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HOUSE OF COMMONS

20th Parliament, 2nd Session
1946

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Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 2.

An Act respecting The Jack Miner National Wild Life Day.

First reading, March 18, 1946.

MR. MACNICOL.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58298

2nd Session, 20th Parliament, 10 George VI, 1946.

HOUSE OF COMMONS OF CANADA.

BILL 2.

An Act respecting The Jack Miner National Wild Life Day.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Jack Miner National Wild Life Day Act.*

National Wild Life Day.

2. Throughout Canada in each and every year, the tenth day of April, being the anniversary of the birthday of the late Jack Miner, the Canadian and internationally recognized bird lover and wild life conservationist, shall be observed as The Jack Miner National Wild Life Day.

Explanatory Note.

The purpose of this Bill is to create public interest in the wild life of Canada and educate Canadians in the value thereof by setting aside a day when school teachers can stress in schools bird life, humane education, conservation, a day to judge bird-house contests (April 10th being an appropriate time in the spring for cleaning out and erecting bird houses). April 10th is the anniversary of the birthday of the late Jack Miner, the great Canadian Naturalist, who devoted a lifetime to the cause of conservation—such a day set aside would also be a national tribute to a man who did more than any other to create public interest in the value of Canada's wild life resources.

His writings in newspaper columns and books have awakened continental public interest in conservation of the wild life resources of the entire continent and throughout the world.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 3.

An Act to amend The Railway Act.

First reading, March 18, 1946.

MR. ADAMSON.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
58393 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 3.

An Act to amend The Railway Act.

R.S., c. 170; 1928, c. 43; 1929, c. 54; 1930, c. 36; 1932-33, c. 47; 1938, cc. 40, 12.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection two of section three hundred and eight of the *Railway Act*, chapter one hundred and seventy of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

Exception.

"(2) Where a municipal by-law of a city or town, or of a township or village situated contiguous to or near such city or town, prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, or township or village, such by-law shall, if approved by an order of the Board, to the extent of such prohibition relieve the company and its employees from the duty imposed by this section."

2. Subsection three of section four hundred and nineteen of the said Act is repealed and the following substituted therefor:—

Exception.

"(3) Where a municipal by-law of a city or town, or of a township or village situated contiguous to or near such city or town, prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, or township or village, such by-law, if approved by order of the Board, shall, to the extent of such prohibition, relieve the company from any penalty or liability under this section."

Explanatory Note.

1. Section 308 at present reads as follows:—

"**308.** When any train is approaching a highway crossing at rail level the engine whistle shall be sounded at least eighty rods before reaching such crossing, and the bell shall be rung continuously from the time of the sounding of the whistle until the engine has crossed such highway.

2. Where a municipal by-law of a city or town prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, such by-law shall, if approved by an order of the Board, to the extent of such prohibition relieve the company and its employees from the duty imposed by this section."

The changes made to subsection two are indicated by the words underlined on the opposite page.

The reason for this amendment is that many townships or villages situated contiguous to major metropolitan areas have now become so built up that they constitute a physical part of the neighbouring city or town.

Railways passing through these built-up areas and whistling at the crossings constitute a nuisance and are a real menace to the health and welfare of the residents of such districts.

It is proposed therefore, that, with the approval of the Board of Railway Commissioners, such sounding of the whistle in those townships or villages be prohibited as is actually the case for cities and towns.

2. The amendment to section 419 is made in consequence of the amendment made to section 308.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 4.

An Act to amend The Dominion Elections Act, 1938.

First reading, March 18, 1946.

MR. FAIR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58389

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 4.

An Act to amend The Dominion Elections Act, 1938.

1938, c. 46.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Disqualifications.
Inmates of institutions for the poor.

1. Paragraph *(k)* of subsection two of section fourteen of *The Dominion Elections Act, 1938*, chapter forty-six of the statutes of 1938, is repealed.

Explanatory Note.

This amendment is designed to remove the disqualification imposed on inmates of institutions for the poor where such persons are disqualified from voting at a provincial election.

The removal of this disqualification will enable all such worthy persons to vote at federal elections whether they are qualified or not to vote at provincial elections.

The paragraph proposed to be repealed reads:

"*(k)* in any province, every person who is an inmate of an institution which is maintained by any government or municipality for the housing and maintenance of the poor, if such person is by the law of that province disqualified from voting at an election of a member of the legislative assembly of that province, and did not serve in the military, naval or air forces of Canada in the war of 1914-1918."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 5.

An Act to amend The Canadian Wheat Board Act, 1935.

First reading, March 18, 1946.

Mr. Fair.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58385

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 5.

An Act to amend The Canadian Wheat Board Act, 1935.

1935, c. 53; 1939, c. 39; 1940, c. 25; 1942-43, c. 4.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section eight of *The Canadian Wheat Board Act, 1935*, chapter fifty-three of the statutes of 1935, as amended by chapter thirty-nine of the statutes of 1939 and chapter twenty-five of the statutes of 1940, is further amended by repealing paragraphs *(h)*, *(i)* and *(j)* and substituting the following therefor:—

"*(h)* subject to the provisions of paragraph (i) of this section, to give effect to any Order in Council that may be passed with respect to its operations;

(i) in selling and disposing of wheat as by this Act provided, to employ such methods, consistent with the provisions of paragraph *(b)* of this section, as will not involve the payment, directly or indirectly, of any commission or other remuneration to commission merchants, brokers or other marketing agencies;"

Explanatory Notes.

This bill is designed to eliminate the prevalent practice of the Canadian Wheat Board of paying commissions to agents in connection with the sale of wheat and to free the Board to conduct its sale operations without engaging and paying for such unnecessary service.

The paragraphs of section 8 proposed to be repealed and re-enacted in amended form and the introductory words of the section, read as follows:—

8. It shall be the duty of the Board:—

(h) to give effect to any Order in Council that may be passed with respect to its operations;

(i) in selling and disposing of wheat as by this Act provided, to utilize and employ without discrimination such marketing agencies, including commission merchants, brokers, elevator men, exporters and other persons engaged in or operating facilities for the selling and handling of wheat, as the Board in its discretion may determine;

(j) to offer wheat for sale in the markets of the world through the established channels: Provided that the Board may, if in its opinion any existing agencies are not operating satisfactorily, take such steps as it deems expedient to establish, utilize and employ its own or other marketing agencies or channels;

6.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 6.

