

The purpose of the second amendment or series of amendments recommended by the committee is to make certain that the foreign exchange control restrictions shall not apply to tourists coming into or leaving this country. We thought this was important from a general point of view, and also having regard to the great value of our tourist industry, which was so ably demonstrated in the report of our Standing Committee on Tourist Traffic. We thought it important to make it quite clear in the legislation itself that none of these foreign exchange control restrictions should apply to money or securities or property brought into the country temporarily by tourists, and removed by them when they return home, nor to articles purchased by them in this country for their personal use and taken home with them.

The third amendment which we made was to eliminate from the bill as it came before us a clause permitting the Foreign Exchange Control Board to have access to the secret income tax returns filed by individuals and corporations with the Commissioner of Income Tax. We considered that clause to be a bad precedent.

The fourth important amendment which we made was to permit a resident in Canada to hold foreign currency, up to the sum of \$100, without a permit or authority from the board. We felt that in the normal course of business, particularly the tourist business, residents of Canada often come quite innocently into possession of American funds—as, for instance, when paid to them by American tourists. It would be rather absurd to insist that a gasoline-station owner, say, who in the normal course of business received from a tourist an American \$50 bill in payment for gasoline, should immediately have to report it to the board or otherwise be subject to the penalties prescribed in the bill.

The fifth amendment deals more with matters of administration, but is nevertheless very important. The bill as it came to us empowered the Foreign Exchange Control Board to make regulations covering a vast number of subjects. The committee felt it was highly advisable that the regulations under the act should be made, not by the board but by the Governor in Council, and we incorporated the necessary amendment to that effect.

Another amendment inserted by the committee provides that no prosecution under the act shall take place after the lapse of three years from the date of the alleged commission of the offence.

These are the more important amendments recommended by the committee. There are, as honourable senators know, a number of

Hon. Mr. HUGESSEN.

other amendments of a more minor character. I must say that I think the bill as it comes to the house now is in much more acceptable form than when it was referred to the committee. Whatever doubts I may have had as to the wisdom of enacting this legislation in the form in which it originally came to us have been largely dissipated, and I am quite willing to support the measure with the amendments now proposed.

Hon. G. G. McGEER: Honourable senators, in opposing this motion and in opposing the bill generally I want to say that the consideration extended to the bill by the Banking and Commerce Committee in the time available to it was most complete and thorough. I also want to express my sentiments of appreciative thanks to the members of that committee for the open-handed and generously co-operative way they received those who were opposed to the bill and those who proposed amendments to it. Certainly the committee is composed of senators of great experience in public life and commercial affairs, and in my long experience in public life, and with courts and other public bodies, I do not know of anything more pleasant than the opportunity of appearing before the tribunal presided over by the honourable senator from Rougemont (Hon. Mr. Beaugard). He is a most efficient chairman, and rules most effectively with a smile and courtesy typical of the people of French Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McGEER: I want to be very brief in offering my reasons for opposing the bill. I do not think it came over here in time for the Senate to give it the consideration it should have. Except for the minister, the only persons from whom we heard evidence were the proposed chairman of the board—that is, the Governor of the Bank of Canada—and his assistant. We were compelled to rely upon our own information. To my way of thinking, we should have called not only people representative of the tourist trade, the foreign exchange trade, and the foreign trade generally, but someone from the United States who could speak on the matter from the American point of view with the same authority as the Governor of the Bank of Canada spoke on it from the Canadian point of view.

The next serious objection I have to the legislation is that it imposes the authority of the federal parliament over the authority of the provincial governments. We are taking jurisdiction to say to the provincial governments: Without a permit you cannot borrow abroad, and you cannot re-finance abroad.