code as it stands. There is no punishment because one of the parties to the conspiracy happens to be a patentee; the punishment ensues because he happens to be conspiring to something that is illegal. But I am talking about a particular person, a patentee, who has secured from the Dominion of Canada and all other nations that are parties to the Hague convention a patent which gives him the exclusive right to produce a given commodity for a given period of time. The limitation as to time is the safeguard of the public on the one hand, and the limitation of time within which he shall begin production is the public's safeguard on the other. In other words it ensures that the public shall get the benefit of the invention within a limited time, and, secondly, that the public shall not be oppressed in respect of price beyond a given period. That is to say, the idea is no longer an idea that can find expression solely through one particular means, but one that anybody can use.

Mr. GLEN: Suppose the owner of a patent, in conjunction with the owner of another patent of a similar type, carried on some particular business; would he not have destroyed the monopoly created by the grant of the patent and have become subject to the provisions of the combines act?

Mr. CAHAN: Under the statute, any third party interested in such a case may secure a licence to use the patent at a royalty to be determined by the commissioner. If my hon. friend will look at the Patent Act of 1935 he will see that sections 65 and 66 deal with the exclusive right.

Mr. GLEN: My hon. friend has not got my point. When a man is operating under a patent and someone else has also a patent of a similar kind and they combine to operate both patents, each having an interest in his own, but one patent supplementing the other, is not that a combination under the provisions of this act?

Mr. BENNETT: It is punishable, not because they are patentees, but because they have combined. That, however, is beside the question at the moment.

Mr. THORSON: I listened with interest this morning to the discussion of the definition section. With regard to the expression "likely to operate" I would point out that it has been in our law since 1919. It was in the Board of Commerce Act of that year.

Mr. BENNETT: Which was held invalid.

Mr. THORSON: Yes; and it has been in the Combines Investigation Act since 1923. The term has been in our law since that time. In the session of 1935 Bill No. 79 came before the house, and that bill contained the same expression, "likely to operate" to the detriment or against the interest of the public. That bill passed the house on June 20 and went to the senate. The senate made an amendment, substituting for the words "likely to operate" the words "designed to operate." When that amendment came back from the senate the House of Commons adopted a motion of non-concurrence in the amendment, pointing out that the expression "designed to operate" would make it very difficult to do anything with the statute for the reason that intention would have to be proved and that it would be hard to prove any such intention. That motion of non-concurrence was intimated to the senate and the senate did not insist upon its amendment, with the result that the phrase "likely to operate" was restored to the law. In other words, that phrase has been a part of the Combines Investigation Act ever since 1923. Why then should hon. members opposite at this stage seek to change that part of the act?

Hon. H. H. STEVENS (Kootenay East): I wish to say a word or two on this question as it may be affected by the interpretation clause. All that has been said regarding the wording of the Patent Act and the protection of the public, with respect to patents, against failure to manufacture, appeal to the commissioner, and so on, is perfectly sound and I quite agree with it. But there is another phase of the question which I think has not been present in the minds of the committee, at least this afternoon. There is for instance one group in this country, the electrical group, comprising I think five large firms, who manufacture a great variety of electrical equipment and own hundreds of patents. These firms have combined—I am not saying illegally at present; they have one firm of solicitors which acts for the associated firms, and when a merchant attempts to bring goods in from outside on which they have patents in Canada they invoke the terms of the patent act and contend that such goods are illegally offered for sale in this country. The firm of lawyers representing these five large electrical firms will notify such an importer, and there have been cases in which actual action has been taken against the importer. The theory of course is that the patent act grants to the owner of the patent the right to manufacture and distribute those goods. But this patent law is the outcome of an international agreement to which we are parties. This international agreement provides that the goods may be manufactured in the various countries where the patents are registered. Assume