An Act to amend the Department of External Affairs Act.

First reading, March 18, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58197

2nd Session, 20th Parliament, 10 George VI, 1946.

BILL 6.

THE HOUSE OF COMMONS OF CANADA.

An Act to amend the Department of External Affairs Act.

R.S., c. 65; 1942-43, c. 24.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Section three of the Department of External Affairs Act, chapter sixty-five of the Revised Statutes of Canada, 1927, is repealed.

Explanatory Note.

The repealed section proposed to be repealed reads as follows:—

"**3.** The member of the King's Privy Council for Canada holding the recognized position of First Minister shall be the Secretary of State for External Affairs, and in this Act he is hereafter referred to as 'the Minister'."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 7.

An Act respecting Citizenship, Nationality, Naturalization and Status of Aliens.

Reprinted as Amended in and Reported by the Committee of the Whole.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
58304 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 7.

An Act respecting Citizenship, Nationality, Naturalization and Status of Aliens.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short Title.

Short title

1. This Act may be cited as *The Canadian Citizenship Act.*

Interpretation.

Definitions.

2. In this Act, unless the context otherwise requires,

"Canadian citizen."

(a) "Canadian citizen" means a person who is a Canadian citizen under this Act;

"Canadian ship."

1934, c. 44.

(b) "Canadian ship" means a 'ship registered in Canada' within the meaning of the *Canada Shipping Act, 1934;*

"certificate of citizenship."

(c) "certificate of citizenship" means a certificate of citizenship granted under this Act;

"certificate of naturalization."

(d) "certificate of naturalization" means a certificate of naturalization granted under any Act heretofore in force in Canada;

"Clerk" or "Clerk of the Court."

(e) "Clerk" or "Clerk of the Court" includes all officers exercising the functions of prothonotary, registrar or clerk of any court having jurisdiction under this Act, and, where a person is designated by the Governor in Council as a court under this Act, means the said person;

"consulate."

(f) "consulate" means the office of a Canadian consular officer and includes the office of a Canadian Ambassador, Minister or High Commissioner or of a Canadian Trade Commissioner; and includes the office of a consular or other officer of any other country of the British Commonwealth where a register of births is kept;

Explanatory Notes.

Amendments made in Committee of the Whole are indicated by vertical lines in the margin or by underlining in the text of the Bill.

Deletions are indicated opposite sections where they occur.

"country of the British Commonwealth."

(g) "country of the British Commonwealth" means for the purposes of this Act a country listed in the First Schedule to this Act or a country declared for the purposes of this Act to be a country of the British Commonwealth of Nations by proclamation issued under this Act, and includes, in the case of any such country, all colonies, dependencies or territories thereof;

"Court."

(h) "Court" means any Superior, Circuit, County or District Court, and includes in the province of Quebec any district magistrate, and, in the Northwest Territories and in the Yukon Territory, any stipendiary magistrate or any other person designated by the Governor in Council under this Act;

"disability."

(i) "disability" means the incapacity of a minor, a lunatic or an idiot;

"domicile."

(j) "domicile", for the purposes of this Act, means the place in which a person has his home or in which he resides and to which he returns as his place of permanent abode and does not mean the place where he resides for a mere special or temporary purpose, and

"Canadian domicile."

"Canadian domicile" means such domicile maintained in Canada for at least five years;

"Minister."

(k) "Minister" means the Secretary of State of Canada;

"minor"

(l) "minor" means a person who has not attained the age of twenty-one years;

"regulation."

(m) "regulation" means a regulation made by the Governor in Council under this Act; and

"responsible parent."

(n) "responsible parent" means the father: except that, where the father is dead, or where the custody of a child has been awarded to his mother by order of a court of competent jurisdiction, or where a child was born out of wedlock and resides with the mother, "responsible parent" means the mother.

Declaration of Canadian citizenship an adequate statement of national status.

3. Where a person is required to state or declare his national status, any person who is a Canadian citizen under this Act shall state or declare himself to be a Canadian citizen and his statement or declaration to that effect shall be a good and sufficient compliance with such requirement.

PART I.

Natural-Born Canadian Citizens.

4. A person, born before the commencement of this Act, is a natural-born Canadian citizen:—

Born before the commencement of the Act.

(a) if he was born in Canada or on a Canadian ship and has not become an alien at the commencement of this Act; or

3. The words "under any Act of the Parliament of Canada or an order or a regulation made under such Act" have been deleted after the word "Where" in the first line of section three.

The word "shall" is substituted for the word "may".

(b) if he was born outside of Canada elsewhere than on a Canadian ship and his father, or in the case of a person born out of wedlock, his mother

(i) was born in Canada or on a Canadian ship and had not become an alien at the time of that person's birth, or

(ii) was, at the time of that person's birth, a British subject who had Canadian domicile,

if, at the commencement of this Act, that person has not become an alien, and has either been lawfully admitted to Canada for permanent residence or is a minor.

Born after the commencement of the Act.

5. A person, born after the commencement of this Act, is a natural-born Canadian citizen:—

(a) if he is born in Canada or on a Canadian ship; or

(b) if he is born outside of Canada elsewhere than on a Canadian ship, and

(i) his father, or in the case of a child born out of wedlock, his mother, at the time of that person's birth, is a Canadian citizen by reason of having been born in Canada or on a Canadian ship, or having been granted a certificate of citizenship or having been a Canadian citizen at the commencement of this Act, and

(ii) the fact of his birth is registered at a consulate or with the Minister, within two years after its occurrence or within such extended period as may be authorized in special cases by the Minister, in accordance with the regulations.

Conditions for retention of Canadian citizenship by persons born outside of Canada.

6. Notwithstanding anything contained in section four or section five of this Act, a person who is, at the commencement of the Act, a minor born outside of Canada elsewhere than on a Canadian ship and who has not been lawfully admitted to Canada for permanent residence, or who is born after the commencement of this Act and outside of Canada elsewhere than on a Canadian ship, shall cease to be a Canadian citizen upon the expiration of one year after he attains the age of twenty-one years unless after attaining that age and before the expiration of the said year

(a) he asserts his Canadian citizenship by a declaration of retention thereof, registered in accordance with the regulations; and

(b) if he is a national or citizen of a country other than Canada under the law of which he can, at the time of asserting his Canadian citizenship, divest himself of the nationality or citizenship of that country by making a declaration of alienage or otherwise, he divests himself of such nationality or citizenship:

Proviso, special case

Provided that in any special case the Minister may extend the time during which any such person may assert his Canadian citizenship and divest himself of the other nationality or citizenship, in which case upon so doing within the said time he shall thereupon again become a Canadian citizen.

