

Postal Service

States, to the end that the risk capital we require for future development may be encouraged by the assurance that there will be as little fraud as possible in the obtaining of it.

Again, however, I urge that we review most carefully procedure of this kind, and that full information should be given to the house when the estimates of the Post Office Department are before us as to the procedure taken in all these many cases, the vast majority of them not related to brokers but affecting the organizations that I have mentioned. I certainly hope that every effective device will be adopted. I not only want to make sure that no broker or other individual is improperly penalized until found guilty, but also that our laws will be such that fraud can be brought before the courts in every case where it is found.

Mr. A. H. Jeffery (London): Mr. Speaker, I rise on this occasion because I find that I am somewhat in sympathy with the constructive suggestions of the leader of the opposition (Mr. Drew). In our democracy I think we should be most careful that the discretion exercised by officials should in some way be subject to review by the courts. I think an excellent step in this direction has been taken under the income tax law where discretionary powers are to a large extent reviewable by an appeal tribunal. I spoke once before in the house about the encouragement of risk capital. I agree with the leader of the opposition that we should do everything to encourage the use of risk capital for the development of Canada.

I noted that the leader of the opposition was worried about our democratic processes. I should like to point out that one of the things he suggested was restrictive criminal laws against what might be called a political party in Canada, the communists. On another occasion I said that I agree that anybody who threatens our state by force of arms or otherwise should be restricted and prosecuted but the leader of the opposition went on to make a suggestion about an undemocratic process with regard to communism.

Mr. Drew: Mr. Speaker, I do not want to interrupt but I do not want the record to be left in error. Every statement I made about communism was particularly directed towards the necessity of laws which would deal with communism before our courts. The point I was raising was that we should not deal with communism without laws, that we should have laws defining the offences and that these people should be brought before the courts.

Mr. Jeffery: Possibly I did not word very well what I had to say. What I intended to say was that we should not have laws against communism as such. We should have laws against anybody who attempts to overcome our democratic processes by force. I should like to point out that when the leader of the opposition was premier of Ontario there were laws on the statute books of the province which broke the very rule he is talking about. I should like to refer to the liquor control act whereby the official in charge can walk into a person's home, pick up his liquor permit and take it away without giving any reason or any review being made by the courts. I should also like to refer to another law of the province of Ontario whereby the minister of highways can take away my licence without my being convicted of any offence, without my having been through an examination. In other words, he can take my licence away because I am a Liberal or because I am white-headed, and it is not subject to review by the courts. I say again that I am in some slight agreement with the leader of the opposition but I want to point out that when he was premier of the province of Ontario he was guilty of having such laws.

There is one difficulty existing, of which I know the leader of the opposition is aware, and that is proving legally who mailed certain documents, and who is responsible for the printing thereof. Therefore prosecutions can be difficult where prospectuses are mailed. We run into difficulties of many types, and the only way they could be overcome would be by passing express legislation to the effect that such letters must be registered, that the person mailing them must sign, and other laws which will pin it down to the person mailing the documents.

In conclusion I want to say that I have considerable sympathy with the views of the leader of the opposition. I think his speech was constructive and had a good deal to offer. I want to make it clear that I have no sympathy for the Bay street mining interests. I feel that the government which I have the honour to support, in view of the action they took as to the income tax law, will do something to straighten out this difficult problem.

Mr. M. J. Coldwell (Rosetown-Biggart): Mr. Speaker, I should like to say a word on this matter because I think it is of interest to all of us. When steps are taken by a department of government, as was done in this case, without any immediate recourse to the courts to prove whether a person is innocent or guilty, I think it endangers democratic freedoms. I hold no brief for persons who use the mails or any other facility to defraud