

Clause 2 - Amendment of Subsection 9(8) of the Petro-Canada Public Participation Act

This clause deletes the reference to subsections 427(5) and (6) of the *Insurance Companies Act* in the definition of "non-resident" in subsection 9(8) of the *Petro-Canada Public Participation Act*. The reference is replaced by importing into the Act the words now used in those subsections of the *Insurance Companies Act*.

Clauses 3 and 4: Amendments to the Defence Production Act Consequential on the New Section 7.1 of the Integrated Circuit Topography Act

The *Defence Production Act* was enacted in order to facilitate government contracting for the acquisition of defence supplies and services. There have been few amendments.

The current section 22 of the Act allows the Minister to relieve defence supply contractors from claims for infringement and from the obligation to pay royalties in connection with any patent or registered industrial design involved in the furnishing of engineering or technical assistance or services for the performance of a defence supply contract. It also allows the owner of the patent or registered industrial design to apply to the Commissioner of Patents to fix the amount of compensation to be paid in lieu of the royalties that would otherwise be collected. The decision of the Commissioner of Patents can be appealed to the Federal Court. The current section 22 does not, however, provide for compensation for infringement or use of rights to the layout design for integrated circuit semi-conductor chips. These layout designs are protected as "registered topographies" under the *Integrated Circuit Topography Act*.

TRIPS Commitment: The TRIPS Agreement limits government use of integrated circuit layout designs to public non-commercial use (TRIPS Art. 37(2) and 31(a) to (k)).

Clause 3 - Definitions

This clause amends the definition of "royalty" in section 2 to add claims for damages for the infringement or use of "any registered topography within the meaning of the *Integrated Circuit Topography Act*" to the definition of "royalty" in section 2.