Foundlings

7. Every foundling, who is or was first found as a deserted infant in Canada, shall, until the contrary is proved, be deemed to have been born in Canada.

Child born after death of his father.

8. Where a child is born after the death of his father, the child shall, for the purposes of this Part, be deemed to have been born immediately before the death of the father.

PART II.

Canadian Citizens Other than Natural-Born.

On commencement of the Act.

9 (1) A person other than a natural-born Canadian citizen, is a Canadian citizen, if he

(a) was granted, or his name was included in a certificate of naturalization and he has not become an alien at the commencement of this Act; or

(b) immediately before the commencement of this Act was a British subject who had Canadian domicile;

or, in the case of a woman,

(c) if she

(i) before the commencement of this Act, was married to a man who, if this Act had come into force immediately before the marriage, would have been a natural-born Canadian citizen as provided in section four of this Act or a Canadian citizen as provided in paragraphs *(a)* and *(b)* of this subsection, and

(ii) at the commencement of this Act, is a British subject and has been lawfully admitted to Canada for permanent residence.

When deemed to have become Canadian citizens.

(2) A person who is a Canadian citizen under subsection one of this section shall be deemed, for the purpose of Part III of this Act, to have become a Canadian citizen:—

(a) where he was granted, or his name was included in, a certificate of naturalization, on the date of the certificate;

(b) where he is a Canadian citizen by reason of being a British subject who had Canadian domicile, on the date he acquired Canadian domicile; and

(c) in the case of a woman to whom paragraph *(c)* of subsection one of this section applies, on the date of the marriage or on which she became a British subject or on which she was lawfully admitted to Canada for permanent residence, whichever is the latest date.

Grant of a certificate of Canadian citizenship.

10. (1) The Minister may grant a certificate of Canadian citizenship to any person who is not a Canadian citizen, and who makes application for that purpose and satisfies the Court that:—

(a) either he has filed in the office of the Clerk of the Court for the judicial district in which he resides, not less than one nor more than five years prior to the date of his application, a declaration of intention to become a Canadian citizen, the said declaration having been filed by him after he attained the age of eighteen years; or he is the spouse of and resides in Canada with a Canadian citizen; or he is a British subject;

(b) he has been lawfully admitted to Canada for permanent residence therein;

(c) he has resided continuously in Canada for a period of one year immediately preceding the date of the application and, in addition, except where the applicant has served outside of Canada in the armed forces of Canada during time of war or where the applicant is the wife of and resides in Canada with a Canadian citizen, has also resided in Canada for a further period of not less than four years during the six years immediately preceding the date of the application;

(d) he is of good character;

(e) he has an adequate knowledge of either the English or the French language, or, if he has not such an adequate knowledge, he has resided continuously in Canada for more than twenty years;

(f) he has an adequate knowledge of the responsibilities and privileges of Canadian citizenship; and that

(g) he intends, if his application is granted, either to reside permanently in Canada or to enter or continue in the public service of Canada or of a province thereof.

Grant of certificate to British subjects.

(2) Notwithstanding the provisions of subsection one of this section, the Minister may grant a certificate of Canadian citizenship to any person who is a British subject and who makes to the Minister a declaration that he desires such certificate and who satisfies the Minister that he possesses the qualifications prescribed by paragraphs *(b)*, *(c)*, *(d)*, *(e)*, *(f)* and *(g)* of subsection one of this section: Provided that in any case where, in the opinion of the Minister, there is doubt as to whether the applicant possesses the said qualifications, the Minister before granting such a certificate may refer the declaration and the material in support thereof to the court in the judicial district in which the declarant resides, and the declaration shall thereupon be dealt with as an application under subsection one of this section.

Proviso.

Special certificate to minor children.

(3) The Minister may grant a special certificate of citizenship to a minor child of a person to whom a certificate

of citizenship is, or has been, granted under this Act, on the application of the said person,

(a) if the said person is the responsible parent of the child, and

(b) if the child was born before the date of the certificate granted to the said person and has been lawfully admitted to Canada for permanent residence.

Period in armed forces or public service equivalent to residence.

(4) Any period during which an applicant for a certificate of citizenship has served in the armed forces of Canada or was employed outside of Canada in the public service of Canada or of a province thereof, otherwise than as a locally engaged person, shall be treated as equivalent to a period of residence in Canada for the purposes of subsection one and subsection two of this section.

Period in penitentiary etc., not to be counted as residence.

(5) No period during which an applicant for a certificate of citizenship was confined in or an inmate of any penitentiary, gaol, reformatory, prison, or asylum for the insane, in Canada, shall be counted as a period of residence in Canada for the purposes of subsection one and subsection two of this section.

Grant of certificate of citizenship in certain cases.

11. The Minister may, in his discretion, upon application, grant a certificate of citizenship to

(a) a person with respect to whose status as a Canadian citizen a doubt exists and the certificate may specify that the grant thereof is made for the purpose of removing doubts as to whether the person named therein is a Canadian citizen and the granting of the certificate shall not be deemed to establish that the person to whom it is granted was not previously a Canadian citizen;

(b) a minor in any special case whether or not the conditions required by this Act have been complied with; or

(c) a person who was an alien and who was naturalized under any Naturalization Act in force in Canada before the passing of *The Naturalization Act, 1914*.

1914, c. 44.

Certificate not effective till oath of allegiance taken.

12. A certificate of citizenship granted to any person under this Part, other than to a minor under the age of fourteen years, shall not take effect until the applicant has taken the oath of allegiance set forth in the Second Schedule to this Act, and thereupon the said person shall become a Canadian citizen.

Certificate not to be granted to persons under a disability.

13. Except as provided by this Act in the case of minors, a certificate of citizenship shall not be granted to any person under a disability.

Rehearing.

14. (1) Before granting a certificate of citizenship to any person whose application has been approved by the court, the Minister may, if he is in doubt whether the

This is a consequential amendment.

