

The man having no account at the bank should be found guilty, while the man who has an account should be considered in a different way.

Consider the case of a man who has a current account with the bank, and who has endorsed a note signed by a third party, which note has been credited to his account. He sends a renewal of that note to the other person, telling him to take it to the bank, but the other person neglects to do so. As a consequence this man finds himself overdrawn. Thinking he is not overdrawn he issues a cheque on his account which is returned marked *n.s.f.*, because the note has been charged to his account without his knowledge. Would it be fair to find that man guilty? I think not.

Mr. MACKENZIE (Vancouver): He has a reasonable time in which to make it good.

Mr. POULIOT: Supposing this man has a certain amount of money coming to him monthly, say \$100, \$200 or \$300, and that money is deposited in the bank. He has a note for \$500 signed by a third person, and through the negligence of that third person in not returning the renewal in time he finds himself overdrawn. He cannot put in the bank more money than he receives monthly. That is one difficulty. Then it would be pretty hard for the magistrate to define the words "has no reasonable grounds to believe." This man would have reasonable grounds to believe that the cheque would be honoured, but because of the neglect of the other person there are not sufficient funds in his account to meet that cheque when it is presented to the bank.

Then there is another point. The section contains the words:

... and who, upon the refusal of the bank to honour the cheque does not, within a reasonable time, deposit in the bank to his credit a sufficient amount to meet the cheque. . . .

What is "reasonable time"? Is it three days of grace, a week, or a month? We are not told. "Reasonable time" is not defined, and it should be defined; otherwise magistrates are likely to hold different views until the question is settled by the supreme court. And very seldom do these offences come before the Supreme Court of Canada. My hon. friend from Comox-Alberni modifies his amendment by making it a criminal offence for anyone who has no account with a bank to issue a cheque, leaving aside the man who has an account when he issues a cheque or who believes that the bank will honour his cheque for special reasons. This, I think, is the only distinction that can be made be-

tween those who issue cheques in good faith, though they may not have sufficient funds to meet them, and those who issue cheques simply as a means of obtaining goods, which they virtually steal. If my hon. friend will make that amendment clear, I shall gladly support it. But if the proposed change is left as it stands, I cannot reasonably accept it, although in principle I agree with the hon. member.

Mr. ARMAND LAVERGNE (Montmagny): If the theory of the hon. member for Témiscouata is accepted, there is no need of this bill because to-day the moment a man issues a cheque without an account he is found guilty of false pretences. There is, therefore, no need of such an amendment as is proposed by the hon. member for Comox-Alberni. I am inclined to agree with the Minister of Justice. This bill will afford a defence in cases which are doubtful. When a man issues a cheque without an account or for which he has not sufficient funds in the bank, the magistrate can only decide that he is guilty of false pretences. This bill would furnish a defence that could not be quashed, because it asks the magistrate to be the judge of the intent of the accused. The accused might have thought when he issued the cheque that he had funds, or he might have had reason to believe that the bank would honour the cheque. This would establish his *bona fides* and the charge would fail. But this bill goes further. It tells people that they may run the risk of committing a felony, of issuing a cheque without sufficient funds, and if they are caught they will have a chance of defending themselves by depositing the money in the bank. This is an unsound principle, which can have but one effect: people will be only too ready to issue cheques when they have no funds. It defeats its own purpose, and I think the house should vote against it.

Mr. E. R. E. CHEVRIER (Ottawa): I am wholly in accord with the principle of the bill, but I think it might be differently worded to meet the purpose it has in view. For that reason I shall be glad to vote for the second reading and let it go to committee.

Mr. F. W. TURNBULL (Regina): This bill will be strongly favoured by a large body of creditors because it is the best method yet devised of using the criminal code for collecting debts. I think I know the reason why the bill was introduced. It is an offence under the criminal code to obtain goods or money by false pretences. If you issue a cheque when you have no account and obtain