention, when the Research Council Act was passed originally, was that any inventions of officers of the council, who are public servants, would be made available to any Canadians who could use them in carrying on their business. I would ask the minister if there has been any change in that policy. Those words do not appear in the bill before the house, and it may be the intention now to make money out of these inventions —

Mr. HOWE: It always was.

Mr. GREEN: —and that if an officer of the council makes an invention, it shall be sold to the person who can pay the highest price. The minister had something to say on the point on May 27, as reported at page 1898 of *Hansard*. I quote:

Discoveries of the national research council are patented and it is now the practice to patent all discoveries of reasonable value. Many are in use and many patent holders already pay fees to the council for the use of the patents. Hon. members will agree that anyone wishing to use a patent of the national research council should pay its full market value, and it is to obtain the revenue that should properly

[Mr. Green.]

come from the patents of the council that the proposed corporation to handle patents is to be established.

We must consider where a policy of that kind may lead. Let us suppose for example that an invention of an officer of the research council is sold to a firm which forms part of a cartel. In such event the research council is, in effect, helping to strengthen cartels. In so doing it may be going directly contrary to the ideas expressed in the report on Canada and International Cartels which was brought in by Mr. F. A. McGregor. It may also mean that Canada would be helping in the formation and functioning of international cartels. Surely that is not the purpose for which the research council was set up. I would refer hon. members to page 45 of that report, where we find a section dealing with the relation of patents to cartels and combines. Mr. McGregor sets out, for one thing, the following:

The essential purposes of the patent law of Canada are expressed in the following extract from section 65 of the Patent Act:

"Patents for new invention are granted not only to encourage invention, but to secure that new inventions shall so far as possible be worked on a commercial scale in Canada without undue delay."

I suggest it should be basic that, rather than having patents sold, for example, to one firm, inventions made by research council officers should be made available as widely and as quickly as possible to all Canadians who can make honest use of them. In any event, in his speech this afternoon the minister used words which indicated that these patents were to be exploited in the public interest. He should go a good deal farther in explaining what he means by that statement.

I now come to the provision for the setting up of crown companies. This is contained in section 9 of the bill, where it is set out as a new section 14 of the Research Council Act giving the research council power to incorporate crown companies. This of course is done with the approval of the governor in council. Under this provision the research council will now have the right to form any number of crown companies. The minister was asked about this during the debate on the resolution. The discussion on the point is reported at page 1897 of *Hansard* as follows:

Mr. Howe: . . . I have no desire to limit the number of companies which the research council can have. If it needs twenty, then it should have twenty.

That, of course, is carrying this business of crown companies much farther than it has been carried hitherto, because until the introduction of this measure, crown companies were set up under the minister's department. Here,