This is a consequential amendment.

certificate should be granted, refer the application to the court for another hearing to be known as a rehearing.

Notice.

(2) Where the Minister refers an application for a rehearing, he shall give notice in writing by registered mail of the rehearing to the applicant at the postal address shown in the application, and the rehearing shall not be proceeded with until the expiration of at least thirty days after the mailing of the said notice.

Production of evidence.

(3) An applicant shall, on a rehearing, produce to the court such evidence as the court may require that he is qualified and fit to be granted a certificate of citizenship and shall also personally appear before the court for examination.

Decision to be final.

(4) The decision of the court on a rehearing shall be final and conclusive as regards the application.

New application allowed.

15. An applicant whose application has been rejected by the Court on a hearing or rehearing may make another application under section ten of this Act after the expiration of a period of two years from the date of such rejection.

PART III.

Loss of Canadian Citizenship.

On acquisition of other nationality.

16. A Canadian citizen who, when outside of Canada and not under a disability, by any voluntary and formal act other than marriage, acquires the nationality or citizenship of a country other than Canada shall thereupon cease to be a Canadian citizen.

By renunciation where dual nationality.

17. (1) Where a natural-born Canadian citizen, at his birth or during his minority, or any Canadian citizen on marriage, became or becomes under the law of any other country a national or citizen of that country, if, after attaining the full age of twenty-one years, or after the marriage, he makes, while not under disability, and still such a national or citizen, a declaration renouncing his Canadian citizenship, he shall thereupon cease to be a Canadian citizen.

Canadian citizen, serving in armed forces of another country.

(2) Where a Canadian citizen who is under the law of any other country a national or a citizen of that country serves in the armed forces of any country when it is at war with Canada, he shall thereupon cease to be a Canadian citizen.

Child of parent ceasing to be a Canadian citizen.

18. (1) Where the responsible parent of a minor child ceases to be a Canadian citizen under section sixteen or section seventeen of this Act, the child shall thereupon cease to be a Canadian citizen if he is or thereupon becomes, under the law of any other country, a national or citizen of that country.

Declaration for resuming Canadian citizenship

(2) A person who has ceased to be a Canadian citizen under subsection one of this section may, within one year after attaining the age of twenty-one years or in special circumstances with the consent of the Minister within any longer period than one year, make a declaration that he wishes to resume Canadian citizenship and he shall thereupon again become a Canadian citizen.

When loss of Canadian citizenship involves loss of British nationality.

19. Where a person ceases to be a Canadian citizen as provided in section sixteen, section seventeen or section eighteen of this Act, if he is at such time or thereupon becomes a national or citizen of a country other than a country of the British Commonwealth, he thereupon ceases to be a British subject.

By residence outside of Canada for six years.

20. A Canadian citizen, other than a natural-born Canadian citizen or a Canadian citizen who has served in the armed forces of Canada in time of war and been honourably discharged therefrom, ceases to be a Canadian citizen if he resides outside of Canada for a period of at least six consecutive years exclusive of any period during which,

(a) he is in the public service of Canada or of a province thereof;

(b) he is a representative or employee of a firm, business, company or organization, religious or otherwise, established in Canada or of an international agency of an official character in which Canada participates;

(c) he resides outside of Canada on account of ill-health or disability;

(d) he is the spouse or minor child of, and resides outside of Canada for the purpose of being with a spouse or parent who is a Canadian citizen residing outside of Canada for any of the objects or causes specified in paragraphs *(a)* to *(c)* inclusive of this section;

(e) he is the spouse of, and resides outside of Canada for the purpose of being with a spouse who is a natural-born Canadian citizen; or

(f) his Canadian citizenship is certified to be extended by endorsement of his certificate of citizenship, or if he has no certificate of citizenship, of his passport, by the officer in charge of a consulate, which endorsement shall state that the Canadian citizen appeared before the officer prior to the expiration of the said period of six years and established

(i) that his absence from Canada was of a temporary nature, and

(ii) that he intended in good faith to return to Canada for permanent residence as a Canadian citizen,

and shall be in such form and may extend his Canadian citizenship for such period as may be prescribed by regulation.

By revocation of Canadian citizenship.

21. (1) The Governor in Council may order that any person other than a natural-born Canadian citizen shall cease to be a Canadian citizen if, upon a report from the Minister, he is satisfied that the said person either

(a) has, during any war in which Canada is or has been engaged, unlawfully traded or communicated with the enemy or with a subject of an enemy state

or has been engaged in or associated with any business which to his knowledge is carried on in such manner as to assist the enemy in such war;

(b) has obtained a certificate of naturalization or of Canadian citizenship by false representation or fraud or by concealment of material circumstances;

(c) has, since becoming a Canadian citizen or being naturalized in Canada, been for a period of not less than six years ordinarily resident out of Canada and has not maintained substantial connection with Canada; or

(d) if out of Canada, has shown himself by act or speech to be disaffected or disloyal to His Majesty, or, if in Canada, has been convicted of treason or sedition by a court of competent jurisdiction.

Notice and reference for inquiry.

(2) The Minister before making a report under this section shall cause notice to be given or sent to the last known address of the person in respect of whom the report is to be made, giving him an opportunity of claiming that the case be referred for such inquiry as is hereinafter specified and if said person so claims in accordance with the notice, the Minister shall refer the case for inquiry accordingly.

Inquiry by Commission.

(3) An inquiry under this section shall be held by a commission constituted for the purpose by the Governor in Council upon the recommendation of the Minister, presided over by a person appointed by the Governor in Council who holds or has held high judicial office, and shall be conducted in such manner as the Governor in Council shall order: Provided that any such inquiry may, if the Governor in Council thinks fit, instead of being held by such commission, be held by the superior court of the province in which the person concerned resides, and the practice and procedure on any inquiry so held shall be regulated by rules of court.

Proviso.

Powers of Commission.

(4) The members of any commission appointed under this section shall have all such powers, rights and privileges as are vested in any superior court or in any judge thereof on the occasion of any action in respect of

(a) enforcing the attendance of witnesses and examining them on oath, affirmation or otherwise, and the issue of a commission or a request to take evidence abroad;

(b) compelling the production of documents; and

(c) punishing persons guilty of contempt;

and a summons signed by one or more members of the Commission may be substituted for and shall be equivalent to any formal process capable of being issued in any action for enforcing the attendance of witnesses and compelling the production of documents.

