

True, a letter was produced from the Department of Justice expressing the opinion that that jurisdiction is *intra vires* of parliament, but my examination of the cases on the British North America Act leads me to the conclusion that in none of them was the specific point decided; it is on the border line.

Hon. Mr. DUPUIS: Similar control was first exercised under the War Measures Act. Were any protests then received from the provinces?

Hon. Mr. McGEER: My information is that there was at least one protest, although the Governor of the Bank of Canada stated before the committee that none was received.

Hon. Mr. DUPUIS: Was there any objection?

Hon. Mr. McGEER: I understand there was objection from the premier of British Columbia. I have written to him, but there has not yet been time for me to get a reply. In any event, the situation between the provinces and the dominion is such that I do not think this is the time to press what I believe to be a wholly unnecessary legislative authority. As I say, I regard this as a border-line point.

My next objection to the bill is that in many cases it puts upon the citizen who is charged with an offence, or whose goods or property are forfeited, the onus of proving his innocence. A number of similar provisions in the Excise Act and the Customs Act were cited to us in support of this departure from the usual procedure, but if I remember correctly, those provisions were incorporated in those acts during the years 1930 to 1935, when we suffered from a peculiar form of democratic dictatorship. But you all know what happened to the right honourable gentleman responsible for that kind of legislation when the people got an opportunity to say what they thought about it; and I do not think I am going too far when I suggest that that right honourable gentleman—now in the House of Lords—met a similar fate at the hands of the members of his own party, for when he tendered his resignation as leader it was gladly accepted.

Hon. Mr. BALLANTYNE: Oh, no; I would not say it was "gladly" accepted.

An Hon. SENATOR: That was not the only reason.

Hon. Mr. McGEER: Certainly that was one reason, and I believe quite an important one. In any event I do not think that today the

leader of the Liberal party or the party itself will ever go so far in following that precedent as to suffer the fate that overtook the previous regime.

Now, I believe that in both trade and exchange we require some measure of regulation; but in granting regulative powers we have a special responsibility to see that those who are to administer them do not have the authority to make their administration a nuisance to our people or an unnecessary invasion of their liberties.

As I say, I felt violently opposed to the bill when it was introduced. It contains the sort of powers which, exercised by civil servants, would be almost sufficient to cause the kind of annoyance that would induce a monk to commit the sin of violent anger.

Some Hon. SENATORS: Oh! Oh!

Hon. Mr. McGEER: However, the amendments have greatly improved the measure, and I believe that when the time comes for us to reconsider the bill the experience we have gained in the meantime will warrant us in substantially reducing those objectionable powers. To me the most important thing in the future of our life on this continent is that the bond of friendship and neighbourliness which today exists between the people of the United States and the people of Canada may never be broken. And may Canada long remain what Winston Churchill described her to be: The lynch-pin between the United States and the British Empire.

Some Hon. SENATORS: Hear, hear.

Hon. JAMES MURDOCK: Honourable senators, I was not able to attend all the meetings of the Banking and Commerce Committee, but as I have followed the progress of the bill, I am convinced that the amendments made to it are splendid—

Hon. Mr. McGEER: Hear, hear.

Hon. Mr. MURDOCK: —in meeting the wishes of some of those who so strenuously objected to it as it reached us from the House of Commons. For example, 12,000,000 Canadians can now possess a \$100 American bill without having to put it in their shoe.

Hon. Mr. McGEER: Hear, hear.

Hon. Mr. MURDOCK: Then we have opened up a grand new field for prospective law evaders. All they have to do now, whether Canadians or Americans, is to put on a good—

An Hon. SENATOR: Front.