

## Defence Production Act

at the top. We put a controller in charge of the business for nearly a year and got the accounts untangled and recovered close to a million dollars, straightened out the contract, got it completed and left the thing in a satisfactory condition. But if we had been tied down to an amendment that said we could only go into a part of the plant that was carrying out the defence contract that operation would not have been possible.

In every case, the reason for putting in the controller is that it means that the head of the business is not doing the job.

Amendment negatived.

Subsection 1 of section 27 agreed to.

On subsection 2 of section 27—*Controller agent of the owner.*

**Mr. Fulton:** Here, Mr. Chairman, although I realize that the amendment to subclause 1 has been defeated, I still think there is room to make the same point, and I would therefore move, seconded by the hon. member for Vancouver-Quadra:

That subsection (2) of section 27 of Bill 77 be amended by adding thereto the following words:

"Provided however that the acts and powers of the controller shall extend only to those things which are necessary for the due completion of the contract or compliance with the direction or regulation and his appointment and powers hereunder shall be deemed to terminate when the contract has been performed or the direction or regulation has been complied with."

**Mr. Howe:** Mr. Chairman, the same objection applies here. It is quite unworkable. I do not wish to object to amendments that improve the bill, but this is an amendment which would nullify the usefulness of controllers. I assure hon. members that when the chips are down controllers are very necessary. If I had time I could give chapter and verse about twenty or twenty-five controllerships in the last war, and what they accomplished. If I did that my hon. friend would not try to tie the position of a controller up in such a way that the controllership could not operate effectively. Therefore I must object to the amendment.

**Mr. Green:** May I point out to the minister that this amendment provides power to the controller to complete his work. There is no interference in the completion of his work. But then it goes on to say that once that work has been completed his powers are over. Surely there could be no objection to that. If I may read it to the minister—

**Mr. Howe:** There is no object to it, and there is no purpose in it. Why would we keep a controller in a plant or put him in a plant if we did not need him there?

**Mr. Green:** If that is so, then certainly the minister should not object to this amendment.

**Mr. Howe:** I do object to it.

**Mr. Green:** All the amendment provides for is that when the government contract has been fulfilled the controller must step out. What earthly reason has the government got to keep any controller in there after the government's contract has been fulfilled? And that of course is all that this amendment provides.

The subsection which is under consideration gives the controller very wide powers. It says:

Where a controller has been appointed to carry on a business or a part thereof, he shall be deemed to be the agent of the owner thereof for the purpose of carrying on the business or that part thereof, except that the owner shall not have any right to control the business or that part thereof and the controller may, subject to any instructions of the minister, do all such things as he thinks fit for the purpose of carrying on the business or that part thereof.

That gives the controller tremendously wide powers. The amendment reads:

Provided however that the acts and powers of the controller shall extend only to those things which are necessary for the due completion of the contract or compliance with the direction or regulation . . .

That part of the amendment surely is not objectionable. It gives the controller the power to do whatever is necessary to complete his job.

**Mr. Howe:** Let me ask my hon. friend a question. Who decides what is necessary?

**Mr. Knowles:** The lawyers.

**Mr. Howe:** Yes.

**Mr. Green:** That is true of any type of legislation. That is no argument at all.

**Mr. Howe:** Instead of straightening out the contract we spend a few months deciding how much he is entitled to control under that amendment.

**Mr. Drew:** That is not what it means at all.

**Mr. Green:** The amendment goes on:

. . . and his appointment and powers hereunder shall be deemed to terminate when the contract has been performed or the direction or regulation has been complied with.

There surely can be no objection to that, because once the government contract has been finished then the government should have no further interest; and if the owner of the business cannot run it as well as the controller can run it, that is up to the owner. Surely it is not up to the government to continue in the plant once the government contract has been fulfilled. I urge upon the minister to give further consideration to that amendment, because surely there is nothing unfair sought by it. It does not restrict the controller unduly, and yet it gives the owner whose business can be taken over some rights.