Cancellation of certificate.

(5) Where the Governor in Council, under this section, directs that any person cease to be a Canadian citizen, the order shall have effect from such time as the Governor in Council may direct and thereupon the said person shall

Former paragraph *(c)* which has been deleted, reads as follows:—

"*(c)* has, within five years after becoming a Canadian citizen, been sentenced by any court in Canada to imprisonment for a term of not less than twelve months;"

The former paragraphs *(d)* and *(e)* are re-lettered as *(c)* and *(d)*.

cease to be a Canadian citizen and shall give up and surrender for cancellation any certificate of citizenship or naturalization granted to him and any person omitting to give up the said certificate shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding five hundred dollars.

Revocation of certificate granted in other country of the British Commonwealth.

22. The Governor in Council may, with the concurrence of a government of a country of the British Commonwealth other than Canada, revoke a certificate of naturalization granted in the said country to a person who resides in Canada and the provisions of section twenty-one of this Act shall apply *mutatis mutandis* in respect of the said revocation.

Citizenship of spouse or minor children.

23. (1) Where a person ceases to be a Canadian citizen under section twenty or under section twenty-one or a British subject under section twenty-two of this Act, the citizenship or status as to nationality of the spouse and minor children of the said person shall not be affected thereby except as provided in this section.

When wife or child shall cease to be a Canadian citizen.

(2) Where a person ceases to be a Canadian citizen under section twenty or section twenty-one or a British subject under section twenty-two of this Act, if

(a) the wife of the said person became a British subject by reason only of her marriage to the said person; or

(b) the said person is the responsible parent of a child,

the Governor in Council may direct that the said wife or the said children shall cease to be Canadian citizens or British subjects, as the case may be.

Declaration renouncing Canadian citizenship.

(3) The wife of a person who has ceased to be a Canadian citizen under section twenty or under section twenty-one or a British subject under section twenty-two of this Act, may within six months thereafter make a declaration renouncing her Canadian citizenship or her status as a British subject and thereupon any minor children of her husband and herself shall cease to be Canadian citizens or British subjects, as the case may be.

Reversion to prior nationality.

24. Where a person ceases to be a Canadian citizen as provided in section twenty, section twenty-one or section twenty-three, or ceases to be a British subject as provided in section twenty-two or section twenty-three of this Act, he shall be regarded as having the nationality or citizenship which he had before he became a Canadian citizen or a British subject, as the case may be.

Saving of obligations incurred before loss of citizenship.

25. Where a person ceases to be a Canadian citizen or a British subject, he shall not thereby be discharged from any obligation, duty or liability in respect of any act or thing done or omitted before he ceased to be a Canadian citizen or a British subject.

PART IV.

Status of Canadian Citizens and Recognition of British Subjects

Canadian citizen a British subject.

26. A Canadian citizen is a British subject.

Rights and obligations.

27. A Canadian citizen other than a natural-born Canadian citizen shall, subject to the provisions of this Act, be entitled to all rights, powers and privileges and be subject to all obligations, duties and liabilities to which a natural-born Canadian citizen is entitled or subject and, on and after becoming a Canadian citizen, shall, subject to the provisions of this Act, have a like status to that of a natural-born Canadian citizen.

British subjects under the laws of other countries of the British commonwealth.

28. A person, who has acquired the status of British subject by birth or naturalization under the laws of any country of the British Commonwealth other than Canada to which he was subject at the time of his birth or naturalization, shall be recognized in Canada as a British subject.

PART V.

Status of Aliens.

Rights of aliens.

29. (1) Real and personal property of every description may be taken, acquired, held and disposed of by an alien in the same manner in all respects as by a natural-born Canadian citizen; and a title to real and personal property of every description may be derived through, from or in succession to an alien in the same manner in all respects as through, from or in succession to a natural-born Canadian citizen.

Disabilities.

(2) This section shall not operate so as to

(a) qualify an alien for any office or for any municipal, parliamentary or other franchise;

(b) qualify an alien to be the owner of a Canadian ship;

(c) entitle an alien to any right or privilege as a Canadian citizen except such rights and privileges in respect of property as are hereby expressly given to him; or

(d) affect an estate or interest in real or personal property to which any person has or may become entitled, either mediately or immediately, in possession or expectancy, in pursuance of any disposition made before the fourth day of July, one thousand eight hundred and eighty-three, or in pursuance of any devolution by law on the death of any person dying before that day.

Trial of alien.

30. An alien shall be triable at law in the same manner as if he were a natural-born Canadian citizen.

PART VI.

Procedure and Evidence.

Application, where made.

31. An application for a certificate of citizenship shall be made to the Court in the judicial district in which the applicant resides or as otherwise prescribed by regulation.

To be filed with the clerk of the Court.

Posting.

32. An application for a certificate of citizenship shall be filed with the Clerk of the Court and shall be posted by the Clerk in a conspicuous place in his office, or as otherwise prescribed by regulation, continuously for a period of at least three months before the application is heard by the Court.

Filing of opposition.

33. At any time after the filing of an application for a certificate of citizenship and previous to the hearing of the application, any person objecting to the granting of the certificate to the applicant may file in the Court an opposition in which shall be stated the grounds of his objection.

Production of evidence.

Applicant to appear personally.

34. The applicant for a certificate of citizenship shall produce to the Court such evidence as the Court may require that he is qualified and fit to be granted a certificate under the provisions of this Act, and shall personally appear before the Court for examination unless it is established to the satisfaction of the Court that he is prevented from so appearing by some good and sufficient cause.

Copy of favourable decision transmitted to the Minister.

35. If the Court decides that the applicant for a certificate of citizenship is a fit and proper person to be granted such certificate and possesses the required qualifications, a certified copy of the decision shall be transmitted by the Clerk of the Court to the Minister together with the application and such other papers, documents and reports as may be required by regulation.

Issuance and delivery of certificate.

Oath of allegiance.

Date of certificate.

36. When the Minister receives a decision of the Court under section thirty-five of this Act, he may thereupon issue a certificate of citizenship and shall send the certificate to the Clerk of the Court by whom such decision was forwarded, or as otherwise prescribed by regulation, and upon the applicant taking the oath of allegiance, the Clerk shall deliver the certificate to the applicant after having endorsed thereon the date of the taking of the oath of allegiance which date shall be the date of the certificate of citizenship.

