

The ACTING CHAIRMAN (Mr. Golding): Order. Section 7 is carried.

Some hon. MEMBERS: No.

Mr. COLDWELL: It was the amendment which was lost, and when the amendment was lost the section was not carried.

The ACTING CHAIRMAN (Mr. Golding): Yes; I said that section 7 was carried.

Mr. COLDWELL: No; my hon. friend was on his feet.

Mr. HOWE: Let us go back to it.

Mr. MACKENZIE: It was declared "carried," but I think we might revert to it.

The ACTING CHAIRMAN (Mr. Golding): The amendment was lost, and then I asked if section 7 was carried. As far as the chair is concerned it is carried. If it is the wish of the committee to revert to section 7 I am in their hands.

Mr. MACKENZIE: Yes.

Mr. ZAPLITNY: As I pointed out, I was on my feet before it carried.

Mr. MITCHELL: Do not argue about it. We have gone back to it.

Mr. ZAPLITNY: I will not argue about it now. I was pointing out that two types of patents are involved: first, patents developed and owned by the research council. Then there are those of which the minister spoke, which are held on behalf of this country or other countries by the research council which acts as agent for these patents. In order to avoid confusion, it is quite clear that we shall have to have another paragraph dealing with the other half of this question. Unless they are separated we are definitely giving the research council the right, almost an instruction, to sell patents to private enterprises or private industry, if you want to call it that. Regardless of what the minister may say as to the policy of the council, we are taking the responsibility for this legislation; we are passing on it; from now on parliament will be responsible for this act, and I for one will not agree to have it stand as it is.

Section agreed to.

On section 8—Discoveries and inventions vested in council.

Mr. FRASER: I wonder whether the minister or the research council has made any provision for rewarding the technicians who may make a discovery. Do you reward them in any way?

Mr. HOWE: Section 11 of the act states:

2. The council, with the approval of the governor in council, may pay to its technical officers and to others working under its auspices who have made valuable discoveries, inventions, or improvements in processes, apparatus and machines such bonuses or royalties as in its opinion may be warranted.

Mr. FRASER: Has a special fund been set up for that? What I want to know is, has a limit been put on the amount?

Mr. HOWE: Certain receipts from patents and royalties have been set up in a fund, but I have been told that no awards have been made from it. In other words, it would need to be an exceptional case to call for a reward, since research is the ordinary occupation of members of the research council, and the finding of patentable devices is part of their daily task.

Mr. FLEMING: I understand that the national research council does not receive fees for work done on behalf of outside persons, that, for instance, unlike the Ontario research foundation, it does not run a research service. Does it collect a fee only in the event of a sale or leasing or granting of patent rights? Am I right in that?

Mr. HOWE: My hon. friend is quite mistaken. Industry is charged fully for any work which is done for industry. I pointed out that the earnings of the national research council for work carried out for industry over the past six years have amounted to about \$5,000,000.

Mr. FLEMING: Yes. The minister spoke about a number of government departments in that respect.

Mr. HOWE: That is something else. That is another source of income.

Mr. FLEMING: I now have the report of the council for the year 1944-45, and I am informed that none has been tabled or submitted to members of parliament hitherto. On page 14 there is a financial statement, but I had not an opportunity of checking into it before the bill came up.

Mr. HOWE: The financial statement is on page 14. The revenue from patents is shown there: royalties, and sales of patents; revenue for the year was \$42,836.51.

Mr. FLEMING: The next item, laboratory fees, is, I take it, the answer to my question.

Mr. HOWE: Yes; that is correct.

Mr. FLEMING: That is a fee for a particular service rendered at the request of someone?

Mr. HOWE: That is correct, yes.

Section agreed to.