

Defence Production Act

Mr. Fulton: Referring to the wording of section 28, it reads:

The minister may, by order, direct that a person shall not be bound by any obligation, restriction or limitation imposed on that person by or under any statute, order, rule, regulation, bylaw, or contract with respect to such matters as may be specified in the order affecting the entry into or performance of a defence contract by that person or the carrying out of an order made by the minister under this act.

Is it not very probable that in arranging for the supplying of defence materials by industries—and purely for the sake of illustration let us take the motor vehicle industry—parts will be interchanged between the three main manufacturers when they are making standard vehicles? In that case would it not be necessary to bring them into conference, and, for the purpose of setting the over-all price of the end product, provide that such parts as are manufactured by one or two shall be made available to the others at standard prices, and vice versa, so that an order might well be issued under this act which would invoke section 28?

Mr. Howe: No, Mr. Chairman. If you will excuse me, it is not done that way at all. If we were ordering parts from Ford of Canada to go into a common vehicle we would make a contract with Ford of Canada in which the prices would be set out, and we would make a contract with General Motors in which the prices would be set out. The prices might be the same in each case but there would be no possible violation of the Combines Investigation Act in that event.

Mr. Knowles: I believe this matter was made clear the night before last when it was before the house.

Mr. Fulton: Far from it, if you will read *Hansard*.

Mr. Knowles: The hon. member for Kamloops may be right in saying that it was not made completely clear. That is all the more justification for my asking that it be made clear now. There is one point that I should like to have made clear, and I think the Minister of Justice will agree with me that it should be made clear at this point in our discussion. It relates to the question as to the tabling of any orders or regulations that would have the effect of suspending either in whole or in part any of the provisions of the Combines Investigation Act. The Minister of Justice has said today—and I thought quite clearly—that it is the view of the Department of Justice that if any suspension of the Combines Investigation Act is effected it would have to be done not under this act but under the provisions of the Emergency Powers Act. Is it fair to say that because the Emergency Powers Act requires

that any order or regulation made thereunder, as defined in the Regulations Act, must be tabled in this house, it follows that in the view of the Minister of Justice any order suspending either in whole or in part the provisions of the Combines Investigation Act would have to be tabled in the house?

Mr. Garson: This whole point was considered at some length on Tuesday last, and the report is on page 988 of *Hansard* for March 6. Perhaps I should read the exact language of the question asked me by the hon. member for Rosetown-Biggart. He said:

Would this come under that provision, in your opinion?

I pointed out then, and I am afraid I am forced to point out now, that when we invoke the provisions of the Emergency Powers Act in this connection we do so in order to enact by order of the governor in council a series of regulations stating under what circumstances the Minister of Trade and Commerce, we will say, in his new capacity as minister of defence production, could make executive orders, if you like, saying that in relation to a certain transaction the provisions of some statute such as the Combines Investigation Act should not apply. As I indicated then, the reason why it is so difficult to express an opinion whether that executive order should be tabled under the Emergency Powers Act is that it is almost impossible to forecast at this time the form that it would take. With great deference, I think that not a very great deal turns upon this point so far as parliament is concerned, because is this not what would happen? We have powers under the act now. If the necessity arose, the governor in council would proceed to pass a general legislative order in council which certainly would have to be tabled under the provisions of the Emergency Powers Act and the Regulations Act. The proceedings taken under and by virtue of that order in council, such as the passing of an executive order in council, we will say, probably also would have to be tabled. But whether or not they would have to be tabled, by the very simple process of putting a question on the order paper as to what executive orders had been made under the legislative order in council which was tabled; members of parliament could secure the disclosure of all such executive orders and move that they be tabled, by means of a motion for the production of papers.

So while I am entirely sympathetic to my hon. friend's views as to the wisdom of having these executive orders or regulations tabled, I cannot imagine any set of circumstances in which it would not be an easy matter for members of parliament to compel them to be tabled, whether or not they fell within the