Inquiries of the Ministry

4 per cent to 3 per cent on savings deposits, will the government even at this late date take into consideration a reduction in the reserve requirements under the Bank Act amendments, which have now been reported back to the house?

4 per cent to 3 per cent on savings deposits, year, and of course we cannot control such a large number, so that only United States citizens and residents will be exempted from this regulation. The other reason is that since the United States is so close, it is not too difficult to send back the unwanted visitors. However,

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, I would certainly want to discuss this matter with the Minister of Finance.

Mr. T. C. Douglas (Burnaby-Coquitlam): I have a supplementary question, Mr. Speaker. Is there any truth to the report that the government intends to present an amendment to the Bank Act to reduce the shares which Citibank may own in the Mercantile Bank from 25 per cent to 10 per cent?

Mr. Speaker: Order, please. The hon. member knows that he cannot ask for confirmation or denial of a report.

IMMIGRATION

DOCUMENTATION SYSTEM RESPECTING ARRIVAL AND DEPARTURE OF VISITORS

On the orders of the day:

Right Hon. J. G. Diefenbaker (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. It has to do with the new documentation system which provides a record of the arrival of visitors and confirms their departure. I should like to ask the minister why this was brought into effect during Expo year, when we want to secure as many visitors as possible. The second part of my question is why this system is not made applicable to the United States, yet applies to the United Kingdom.

Hon. Jean Marchand (Minister of Manpower and Immigration): Mr. Speaker, it was not decided to implement this policy because of Expo. You will recall, Mr. Speaker, that last spring when we decided to make special regulations concerning visitors to Canada who had no status it was mentioned in the house that in the future we would try to gather more information with regard to such visitors and exercise better control over them. We have enacted these regulations to prevent a recurrence of this situation. It is absolutely accidental that the regulations come into effect in the Expo year.

They will not apply to United States citizens and residents for two reasons. The first is that about 34 million or 35 million visitors from the United States come to Canada each

year, and of course we cannot control such a large number, so that only United States citizens and residents will be exempted from this regulation. The other reason is that since the United States is so close, it is not too difficult to send back the unwanted visitors. However, when visitors from European countries or other more distant parts of the world come here and decide to stay in Canada, it is much more difficult to send them back. For this reason I think the difference in treatment is justified.

Mr. Diefenbaker: My question to the minister is whether the purpose of this regulation is to ensure that people shall not enter this country unlawfully. If so, would it not apply with greater force when 35 million visitors arrive here from one part of the world? Yet these visitors do not come within the ambit of the regulations, while those coming from the United Kingdom and other Commonwealth countries find themselves discriminated against.

Mr. Marchand: Mr. Speaker, the intention of the regulation is to control visitors who come here on a visitor's visa and decide to stay. Most of them, or 99.9 per cent, come from countries other than the United States. We have no trouble with those who come from the United States and it is very easy to send them back home. Our main problem is with visitors who come here with the intention of staying. We want to be able to exert some control over them, and we do not wish the situation which existed in the past to be renewed in the future.

Hon. Michael Starr (Ontario): I have a supplementary question, Mr. Speaker. I wish to ask the Minister of Manpower and Immigration whether those who come here from central Europe on a visitor's visa are now required to post a bond of \$1,000?

Mr. Marchand: Mr. Speaker, this requirement applies only to those who we have reason to believe intend to stay here, not to all visitors who come from countries behind the iron curtain.

Mr. Speaker: Order. May I suggest that since we are running short on time we might go on to another subject.

Mr. Starr: Mr. Speaker, I rise on a question of privilege. The minister said a moment ago that these regulations apply only to those who the department has reason to believe will stay here. Since this matter affects the applicants