

*Transitional Measures Act*

**Mr. Drew:** Explanation?

**Mr. Fleming:** Is the minister going to make a statement?

**Mr. Abbott:** Now, or in committee?

**Mr. Drew:** Now.

**Mr. Abbott:** Mr. Speaker, the bill to be founded upon this resolution is a comparatively simple one. It will provide for the extension of the Continuation of Transitional Measures Act until April 30, 1951—that is, for thirteen months beyond the present expiry date.

While no other change is proposed, I should state that during the past year all the orders contained in the schedule to the act have been revoked except those relating to price and rent control. The government does not intend to invoke the limited powers now granted by the act to reimpose controls already lifted. Therefore the practical effect of the proposed bill is to continue the authority to control rentals only, for a further period. Thus we have arrived at the final stage in the difficult task of removing in an orderly way the controls introduced during the wartime emergency.

As the house is aware, the supreme court, by unanimous decision, has given its opinion that the wartime leasehold regulations are valid. I shall not refer at length to the reasons given by the distinguished members of the court in support of their opinion. I do wish, however, to draw particular attention to one general theme that is common to all of them, and for that purpose I shall quote from the opinion written by the chief justice:

There is no doubt that under normal conditions the subject matter of rents belongs to the provincial jurisdiction under the head of property and civil rights, in section 92 of the British North America Act. There is equally no doubt that under abnormal conditions, such as the existence of war, parliament may competently assume jurisdiction over rents. The fact is that, as a consequence of the last war, 1939-1945, parliament has taken over the control of rents. The Fort Frances case *supra* is authority for the proposition that, notwithstanding the cessation of hostilities, parliament is empowered to continue the control of rents for the purpose of concluding matters then pending, and of its discontinuance in an orderly manner, as the emergency permits, of measures adopted during and by reason of the emergency. It follows from the different orders in council and acts of parliament, recited in the order of reference, that the exceptional conditions brought about by war, which made the wartime leasehold regulations necessary, are still continuing, that the orderly transition from war to peace has not yet been completed, and that, in such circumstances, parliament is entitled and empowered to maintain such control as it finds necessary to ensure the orderly transition from war to peace. The judgments of the judicial committee of the privy council in the Fort Frances case *supra* and in *Co-operative Committee on Japanese Canadians v. Attorney General for Canada (1947) A.C., 87*, are conclusive on this point.

Then, after referring to the chemicals reference, the chief justice concluded:

In this instance, parliament has decided that the wartime leasehold regulations should be kept in force to a limited extent and to that extent, where necessary or advisable, to ensure an orderly transition from war to peace; and that, if they were abandoned abruptly and suddenly, unnecessary disruption would result.

There is nothing in the facts in the order of reference which would justify this court in deciding otherwise and thus supersede the opinion of parliament; and, in the circumstances, this court may not doubt that parliament may competently maintain the regulations it has adopted to meet the emergency and its continuance. Therefore, the wartime leasehold regulations are not *ultra vires* either in whole or in part.

With some differences in emphasis and point of view, all the other justices make the same point, that the court would require strong evidence, which was not forthcoming, to justify it in superseding the declared opinion of parliament.

While this unanimous opinion enables the government to proceed with confidence in asking parliament to renew the authority for rent control for a further period, it does not in any way alter the declared policy of the government to bring federal rent control to an end with the least possible delay. Time after time, and on every possible occasion, this policy has been made clear and, as the house will recall, fairly substantial further relaxation of rent control was in fact announced simultaneously with the reference to the supreme court.

The government considers that it should not ask parliament to continue its emergency authority any longer than is absolutely necessary. These are extraordinary powers and they should be exercised with great discretion. As the chief justice has said, "There is no doubt that under normal conditions the subject matter of rents belongs to the provincial jurisdiction under the head of property and civil rights, in section 92 of the British North America Act." The federal government has never disputed this, and has in fact, over the past two years, offered to vacate the field to any province that desired to assume responsibility; and one province, Saskatchewan, has already arranged to take over on April 1, 1950.

For these reasons, the government does not intend to ask for a further extension of the Continuation of Transitional Measures Act beyond April 30, 1951. It is the government's view that over the next thirteen months the operation of the relaxations now in effect, combined with additions to the housing supply, will have permitted enough adjustment to take place so that any problem