While the Office is enabled to refuse application for patents or registration of trade-marks, either at its own instance or as the result of opposition, it has no power to cancel patents or trade-marks when granted or registered, and it seems desirable that its functions should be extended to enable it to revoke patents up to within a certain time from their grant on any of the grounds on which they might have been opposed, and also in certain circumstances to cancel the registration of trade-marks. The cost of Supreme Court proceedings prevent their being resorted to except in matters of special importance, and it seems desirable that less expensive means of redress should be afforded in these cases than by a Supreme Court action.

The provision of the English Act inserted in the New Zealand Bill enabling an order to be granted revoking a patent if worked outside but not worked in the country in four years was modified in its passage to the Australian provision authorizing an order to be made by the Court, on application after four years in the case of patented inventions manufactured outside but not in New Zealand, enabling any one to make them here and restricting the patent rights to importation. This has led to what is known as "paper working"—i.e., the insertion of advertisements that the patentees are prepared to grant licenses to manufacture, but it seems questionable whether it has resulted in any increase in manufacture. While the difficulties in the way of the working in many cases, particularly of recent years, have to be taken into consideration, it appears desirable, while avoiding the drastic nature of the English law, which seems hardly suitable in this respect to this country, to adopt, if possible, some more effective means of inducing manufacture here than at present exists. A satisfactory solution of the matter is, however, very hard indeed to find.

In addition to granting letters patent and promoting the use of patented inventions, it would be desirable if some means could be devised of encouraging the introduction of inventions which are useful but, though practically unknown, are not new and patentable. In theory these inventions are taken up and put into practice if they are of benefit, but there are a large number not brought into use owing to it not being worth the while of any one going to the expense and trouble of making and introducing contrivances which as soon as they become known may be made and sold by others: Though outside the province of patent law the matter seems to be not out of place to refer to, and some inducement not merely to invent but to put into actual use modes and appliances which are not new in the strict patent sense of the word but are likely to be beneficial to the country appears to be worthy of consideration. The patents current in New Zealand average about four thousand, and, with that slight exception, the output of the world's inventions (the specifications of many thousands of which are received monthly and placed for public information in the library of this Office) are open to free use in this country.

In former reports I have pointed out the very inadequate provision made for carrying out the requirements of the Act with regard to examination and its provisions concerning searching, and would again lay stress on the importance of the Office being placed in a better position in this respect. While as much time has been devoted to this work as practicable, that available for each case is very restricted, and a certain proportion of specifications which the Act requires the Office to see properly describe the invention are necessarily passed at present with little more than a cursory examination, except as regards their bare formalities, and, of course, without any attempt at searching.

Besides better provision in this respect, the more urgent requirements of the Office are

(1.) The printing of the specifications. This is done in most countries of any importance, and should, as repeatedly urged by my predecessors and myself, be effected here as soon as it is possible to carry out the work. Until the specifications can be printed fuller particulars of inventions might with advantage be inserted in the *Patent Office Journal*. Manuscript copies of specifications and drawings of New Zealand inventions, the cost of which was considerably reduced, had to be increased during the war owing to restriction of staff, but are now being furnished in most cases at the former nominal price.

(2.) The accurate classification and indexing of the specifications is a matter of considerable importance in ensuring a reliable record of inventions, and requires checking and revision as soon

as it can be accomplished.

(3.) The library attached to the Office requires to be extended and made more generally known and freely available to the public to have the full benefit derived from it. Considerable expense is gone to in binding and housing the books, and a small additional outlay would probably turn what is at present of not much utility, except for the purpose of establishing publication, into a very useful institution.

(4.) The compiling, publication, and issue of classified abridgments of specifications with drawings, so that information concerning inventions patented on any particular subject could be readily obtained and referred to by persons interested, would be a great advantage. This is done in Great Britain, and could be carried out here without much expense, as blocks of the drawings is most cases have already been made for use in the *Journal*.

If also our manufacturers were supplied from time to time with lists of patents of other countries, and copies of the specifications and drawings (which could be readily secured at low cost) of any in which they are interested, it would enable them to readily learn, and, if they thought it advisable, adopt, the most recent advances in any branch of invention, subject, of course, to whatever patents may be granted for them here.

A very much larger proportion of the revenue from the patents, &c., is devoted in other countries to the promotion of invention than is the case here, but comparisons in this respect between countries like the United Kingdom, the United States, and New Zealand over corresponding periods is not very instructive. More can probably be gained by a reference to the figures of those countries when their revenue corresponded more with that of this country at the present time. A comparison of the United