

ranging between \$5,000 and \$15,000 exceeded greatly in number the orders appropriating amounts more than \$15,000. But there is a provision that each week the department must report to council purchases in the range between \$5,000 and \$15,000.

A further amendment was found necessary within the last few months. As hon. gentlemen know, it is becoming more and more difficult to purchase such commodities as meat, eggs, vegetables—commodities which do not keep for long periods—and to legalize action which was found necessary, the limit of purchases of food without an order in council was raised to \$50,000, with the understanding that such a purchase would be reported to council at the first opportunity. That exception has been availed of on several occasions and has allowed us to meet a situation of emergency in a legal way.

The next section deals with a situation where the management of a war plant is found to be unsatisfactory or incompetent. This section permits the minister in such a case to appoint another manager to carry on. The section has been used on several occasions, perhaps as many as ten, where the management of a plant has collapsed and it has been found necessary for the government to appoint a controller to carry on operations.

The next section deals with relations between the department and its contractor. It requires the contractor to carry on accounting to the satisfaction of the department. It permits the auditing of the books not only of the main contractor but also of the subcontractors and provides for the recovery of overexpenditures and of profits unduly large.

The only new section, and by new I mean one which has not been operative for a considerable time, is section 23. The purpose of section 23 is to protect the title of the crown in property purchased by the crown. It deals particularly with machinery installed by the crown in a privately-owned factory with a structure that is so involved with privately-owned structures that it is not possible to obtain ownership of land and segregate government property from the privately-owned plant. I think that section will commend itself to all.

Then, I propose to offer a new section which provides for the re-negotiating of contracts where the margin of profit has increased unduly since the contract was placed. We find in many types of production that the cost of the article drops very rapidly as the workmen become more expert or as repetition work goes on for a considerable period. I think practically everything we make has been reduced very sharply in cost during the course of the

war. This section will permit the government to re-negotiate the contract at any time it believes the margin of profit has become excessive.

That, I think, covers the scope of the bill, and we can and will examine the clauses in committee at the proper time.

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, generally speaking, there can be no objection to this bill, and that, after all, is the matter we are mainly concerned with in any discussion on the second reading. As I understand the position, it is absolutely necessary that this legislation should be passed in view of the limitation on the life of the legislation which was first passed in the short session of 1939 and brought into effect by order in council in the following year. I recall somewhat the discussions that took place in this house in the session of 1940 when substantial amendments were made to the measure. They will be found as originally passed, and about the time when the proclamation bringing the legislation into effect was issued, in chapter 31 of the acts of 1940.

Having said that, I should like to say this, that the present measure with the exception of one or two sections is really the incorporation in statute form of what is taken to be the law as a result of the passing of various orders in council passed since August, 1940, under the provisions of the War Measures Act, incorporating into legislation by way of order in council certain stringent and drastic amendments to the law which I assume experience has shown are necessary from time to time as the department has grown.

I would have hoped that the lawyers in the department, and they have many of them there would bring in a measure which would have been a real consolidation of the statute, if this is to be a continuing department for an indeterminate time, as the minister has indicated and as I think necessity demands. But as it is, one will have to go to three different statutes from time to time to find out just what the law is. This would have been a grand opportunity, I suggest, to have had a consolidation of all the legislation into one act. That would have been much more convenient in operation for the department and its officials and for those having to deal with the department or with the subject matter of the act. That is not possible now, but if we had plenty of time I would recommend strongly holding up the bill and re-introducing it in much better form than it is in at the present time. I offer that not