

the governor in council to accomplish your purpose. I suggest that the enactment of legislation would have been a better course, and that the legislation should become effective at once upon the happening of a certain event. However, the main thing is that provision is made for it. I suggest to the minister that he should add to the section some such words as these in order that no doubt may arise: The regulations thus made shall have the force and effect of law, and shall be published in the Gazette—within whatever time may be regarded as necessary for their promulgation. The question of authorizing regulations to be made under order in council, without making any provision that they shall have the force and effect of law, is one that has been discussed in courts of law. It will be remembered that a few days ago the hon member for St. Lawrence-St. George (Mr. Cahan) pointed out the desirability of that being done, and it was done. Where there is no provision that gives regulations the force and sanction of law, you may have some questions regarding proof and matters of that kind. The Minister of Justice (Mr. Lapointe) knows the form of enactment that has been used for that purpose.

One other point, wherein I am in accord with the hon. member for Winnipeg North Centre. This morning we were considering a bill dealing with combines, and we provided that an individual who was found guilty under that measure could be fined \$25,000, and a corporation \$100,000; or a term of imprisonment could be imposed, or both penalties. But we provide that those who are guilty of infringing the provisions of the law under consideration may be fined or imprisoned, and if the goods are worth over \$200 the individual may be fined up to \$1,000. Having regard to the character of the offence charged I think the fines are wholly inadequate.

Mr. LAPOINTE (Quebec East): Do you mean, in the bill?

Mr. BENNETT: Yes. It is the penalty clause of this bill. I think it is inadequate, and that is the reason I have compared it with the penalties contained in the other bill. In view of the far-reaching character of the regulations, which greatly exceed the general provisions of the bill, it would be desirable to add the words I have indicated or others to the effect that the regulations shall have the force and effect of law as though enacted as part of the statute, and that they shall forthwith be printed in the Gazette.

The hon. member for Winnipeg North Centre dealt with the question of profits made out of war. I have made many inquiries on this subject, as no doubt he has. The business

profits war tax in Great Britain, for instance, was a considered method of dealing with the problem of war profits. No one knows better than the hon. member who has spoken on the matter that there were a large number of people in Great Britain who believed that no profits should be allowed. A manufacturer on a very large scale with whom many hon. members of this house came in contact from time to time said, "We will operate our plant for a ten per cent profit, which will cover depreciation and everything else." After very careful consideration of the whole matter by committees and by business men, Mr. Lloyd George expressed himself as being strongly of the opinion that the best method was to let the manufacturers make all the money they could, and then take it away from them by taxation; and it will be recalled that Sir Josiah Stamp drafted the Business Profits War Tax Act, which we in Canada followed to some extent. I recall very distinctly talking about this question to a gentleman who told me that seventy out of every hundred dollars of profit was taken by the state, and it was not thought that thirty out of one hundred dollars was more than a reasonable amount, as the Prime Minister said, for what might be regarded as the normal profit of the enterprise as distinct from that which was referable purely to war activities.

The contention of the hon. member for Winnipeg North Centre is that all money made from war should belong to the state. That was the general principle which was in the mind of the British government, and the principle which Sir Thomas White adopted here after it had been in operation in Great Britain. I daresay that most hon. members have read the circumstances connected with the enactment and the evolution of that law in Great Britain.

The question of maintaining the industrial life of a country during war as distinguished from its purely war activities is one which, as the Prime Minister said, is not as simple as it looks; on the contrary, it is extremely complex, for certain types of industry through the expenditure of small sums of money can be made available for producing war materials, yet that work dislocates and in some instances destroys the normal business of the enterprise. It was that fact, I believe, which was the determining factor that caused the government to proceed in the way that it did, rather than by nationalization of the whole effort in the manner advocated by the hon. member for Winnipeg North Centre, who would be glad to see it accomplished because it means socialization of industry. It