

*Foreign Exchange Control*

spite of the plausible and able argument made by my good friend the member for Stanstead I am afraid he lives in a world that is different from the one in which I live. I agree with the minister that, the world being in the economic state in which it is, legislation such as this is necessary, at least for the present. However, section 33 is far-reaching in its subsections. You cannot release or fail to take reasonable steps to acquire or recover from a non-resident any property or any right, title or interest in or to any property to which the resident is or may be entitled. A man whose father died in the United States might be entitled to a share in the estate the deceased left. He might wish to assign his interest to his mother, which is a very reasonable and proper thing for a son to do, but he would not be able to do that unless he obtained a permit. According to the next paragraph you cannot grant an unreasonable extension of time for payment of any debt owing by or any claim upon a non-resident, or fail to take reasonable steps to collect any such debt or to prosecute any such claim. If he does not wish to spend the money to go to court for the reason that the debtor may be insolvent or on the eve of insolvency, he cannot refrain from taking steps to collect the debt unless he has a permit. The question I wish to ask is this. What formality will be required in order to obtain a permit? Where will one be able to obtain it? Do we write to Ottawa, or go to the banker as at present in connection with small remittances? I suggest to the minister that full publicity should be given this new law. We should know what steps the government is taking to publicize it so that Canadians will know about it and not be guilty of infractions.

Mr. ABBOTT: On the first question, the bank manager who ordinarily acts as agent for the board in ordinary transactions would not have authority to grant a permit for a transaction such as my hon. friend has referred to. Application would have to be made to the board. The usual practice would be to write direct to the board at Ottawa, or any bank manager would forward the letter, if desired, asking for permission. In a case such as my hon. friend cited, an estate, where the son wanted to assign his interest to his mother, if the circumstances were normal I am sure permission would be granted.

Mr. JAENICKE: Would an affidavit be required?

[Mr. Jaenicke.]

Mr. ABBOTT: I should not think so. When I was doing some practice I found that all that was needed in most cases was a letter setting out the circumstances.

Mr. JAENICKE: How would the department determine whether the statement contained in the letter from the applicant was true?

Mr. ABBOTT: If it appeared on its face to be plausible and reasonable it would be taken at its face value and accepted as true. If there were in it anything which aroused suspicion, I suppose the board might ask for further verification. I realize that this is only administration, but my experience with the operation of the board was that they were very flexible. There was no question of rules of evidence or affidavits, and every effort was made to facilitate the smooth and easy disposition of applications.

Mr. HACKETT: Where a substantial amount was involved, definite proof was expected.

Mr. ABBOTT: I agree that if there were large amounts involved, obviously it would not be proper to accept a simple letter. One might want an audited statement, a certificate from a banker or something of that sort, but nothing that would involve out-of-the-way expense or research on the part of the applicant.

Section agreed to.

Section 34 agreed to.

On section 35—Board may make regulations.

Mr. DIFENBAKER: I have not had anything to say in reference to this bill, but I have sat here and listened to the arguments advanced by the Acting Minister of Finance, and may I thank him at this point for having postponed consideration of section 28, subsection 2, dealing with the question of regulations, until consideration should take place of section 35. I have listened to the arguments advanced from the time the member for Muskoka-Ontario made his opening address, pointing out some of the dangers of this legislation, and as I view it, the greater the consideration that has been given to this bill the more significant becomes the cogency of that hon. gentleman's argument.

The hon. member for Muskoka-Ontario was followed by the hon. member for St. John-Albert, who spoke against the tendency which was developed during the period of the war of placing controls in the hands of boards and always under the guise of necessity or of