

*Defence Production Act*

investigated? It has been suggested by the minister that this was good enough for the last war—but there are a lot of things which occurred at that time we do not want to dig up. I have in mind however a contract that was sublet; then it was sub-sublet, and I think it was later sub-sub-sublet. In the event of an investigation, where would they start; would it be with the sub-contractor, the contractor himself, or the sub-sub-sub-contractor?

**Mr. Howe:** Those questions are too deep to be answered today.

**Mr. McLure:** Well, it was under your jurisdiction at that time—your administration, or maladministration, whichever it was. I should like to know who would make the appeal to the minister in connection with, we will say, a clothing contract. The minister, even with all his power and virility, cannot see to all these contracts. If I want to have an investigation made about a contract for clothing or uniforms, to whom would I appeal? What information would I have to give?

**Mr. Howe:** The minister would decide whether in his opinion an investigation was warranted, and might do it on his own initiative or on the report of my hon. friend, confirmed by the proper officers; or he might do it for any reason. He can do it for any reason and at any time he likes, and he does it where he believes something has gone wrong.

**Mr. McLure:** Would he start with the sub-contractor or the contractor?

**Mr. Howe:** Anywhere he thought wise.

Section agreed to.

On section 30—*Essential materials and services; designation of materials and services as essential.*

**Mr. Green:** This is taken from the old Essential Materials (Defence) Act passed last September. What materials have been designated as essential to date?

**Mr. Howe:** I do not know whether I can give the full list, without referring to records. However, they include steel, copper, zinc, lead, nickel, aluminum, tungsten and a few more.

**Mr. Knowles:** Cobalt?

**Mr. Howe:** Yes; it is under export control—and also antimony. It is that type of material.

**Mr. Green:** They are all in that class?

**Mr. Howe:** Yes.

[Mr. McLure.]

**Mr. Green:** Then, under paragraph (b) power is given to the governor in council to designate essential services, as distinguished from the essential materials to which reference is made in paragraph (a). Paragraph (b) defines an essential service as—

The carrying on of any commercial activity, including the generation and distribution of electrical energy.

And so on. Have any services been designated as essential under that provision?

**Mr. Howe:** No.

**Mr. Green:** Is it the intention that an individual business could be designated as essential, or might it be used, for example, to designate all hydroelectric plants across Canada as an essential service?

**Mr. Howe:** It could be.

**Mr. Green:** In what manner would such designation be made? Is it intended to apply only to one firm or one plant, or would it apply to the whole industry?

**Mr. Howe:** For example, if it was considered essential to use electric power for making aluminum instead of fertilizer, that electric power could be declared an essential service and an order would issue accordingly. If there was not enough water to go around and water was required for a war plant instead of a paper mill, water would be declared an essential service. It is that type of service that this section is intended to cover.

**Mr. Green:** Was that done in the last war, and, if so, could the minister give us some examples?

**Mr. Howe:** We had no essential materials act in the last war but I am told that it was done under the War Measures Act in connection with electric power.

**Mr. Green:** Was it used for any other service?

**Mr. Howe:** As far as I recall electric power was the only thing.

**Mr. Green:** Under this provision practically any type of service, such as supplying oil or water, could be designated as being essential.

**Mr. Howe:** That is right.

**Mr. Green:** If the governor in council so decided, they could include a complete industry right across Canada.

**Mr. Howe:** If it was thought necessary, yes.

**Mrs. Fairclough:** I am a little concerned about essential materials which may be required by municipalities for the construction of major works. I shall be specific. There is at present under way in Hamilton