

does and parliament to have greater control than contemplated under the provisions of this bill, which in my judgment places too much discretionary power in the hands of a government.

Mr. JOHNSTON (Bow River): I am in favour of the general principle of this bill, but there are changes I would like to see made. I recall the Prime Minister, speaking not long ago about our defence program, assuring us that Canada's defence program was to be purely defensive. This section provides for the control of export of arms. I cannot conceive how a real defence program could be carried out if we are going to manufacture arms or munitions for export. I would like to see greater control of the export of war materials.

As far as profit is concerned, as I mentioned once before, I do not think you can take all the profit out of war; but excess profits can certainly be taken out, and I am pleased to hear that the minister is investigating that question now, by means of a committee I think he said. I should like to see that committee become much more active. Now is the time when we should have a thorough investigation of these munition manufacturing plants, and not wait until war breaks out, because then they will have made their profit to a large extent. These arms manufacturing plants should be allowed a fair commission for their work, for we do not contend that they should manufacture these things gratis for defence purposes; they should receive a commission, but not profits to the extent of the millions that have been suggested. It is true that no farmers ever made millions out of the production of wheat for war purposes, or any other purpose. I am strongly in favour of the general principle of control of these things, but would like to see more action

Mr. ILSLEY: Suggestions were made in regard to the amendment of this clause which I think have merit. One was the matter of the penalty. It does appear that a fine of \$1,000 is small for a substantial offence. Of course, it must be borne in mind that the goods are confiscated—

Mr. WOODSWORTH: Is not that just one shipment? A man might have shipped goods previously and have been doing it for months.

Mr. BENNETT: But you do not catch the goods; they get away.

Mr. WOODSWORTH: But you can catch the profits made out of the illegal export.

Mr. LAPOINTE (Quebec East): By a higher penalty.

[Mr. Coldwell.]

Mr. ILSLEY: Yes, I think the penalty might be higher for shipments in the higher category. I would suggest \$10,000. That is a great increase over \$1,000, but the justification for such a large sum would be that it is not too large for a serious infringement of the section. Moreover, it is not compulsory; that is the maximum; the penalty may range from \$200 to \$10,000, leaving the court to exercise discretion. So I am prepared to have that \$1,000 changed to \$10,000, and will have a colleague move that in a moment.

The other suggestion made by the leader of the opposition was that force of law be expressly given to the regulations. I was not aware that that was necessary, particularly when there is in the section a provision such as appears in subsection 2, namely:

Any goods imported or exported contrary to the provisions of this section or of any order of the governor in council hereunder or regulation established thereunder shall be seized and forfeited. . . .

Those words really give to the regulation the force and effect of law for all practical purposes, I should say.

Mr. BENNETT: No, that only makes it an offence to contravene the regulation. I am not urging it; I do not urge anything; I merely make a suggestion.

Mr. ILSLEY: I think there is no objection to adding a clause that such regulations shall, when made, have the force and effect of law as though enacted as part of this statute, and shall be published in the Canada Gazette.

Mr. BENNETT: Yes, I think the public should know of them as soon as possible, because after all, it is legislation by the executive that is not in the public statutes.

Mr. ILSLEY: Then the question arises whether the regulations are established under the next subsection until they are published in the Gazette. I would think they are established as soon as they are made.

Mr. BENNETT: Unless you provide, as has sometimes been done, that they shall not be effective until after so many days elapse from publication. In the absence of any provision to that effect they become effective the moment the assent of the governor general is given.

Mr. ILSLEY: I have not given a great deal of thought to that phase, but I can imagine a situation in which events are moving very rapidly where it might be necessary to pass an order in council, and then within the next half hour make regulations and notify persons affected that these regulations had been made. Then they would have to govern themselves accordingly.