

National Housing Act

It may take a year and a half or two years. I believe it is only reasonable to make the period three years. Why should a man who is guilty of fraud get off the hook because it has taken more than six months to discover his fraud? I do not believe that is reasonable; and from the experience I have had, as my hon. friend knows, I believe that under the circumstances three years is a reasonable limitation.

Mr. Fleming: Let us bear in mind that we are dealing here with a section which has been in effect and which has set the period of limitation at six months. That was put forward by the government. Let there be no question about where the responsibility lies for the idea as to the length of the period of limitation. This was put forward as government legislation and presumably the government was satisfied at that time to set a period of six months on the limitation of prosecution in offences of this kind. As I understand it, the reason for setting a period of limitation is to impress on those who are charged with the responsibility for enforcing the law the need for being alert and vigilant.

Mr. Lesage: That is the reason.

Mr. Fleming: Yes, and it is a very good reason. Apparently it was good enough to commend itself to the government in putting the provision in the legislation in the first place, and good enough to commend itself to the judgment of all members. Now the period is to be considerably enlarged. Nobody wishes to make the role of the lawbreaker any easier or the problem of the law enforcement officer any more difficult. Wherever there is wrongdoing we wish to see it discovered and those responsible dealt with properly, but I think we are all very conscious of the necessity of keeping before those who are charged with the responsibility of enforcement the duty of being alert in the discharge of their duty. It strikes me from what we have been told today that three years will give the officials a very comfortable feeling.

Mr. Hamilton (York West): I feel that if a change such as this is to be put forward by the government the minister should be in a position to tell us how many prosecutions have been launched under the section and how many prosecutions were not launched because the time limit provided now had expired. Unless we have such information I do not think it is fair to any of us to have to make a decision whether this is a proper period of time or whether it is not.

I am not directing these remarks in any particular way, but I am always a little surprised at how soon after people in the legal

profession come to this chamber they become administrative-minded and begin to think about how much easier it would be for the department to carry on with a little extension of this type.

I am not thinking of people who are guilty and who are going to get some benefit out of this. I am thinking of the numerous people who are put to the trouble of a defence under a section of this kind and in many cases are found innocent. As a matter of fact I am reminded that sometimes the evidence is lost in the meantime and witnesses are not available because of lapse of time.

Mr. Lesage: There is no limitation for most offences under the Criminal Code.

Mr. Hamilton (York West): That may be so; but if we have a continuation of this type of legislation then I assume that we will have a general extension in all types of legislation. Therefore I say I really feel that the minister should have statistics which will show how many prosecutions have been launched, when they have been launched, and how many have not been launched because of failure to come within the period of time set out here.

Mr. Winters: I am sorry, but I do not have those statistics before me. However, as I am sure hon. members know, Central Mortgage and Housing Corporation does not become aware of this condition until the banks inform them of it, and there is usually a lapse of time in that connection. The banks themselves may not know of misrepresentation until a default occurs, and this may not occur till many months after the offence. I do not wish to ask for a longer period than seems reasonable under the circumstances. The officials of Central Mortgage and Housing Corporation, from their experience in the administration of this section, have informed me that in their best judgment three years is a reasonable time in tracing down these cases of false statement and other frauds which come to us, as I am sure hon. members know, through the banks. The cases do not come to us directly in the first instance. A sufficient space of time must be allowed so these matters can develop and then be referred to us by the banks when they become aware of the false statement or fraud.

Mr. Fleming: I do not wish to prolong this discussion, Mr. Chairman, but I wish to make this concluding observation. I intend no disrespect for the officials of Central Mortgage and Housing Corporation when I say this. I would have the same observation to make about any government officials, or at least about their judgment, if a similar statement