

that certain electrical equipment, say a lamp globe, is manufactured legally and properly in the United States under the patent, paying a royalty to the owners of the patent in the United States. My contention is that there ought to be nothing in the patent law which would prevent anyone from bringing those goods in from the United States, provided the patent laws of the United States have been complied with and the required royalty been paid. But that cannot be done; is prevented. The patent therefore tends to operate as a super-tariff against the importation of the goods. The facts can be easily ascertained; there are records of cases in the courts, and I have a file giving many illustrations. Such simple things as ordinary electric light bulbs can be brought into this country, all the rules regarding payment of royalty complied with, and the duty paid, and they can be offered for sale in Canada at twenty, thirty, forty and sometimes as much as fifty per cent below the price charged by the owners of the patent in Canada. In such cases it is obvious that the owners of the patent here are using, or usurping I might say, their powers under the patent act in order to impose a restrictive duty against the importation of these goods. Assuming this statement of the position is correct, and I submit it can be demonstrated, I say there should be some power such as this law might give which would enable the proper department of the government and the officers of the crown to examine into the matter and see whether or not those who control these patents in Canada are committing an offence likely to operate to the detriment of and against the interests of the public, as described in this bill. My contention is that we ought to have some law which would make that practice impossible. That is one of the reasons why I welcomed the Board of Commerce Act, I think it was called, which is still on the statute books, because under that act we were supposed to set up a board before which merchants who might think they had been badly treated could appear and have their complaint heard. I sincerely hope that the government will not overlook the bringing of that board into active operation at the earliest possible date. But I submit that, inasmuch as such a condition may arise, and indeed exists to-day, it is highly desirable that there should be provisions in this law which would enable those who administer it to act in case such a matter is brought to their attention. I want it to be perfectly clear that in saying that I am not criticizing the general provisions of the patent act, which, properly interpreted, I think are just and fair. It is these abuses that I have mentioned

that I seek to stop. I am not a lawyer; I do not presume to pass any opinion on the law, but I say that the practice now in vogue under the provisions of the patent act is an abuse of privilege and operates to the detriment of the public. Therefore I suggest that before this provision is abandoned or changed that situation should be considered.

Mr. CAHAN: I understand that this clause is to stand.

Mr. ROGERS: Yes.

Mr. CAHAN: In the meantime the minister might consider dealing with the provision in section 65, subsection (2) clause (c) of the Patent Act, 1935, which declares it to be an abuse of the patent rights if the demand for the patented article in Canada is not being met to an adequate extent and on reasonable terms. If there is an abuse, not only has the commissioner the right to intervene, but my memory is that the attorney general has the right of intervention in certain cases in order to have the patent declared void by the Exchequer Court.

Mr. ROGERS: Then section 2 will stand for the time being.

Mr. BENNETT: It might be well for the minister to keep in mind the proviso that was inserted when these bills were submitted to counsel, as well as to the law officers of the crown in 1935:

Provided that this subsection shall not be construed or applied so as to limit or impair any right or interest derived under the patent act, 1935, or under any other statute of Canada.

That was put in there deliberately on the advice of counsel to whom these bills were referred. Answering the question of the hon. member for Selkirk (Mr. Thorson) I am quite aware of the fact that the senate made the change along the lines suggested by the Prime Minister this morning, and for the simple and obvious reason that we were endeavouring to maintain the act just as it stood, except that it should be dealt with by a commission rather than a commissioner. That was the real reason behind it. If the hon. gentleman will look at the Combines Investigation Act as it was passed, he will find that in every instance we endeavoured to maintain the sections as they stood for the purpose of preventing purely political attacks, it having been alleged that we had endeavoured to weaken the provisions of the combines act when we provided that a commission should deal with them and not a commissioner. Some ten or fifteen changes were made by the senate, to one of which reference has been made. I had not remembered it until this morning, when I saw the