Instruction in the responsibilities and privileges of Canadian citizenship.

37. The Minister, with the approval of the Governor in Council, shall take such measures as to him may appear fitting to provide facilities to enable applicants for certi-

ficates of citizenship to receive instruction in the responsibilities and privileges of Canadian citizenship.

Proceedings in Court.

38. The Court, in the conduct of proceedings under this Act, shall, by appropriate ceremonies, impress upon applicants the responsibilities and privileges of Canadian citizenship.

PART VII.

General.

Regulations.

39. (1) The Governor in Council may make regulations generally for carrying into effect the purposes and provisions of this Act, and in particular with respect to the following matters:—

(a) the forms to be used under this Act including the form and manner of registration of declarations and of certificates;

(b) the time within which the oath of allegiance is to be taken after the issue of a certificate of citizenship;

(c) the persons before whom the oath of allegiance may be taken and the persons before whom any declarations under this Act may be made;

(d) the form in which the taking of oaths of allegiance is to be attested and the registration thereof;

(e) the persons by whom certified copies of oaths of allegiance may be given; and the proof in any legal proceeding of any such oaths;

(f) the imposition and application of fees in respect of any registration authorized to be made by this Act or any Act heretofore in force in Canada and in respect of the making of any declaration or the grant of any certificate authorized to be made or granted by this Act or any Act heretofore in force in Canada, and in respect of the administration or registration of any oath;

(g) the expedient and fitting procedure to be followed in the conduct of proceedings before the Court to impress upon applicants the responsibilities and privileges of Canadian citizenship;

(h) the manner of proof of any qualification required for the grant of a certificate of citizenship under this Act; and

(i) the manner of proof of Canadian citizenship and the granting of special certificates for such purpose.

Powers of Governor in Council.

(2) The Governor in Council may

(a) authorize the issue of a proclamation declaring that any part of His Majesty's dominions not listed in the first schedule to this Act is a country of the British Commonwealth for the purposes of this Act;

(*b*) designate persons in the Northwest Territories and in the Yukon Territory who shall constitute courts for the purposes of this Act.

Regulations to be laid before Parliament.

(3) All such regulations shall be laid before Parliament within fifteen days after they are made if Parliament is then sitting, or if Parliament is not then sitting, within fifteen days after the commencement of the next ensuing session thereof.

Evidence of declarations.

40. Any declaration made under this Act or under any Act heretofore in force may be proved in any legal proceeding by the production of the original declaration or of any copy thereof certified to be a true copy by the Minister or by any person authorized by him in that behalf, without proof of such authorization, and the production of the declaration or copy shall be evidence of the contents thereof and of the person therein named as declarant having made the declaration at the date therein mentioned.

Evidence of certificate.

41. A certificate of citizenship or a certificate of naturalization may be proved in any legal proceeding by the production of the original certificate or of any copy thereof certified to be a true copy by the officer or persons authorized to issue such certificate of citizenship or such certificate of naturalization or by any person authorized by such officer or person in that behalf, without proof of such authorization.

Evidence of entries and certification of copies.

42. Entries made in any register in pursuance of this Act or under any Act heretofore in force may be proved by such copies and certified in such manner as may be directed by the Minister, and the copies of any such entries shall be evidence of any matters, by this Act or by any regulation of the Governor in Council or of the Minister, authorized to be inserted in the register.

Question of domicile, how determined.

R.S., c. 93.

43. Where any question arises under this Act as to whether any person had Canadian domicile immediately prior to the coming into force of this Act, the question shall be determined by the same authority and in a like manner as if it arose under the *Immigration Act* and the determination thereof in such manner shall be final and conclusive for the purposes of this Act.

Penalty for false representation or statement.

Offence.

44. If any person for any of the purposes of this Act knowingly makes any false representation or any statement false in a material particular, he shall be guilty of an offence and liable on summary conviction in respect of each offence to imprisonment with or without hard labour for any term not exceeding three months.

Acts repealed.

45. (1) The *Naturalization Act*, chapter one hundred and thirty-eight of the Revised Statutes of Canada, 1927 and the *Canadian Nationals Act*, chapter twenty-one of the Revised Statutes of Canada, 1927, are repealed.

New status to apply.

(2) Where, in any Act of the Parliament of Canada or any order or regulation made thereunder, any provision is made applicable in respect of

(a) a "natural-born British subject" it shall apply in respect of a "natural-born Canadian citizen"; or

(b) a "naturalized British subject" it shall apply in respect of a "Canadian citizen other than a natural-born Canadian citizen"; or

(c) a "Canadian national" it shall apply in respect of a "Canadian citizen";

under this Act, and where in any Act, order or regulation aforesaid any provision is made in respect of the status of any such person as a Canadian national or British subject it shall apply in respect of his status as a Canadian citizen or British subject under this Act.

Saving.

46. (1) Notwithstanding the repeal of the *Naturalization Act* and the *Canadian Nationals Act*, this Act is not to be construed or interpreted as depriving any person who is a Canadian national, a British subject or an alien as defined in the said Acts or in any other law in force in Canada of the national status he possesses at the time of the coming into force of this Act.

Construction as to facilities for becoming Canadian citizen.

(2) This Act is to be construed and interpreted as affording facilities for any person mentioned in the last preceding subsection if he should so desire to become a Canadian citizen if he is not a natural-born Canadian citizen as defined in this Act, and if he possesses the qualifications for Canadian citizenship as defined in this Act.

Coming into force.

47. This Act shall come into force upon a date to be fixed by proclamation of the Governor in Council.

SCHEDULES

First Schedule.

The United Kingdom.
Canada.
The Commonwealth of Australia (including for the purposes of this Act the territory of Papua and Norfolk Island).
The Dominion of New Zealand.
The Union of South Africa.
Ireland.
Newfoundland.

Second Schedule.

Oath of Allegiance.

I, A.B., swear that I will be faithful and bear true allegiance to His Majesty King George the Sixth, his Heirs and Successors, according to law, and that I will faithfully observe the laws of Canada and fulfil my duties as a Canadian citizen.

So help me God.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 8.

An Act respecting Canada Day.

First reading, March 27, 1946.

