

or if there is to be a change it should, in my opinion, conform to provincial law.

Under the act as amended an Indian will be empowered to purchase alcoholic beverages in a place other than a beverage room and consume them in a place other than a beverage room. But this can be done only in accordance with the liquor laws of the various provinces. If a province wishes to give effect to this legislation, all that has to be done is to have a proclamation issued by the Governor General, at the request of the Lieutenant-Governor in Council. No action can be taken without a proclamation by the Governor in Council.

**Hon. Mr. Hackett:** Proclamations in all the provinces?

**Hon. Mr. Macdonald:** Yes.

**Hon. Mr. Hackett:** With the exception of two or three.

**Hon. Mr. Macdonald:** The law as it is allows Indians in certain provinces to consume intoxicants in public places. This amendment if adopted will permit Indians in any province to purchase liquor and consume it in other than beverage rooms, provided, as I have said, a request is made by the Lieutenant Governor of the province concerned for the necessary proclamation.

**Hon. Mr. Turgeon:** Can Indians take liquor back to the reserve?

**Hon. Mr. Macdonald:** No, they cannot do so unless in the first place the proclamation has been issued and is in effect in the province. It is then necessary for an affirmative resolution to be passed by the council of the band. The resolution is forwarded to the federal Government, which in its turn must send a copy of it to the Attorney General of the province in which the reserve is located. If within 60 days objection is not made by the province, a referendum may be taken on the reserve.

**Hon. Mr. Horner:** Then in any province, without regard to what the Lieutenant Governor may do, each band can vote prohibition of liquor on its own reserve, can it?

**Hon. Mr. Macdonald:** Yes.

**Hon. Mr. Turgeon:** If the Attorney General gives no answer, can the band vote?

**Hon. Mr. Macdonald:** Yes, if the Governor in Council has directed that the wishes of the band with respect thereto be ascertained by a referendum of the electors of the band.

**Hon. Mr. Horner:** And even after the vote, some Indian reserve may prohibit the use of liquor on its reserve?

**Hon. Mr. Macdonald:** That is so. I do not think there is anything further I can explain in connection with this provision. As I say, there is no new principle. Rights are extended to Indians which they do not possess now, but they may be extended, as regards liquor, only with the approval of the province.

May I now turn to clause 18 of the bill, which provides for an increase in the amount of money which the Government can loan to Indians. It is desired to increase this fund to \$1 million. Honourable senators will be interested to know that from 1938 to this year 611 loans were made to Indians in a total amount of \$787,985, and of that amount only \$5,452.76 has been written off. That speaks very highly for the thrift and industry of the Indian people.

**Hon. Mr. Hackett:** How much is outstanding?

**Hon. Mr. Macdonald:** I have not the figures here, but I will try to obtain them for the honourable senator.

During the sixteen years the Indians have paid in interest \$54,767. That is a very creditable showing indeed, and I doubt if any group of citizens in Canada has a finer record in that respect.

As I say, there are provisions in the bill affecting the administration of Indian affairs. For instance, subsection (1) of section 4 of the Indian Act is repealed and the following substituted therefor:

A reference in this act to an Indian does not include any person of the race of aborigines commonly referred to as Eskimos.

The purpose of this amendment is to make it abundantly clear that this legislation refers to individual Indians and not to the Eskimos or any other race.

There are certain provisions under which an Indian may be excluded from an Indian band by the registrar, and clause 2 of the bill provides that if he is so excluded there can be only one reference to a judge from the registrar's decision, and the onus of proof is on the person making the protest.

Clause 3 of the bill provides that an illegitimate child of a female Indian may automatically be registered as an Indian, notwithstanding the fact that the father may not be an Indian. It is also provided that the band council has one year in which to protest the name of the child on the band list.

**Hon. Mr. Kinley:** It is the opposite if the father is an Indian.

**Hon. Mr. Macdonald:** I believe the illegitimate offspring of a male Indian automatically becomes of Indian status, provided that the mother is an Indian.