

I do not know of any that is not here, except the five per cent clause. Under the Act the chairman of the board had to recommend to Council and get his order. The new Minister has to do the same. According to the Act the chairman of the board was in the Department of Finance, under the Minister; by this Bill he will be under the new Minister. That is the only difference in his position. The trammel was the five per cent clause. I do not like the refrain, "I told you so." I was no wiser than any other business man in Canada.

Hon. Mr. DANDURAND: There is something my right honourable friend said which he seems to forget.

Right Hon. Mr. MEIGHEN: I should like to be reminded of it.

Hon. Mr. DANDURAND: He said it seemed obvious that in time of stress or war the War Measures Act would supersede all our legislation.

Right Hon. Mr. MEIGHEN: I am glad the honourable gentleman has recalled that. I said if there was stress of war we should make use of the War Measures Act, and I think I said the War Measures Act would be used to get rid of this board. But what did the leader of the House say? He said: "You tell us that we cannot get goods under this legislation; the manufacturers will not make them. I would invoke the War Measures Act and compel them to do so." He invoked the War Measures Act all right, not to compel the manufacturers to make goods, but to repeal the Bill just as soon as anything had to be done.

Hon. Mr. DANDURAND: That was the suggestion of my right honourable friend.

Right Hon. Mr. MEIGHEN: Yes, certainly it was. And let me not appear to be boasting of any prescience. None was needed. The evidence before our committee showed that the scheme would not work. But the Government persisted.

Now what? Honourable members who support the Government know that in the processes of works of peace at home you cannot apply sanctions that are applicable in affairs of war. You cannot make a manufacturer produce at a certain rate. Directors are trustees. They cannot recommend something which goes against the interests of those for whom they are trustees. If they do, they are breaking their trust. Everyone behind the Government knew that; but the Government persisted. They wanted to be heralded throughout this country as the fathers of the idea of five per cent profit and no more. It

was confidently expected, in the other Chamber at least, that the Senate would defeat the five per cent clause. I had information to that effect from various sources. Then we should be heralded as the friends and fortifiers of big interests, and the Government would get credit for having struggled against the beasts at Ephesus and gone down. Such was the whole purpose of the measure. We said it would not work.

Now, what happened on August 26, the first day after the Government declared an emergency? Having already put through a Governor General's warrant for \$7,500,000 for aeroplanes, appliances and such adjuncts, most of which would be covered by designs owned solely by individual concerns, and could be produced only by individual concerns, they enacted under the War Measures Act: "The Minister reports that under the restriction of the Defence Purchases Act the board cannot possibly get goods; therefore the Governor General in Council is pleased to order, and doth hereby order, that the Defence Purchasing Board secure these goods in any way it sees fit, notwithstanding the provisions of the Defence Purchases Act or any other Act." There is where the War Measures Act came in. It was applied, not to compel people to make goods, for they could not be compelled, but to repeal an Act of Parliament. Things were worse than I supposed. I read from this morning's paper, and I ask honourable members to listen.

Two important provisions of the Defence Purchasing Board, created at the last session of Parliament, will not be carried into a new War Supply Board to be set up under the War Measures Act—

I ask honourable members to note this carefully.

—Transport Minister Howe told the Commons late Tuesday night.

One provision that will be dropped was that all materials should be purchased by public tender.

Then there is this quotation of the Minister:

It is perfectly reasonable and satisfactory to do that in time of peace, but it may be impossible to do it in time of war on certain occasions, and to make it mandatory that tenders shall be called as was the case in the last bill would not be practical, the Minister said.

The provision that profits should be limited to five per cent of the capital utilized for the period in which the article was produced will also be dropped.

I have had a great deal of experience in buying materials extending over a good many years, and I give it as my opinion that it is impossible to lay down a uniform standard for profit with respect to a wide variety of purchases.

That was euphoniously and well expressed.