MR. COTE (Matapedia-Matane).

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
58833 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 8.

An Act respecting Canada Day.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Canada Day Act.*

Canada Day a holiday.

2. Throughout Canada, in each and every year, the first day of July, not being a Sunday, shall be a legal holiday, and shall be kept and observed as such, under the name of *Canada Day.*

When 1st of July is a Sunday.

3. When the first day of July is a Sunday, the second day of July shall be, in lieu thereof, throughout Canada, a legal holiday, and shall be kept and observed as such under the same name.

Repeal.

4. The *Dominion Day Act*, chapter forty-nine of the Revised Statutes of Canada, 1927, is repealed.

Explanatory Note.

This Bill is intended to repeal the *Dominion Day Act* and substitute therefor a Canada Day Act. The only changes are in the title and in section two where the word "Canada" is substituted for the word "Dominion".

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 9.

An Act to amend the Navigable Waters' Protection Act.

First reading, March 27, 1946.

THE MINISTER OF PUBLIC WORKS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

57911

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 9.

R.S., c. 140.

An Act to amend the Navigable Waters' Protection Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection two of section five of the *Navigable Waters' Protection Act*, chapter one hundred and forty of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:

Approval of works constructed.

"(2) The Governor in Council may approve of works constructed, or in process of construction, on the first day of June, one thousand nine hundred and thirty-eight, subject to the provisions of section seven hereof, and such approval shall have the same effect as approval of works to be constructed."

Explanatory Note.

As the date of June 1, 1918, was included in the Statutes some twenty years ago, it is suggested that this be altered to read June 1, 1938. Any unauthorized work which has been maintained prior to that date and concerning which no protests have been received could, if the owners so desire, be approved under Section 5 (2) of the Act. As the Act now reads, any work built since June 1, 1918, cannot at this date be approved.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 10.

An Act respecting the appointment of Auditors for National Railways.

First reading, March 27, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
58549 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 10.

1932-33, c. 33; 1934, c. 3; 1935, c. 1; 1936, c. 21; 1937, c. 3; 1938, c. 3; 1939, c. 2; 1940, c. 4; 1940-41, c. 5; 1942-43, c. 12; 1943-44, c. 18; 1944-45, c. 8; 1945 (2nd Sess.), c. 6.

An Act respecting the appointment of Auditors for National Railways.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Appointment of auditors.

1. Notwithstanding the provisions of section thirteen of *The Canadian National-Canadian Pacific Act, 1933*, chapter thirty-three of the statutes of 1932-33, as enacted by section three of chapter twenty-five of the statutes of 1936, respecting the appointment of auditors by joint resolution of the Senate and House of Commons, George A. Touche and Company, of the cities of Toronto and Montreal, chartered accountants, are appointed as independent auditors for the year 1946, to make a continuous audit under the provisions of the said section, of the accounts of National Railways as defined in the said Act.

11.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 11.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

AS PASSED BY THE HOUSE OF COMMONS, 29th MARCH, 1946.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

59533

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 11.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by message from His Excellency the Honourable Thibaudeau Rinfret, Chief Justice of Canada, Administrator of the Government of Canada, and the Estimates accompanying the said message that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-seven, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

1. This Act may be cited as *The Appropriation Act, No. 1, 1946.*

$273,197,945.73 granted for 1946-47.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole two hundred and seventy-three million, one hundred and ninety-seven thousand, nine hundred and forty-five dollars and seventy-three cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-sixth of the amount of each of the several items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-seven, as laid before the House of Commons at the present session of Parliament.

Power to raise sums required for redeeming loans or obligations. 1931, c. 27.

3. (1) The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament, by any Act heretofore passed, raise by way of loan, under the provisions of *The Consolidated Revenue and Audit Act, 1931*, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money as may be required for paying or redeeming loans or obligations of Canada maturing or callable in the fiscal year ending March 31, 1947.

Chargeable to Consolidated Revenue Fund.

(2) The principal raised by way of loan under this Act and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

Account to be rendered in detail.

4. A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 12.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

AS PASSED BY THE HOUSE OF COMMONS, 29th MARCH, 1946.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

59438

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 12.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Honourable Thibaudeau Rinfret, Chief Justice of Canada, Administrator of the Government of Canada, and the Estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, and for other purposes connected with the public service: May it therefore please your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

1. This Act may be cited as *The Appropriation Act, No. 2, 1946.*

$4,938,873.32 granted for 1945-46.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole four million, nine hundred and thirty-eight thousand, eight hundred and seventy-three dollars and thirty-two cents towards defraying the several charges and expenses of the public service from the first day of April, one thousand nine hundred and forty-five, to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, set forth in the Schedule to this Act.

Amounts chargeable to year ending 31st March, 1946.

3. Notwithstanding the provisions of *The Consolidated Revenue and Audit Act, 1931,* the amounts appropriated by this Act may be paid at any time on or before the thirtieth day of April, one thousand nine hundred and forty-

six, and such payments shall be deemed to have been made in and be chargeable to the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-six.

Account to be rendered in detail.

4. A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

SCHEDULE

Based on Further Supplementary Estimates, 1945-46. The amount hereby granted is $4,938,873.32.

SUMS granted to His Majesty by this Act for the financial year ending 31st March, 1946, and the purposes for which they are granted.

No. of Vote	Service	Amount	Total
		$ cts.	$ cts.
	AGRICULTURE		
	ADMINISTRATION SERVICE		
648	Departmental Administration—further amount required.....	14,795 00	
	PRODUCTION SERVICE		
649	Production Service Administration—further amount required..	2,966 00	
	MARKETING SERVICE		
650	Subsidies for Cold Storage Warehouses, under the Cold Storage Act, and Grants, in the amounts detailed in the Estimates —further amount required.....	31,846 31	
651	Fruit, Vegetable and Maple Products and Honey—further amount required.....	50,000 00	
			99,607 31
	EXTERNAL AFFAIRS		
652	Passport Office—Administration—further amount required....	10,000 00	
653	To provide for hospitality in connection with visitors from abroad—further amount required.....	7,500 00	
654	To provide for expenses of the Canadian delegation to Bermuda for discussions with delegates from the United Kingdom and Newfoundland on Civil Aviation.....	1,500 00	
			19,000 00
	CANADA'S CONTRIBUTIONS TO THE MAINTENANCE OF EXTERNAL ORGANIZATIONS		
655	International Commission on Air Navigation for the years 1941 to 1945, inclusive.....	8,300 00	
656	Contribution towards the operational expenses of the Inter-governmental Committee on Refugees for the year 1945—Further amount required.....	215,000 00	
657	Contribution to the United Nations Organization Working Capital Fund to provide working capital for the operations of the Organization pending assessment and collection of regular contributions.....	1,205,002 50	
			1,428,302 50
	FINANCE		
658	Bank Inspection (Inspector General of Banks' Office)—further amount required.....	75,000 00	
659	Superannuation and Retirement Benefits—Government's contribution to the Superannuation Fund—further amount required.....	100,000 00	
	GENERAL		
660	To provide for the expenses of the Comptroller of the Treasury's Office—further amount required.....	190,000 00	
			365,000 00

