

Public Works Act

Mr. Howe: It is all very well to get up and smear the government with no facts.

Mr. Harkness: Mr. Speaker, the minister seems to be extremely sensitive on this. I wonder why he is so sensitive.

Mr. Ferrie: The best businessman in Canada; why would he not be?

Mr. Harkness: That just leads me to think what the situation will be if this bill goes through, as far as the Department of Defence Production is concerned.

Mr. Howe: Do not worry about that. The Minister of Defence Production has been in that department a long, long time. My hon. friend is just passing through.

Mr. Harkness: We are all passing through this world, and I think perhaps the minister is passing through at the present time a little more rapidly than I am.

Mr. Knowles: The Department of Defence Production was set up only a year ago.

Mr. Harkness: In any event, to come back to the Department of Defence Production and the contracts which will be let by it; they will aggregate, I suppose, something better than \$3 billion.

Mr. Howe: Yes. They aggregated \$13 billion in the last war. What about it?

Mr. Harkness: Under the present rearmament plan they will aggregate something better than \$3 billion in the next two years or so, and under this provision, as far as I can see, it will be possible for every one of those contracts, aggregating that very large sum, to be let without any tenders being called; and I would think it is very likely that most of them would be let in that way.

Mr. Howe: Every tinpot lawyer can get up and make statements of this kind without any justification whatever. That is the privilege of this parliament. Go ahead.

Mr. Harkness: I would ask the minister to retract that immediately. To begin with, Mr. Speaker, I am not a lawyer; and in the second place, I have nothing to do with tin pots which the minister seems to be very familiar with. The minister often makes these statements. The last statement is typical of the statements he makes.

Mr. Howe: I will say any colonel, then.

Mr. Harkness: As far as I can see this bill is another example of the very apparent desire on the part of this government to rule in Canada without the checks and controls, either parliamentary or otherwise, which are necessary if good government is to prevail. As has been suggested, if we are to continue

to have good government in Canada, if we are to continue to have anything in the nature of economy in the matter of government contracts there is no question but that the bill should be withdrawn. Or it should be amended, as was suggested by two or three speakers, by putting a limit of \$10,000, or some other sum, in, as the amount of any contract which can be let without tender.

Mr. A. Earl Catherwood (Haldimand): Mr. Speaker, I should like to say a word or two in opposition to the legislation that has been introduced. However, in the first place I might mention that I could support a change being made in paragraph (c) of section 36, which I feel is due to be revised. The \$5,000 figure is certainly out of line with the situation that existed back in 1927, when the legislation was reconsidered; and along with my colleagues I can agree that this figure should be increased to either \$10,000 or \$15,000. With that I am in complete accord. I feel, sir, that in the interests of all other contracts that are issued by the government, and in the interests of the government themselves, we should be protected by the tender system. Those of us who have served in the municipal field of government know full well that when we asked for tenders we did so because it was the proper system. We realize that the public are always sceptical when the tender system is not followed in any contract. All hon. members who have served in the municipal field and who have been associated with civic and rural administrations recall that we never entertained thoughts of givings contracts even up to \$100 without asking for tenders. Even at times when we did consider amounts of less than \$100 in municipal work we were very politely and plainly told by government officials that the auditor of the government would not pass the accounts if we did not adopt the tender system.

Most people, sir, will agree with this procedure. Most hon. members feel down in their hearts that this should be the proper system. As far as municipal bodies are concerned, they have built up through this system of tenders on all contracts a feeling of confidence among the people in the various provinces. That is something we want to cherish and maintain.

I say to the minister in all sincerity that we do not want to embarrass him in any way in this matter, but we do feel that in government circles we cannot be too careful because we want to hold the confidence of the people whom we serve. If we are to maintain that confidence, sir, we must not give anyone an opportunity to believe or even to think it will be destroyed, but that good will shall be maintained.

[Mr. Harkness.]