

Defence Production Act

right if the appropriate circumstances arose and if, having exercised it, they have to account to parliament for having done so.

With regard to the right to designate materials as essential for defence, under present circumstances does the official opposition really think the government should not have the right to designate the materials that are absolutely essential for defence?

Sections 21 and 22 indicate the sort of bill this is. Section 21 provides in subsection 2 that—

Where the minister is satisfied, either before or after the performance, in whole or in part, of a defence contract entered into after the 1st day of April, 1951, that the total amount paid or payable thereunder to any person is in excess of the fair and reasonable cost of performing the contract together with a fair and reasonable profit, he may by order reduce the amount that such person is entitled to retain or receive thereunder to such amount as he may fix as the fair and reasonable cost of performing the contract together with a fair and reasonable profit thereon and the minister may direct that person to pay to the Receiver General of Canada forthwith any amount which that person has received under the contract in excess of the amount so fixed.

When this bill is passed it becomes part of the law of Canada. Anybody entering into a contract for defence supplies knows that if it turns out that he has made what may be regarded as more than a fair and reasonable profit, the minister has the right to say, "You must refund the difference". That is part of the basis upon which he enters into the contract. I wonder if the opposition would say the government on behalf of our people should not have that protection and that, no matter how it might turn out, how large the profit might be in supplying something necessary to the defence of our country, the government should not have the right to recover an amount over and above the cost and a fair and reasonable profit.

I have no doubt, if the opposition, under the guise of arguing that this gives the government too much power, vote against this, most people will think they do not want the government to have the power to adequately protect the taxpayers. That is only a fair inference. Surely this right is one that a government should have. When it is spending between 40 per cent and 50 per cent of its entire outlay on defence it should have the right to protect the taxpayer to that extent.

But section 22 goes on to say:

A person affected by an order or direction made by the minister under section 21 may, within thirty days after the receipt of a copy of the order or direction, inform the minister of his intention to appeal against the order or direction to the Exchequer Court of Canada and shall, within such period of thirty days, file a notice of such intention in the court . . .

Hon. members opposite have had a great deal to say about the government taking the power to do things and putting themselves beyond the jurisdiction of the courts. Here is one of the basic powers in this act, and it is provided that if anybody is dissatisfied with the ruling of the minister in exercising it, he can go to the Exchequer Court of Canada.

Mr. Diefenbaker: Only under that section and another section, but the one to which I referred had nothing to do with that; there is no appeal there.

Mr. Tucker: I am dealing with the powers that were found fault with. This is one of the vital powers in the act. It is subject to the right to go to the exchequer court.

Another section, section 23, deals with refusal to co-operate:

Where a person who has been requested to enter into a defence contract on terms and conditions that the minister considers to be fair and reasonable has refused or failed to enter into the contract, . . . the minister may direct that person . . .

—to comply on terms which are considered to be fair and reasonable. In regard to that particular section, I wonder if the opposition would say that under our present economic set-up, for example, in the automobile industry, where a few people are in charge of the production of vehicles which are just as necessary to defence as guns or anything else, if the time came that somebody would not co-operate on fair and reasonable terms to provide vehicles to put this country in a position to defend itself, the government should be left without any recourse to protect the people it is supposed to protect. I wonder if the opposition would think that the wills of a few of the big captains of industry should be permitted to prevail over the will of the people of Canada as expressed by a duly elected parliament and government. Is that what they say they want, a government so weak that it cannot take the necessary steps to protect the country at a time like this? Is that what they mean by this talk that the government is wanting too much power?

I have yet to see any particular respect in which powers are given in this act with which they can really find fault. A general charge can be made, but I have gone over the sections of the act and dealt with them, and I suggest to the house that these sections are necessary for the proper government of our country at this time. This happens to be a Liberal government, but it is the elected government of the people of Canada, and the members of the opposition should want to see it in a position to protect the interests of the Canadian people just as much as if it were a government of their own party.