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$ cts.	$ cts.
	FISHERIES		
661	To provide for transportation, dressing and dyeing, and other expenses incidental to receiving and disposing of fur seal skins accruing to Canada pursuant to Provisional Fur Seal Agreement between Canada and the United States by exchange of notes dated December 8 and 19, 1942—further amount required		100,361 34
	JUSTICE		
662	Exchequer Court of Canada—Administration—further amount required		5,000 00
	LEGISLATION		
	House of Commons		
663	Estimates of the Sergeant-at-Arms—further amount required	10,000 00	
	General		
664	Printing of Parliament, including salaries of staff of Joint Distribution Office—further amount required	25,000 00	
			35,000 00
	MINES AND RESOURCES		
	Lands, Parks and Forests Branch		
665	Government of the Northwest Territories—General Administration, operation and maintenance of services, including Wood Buffalo Park—further amount required	50,000 00	
666	Yellowknife Airport—further amount required	110,000 00	
	Surveys and Engineering Branch		
667	Dominion Astrophysical Observatory, Victoria, B.C.—further amount required	3,000 00	
			163,000 00
	NATIONAL DEFENCE		
668	Miscellaneous Maintenance and Adjustments (War of 1914–18)—further amount required		800 00
	NATIONAL REVENUE		
	Customs and Excise Divisions		
669	Ports, Outports and Preventive Stations, including pay for overtime of officers, notwithstanding anything in the Civil Service Act, and temporary buildings and rentals—further amount required		65,000 00
	POST OFFICE		
670	Post offices, including salaries and other expenses of Headquarters and Staff Post Offices and supplies and equipment for Revenue Post Offices—further amount required		1,234,720 00

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$ cts.	$ cts.
	PUBLIC PRINTING AND STATIONERY		
671	Printing, binding and distributing the Annual Statutes—further amount required	6,000 00	
672	Canada Gazette—further amount required	19,000 00	
673	Printing and binding Official Publications for sale and distribution to departments and the public—further amount required	20,000 00	
			45,000 00
	PUBLIC WORKS		
	CHIEF ARCHITECT'S BRANCH		
	Construction, Repairs and Improvements—Public Buildings		
	Nova Scotia		
674	Armdale—Temporary Post Office Accommodation	7,000 00	
	Quebec		
675	Montreal—Old Examining Warehouse—Addition, Alterations and Improvements	100,000 00	
	CHIEF ENGINEER'S BRANCH		
	Dredging		
676	British Columbia and Yukon—further amount required	62,000 00	
	Construction, Repairs and Improvements—Harbours and Rivers		
	New Brunswick		
677	Lord's Cove—Breakwater reconstruction—further amount required	6,000 00	
	Saskatchewan, Alberta and Northwest Territories		
678	Great Bear River Road, N.W.T.—Extension	371,000 00	
	British Columbia and Yukon		
679	Fraser River (Calamity Point)—Contribution towards improvements to Channel	3,000 00	
			549,000 00
	SECRETARY OF STATE		
	PATENT AND COPYRIGHT OFFICE		
680	Contribution to the International Office for the Protection of Industrial Property, International Copyright Union Office and Union for the Protection of Literary and Artistic Works—further amount required	.....	1,490 00
	TRADE AND COMMERCE		
681	Electricity and Gas Inspection Services, including administration of the Electricity and Fluid Exportation Act—further amount required	5,000 00	
	MAIL SUBSIDIES AND STEAMSHIP SUBVENTIONS		
682	Administration—further amount required	1,463 33	
			6,463 33

SCHEDULE—*Continued*

No. of Vote	Service	Amount	Total
		$ cts.	$ cts.
	TRANSPORT		
	MARINE SERVICE		
683	Construction, Maintenance and Supervision of Aids to Navigation, including salaries and allowances to Lightkeepers—further amount required	78,000 00	
	RAILWAY SERVICE		
684	Maritime Freight Rates Act— Additional amount in excess of the sum of $3,500,000 already appropriated to authorize and provide for the payment from time to time during the fiscal year 1945-46 to the Canadian National Railway Company of the difference (estimated by Canadian National Railway Company and certified by the Auditors of the said Company to the Minister of Transport as and when required by the said Minister) occurring on account of the application of the Maritime Freight Rates Act, between the tariff tolls and the normal tolls (upon the same basis as set out in Section 9 of the said Act with respect to companies therein referred to) on all traffic moved during the calendar year 1945 under the tariffs approved on the Eastern Lines (as referred to in Section 2 of the said Act) of the Canadian National Railways—further amount required	19,878 84	
	AIR SERVICE		
	(Control and supervision vested in the Minister of Reconstruction and Supply by Orders in Council P.C. 7995 of 13th October, 1944, and 8207 of 24th October, 1944).		
	CIVIL AVIATION DIVISION		
685	Grants for advanced aeronautical instruction and to Aeroplane Clubs including grant to the Canadian Flying Clubs Association—further amount required	1,250 00	
			99,128 84
	VETERANS AFFAIRS		
686	Departmental Administration—further amount required	50,000 00	
687	District Administration—further amount required	450,000 00	
688	Veterans Bureau—further amount required	10,000 00	
	PAYMENTS TO OR FOR VETERANS AND DEPENDENTS		
689	Hospital and Other Allowances—further amount required	40,000 00	
690	Decoration Awards—further amount required	120,000 00	
691	Widows' Compassionate Allowances—further amount required	50,000 00	
692	Compassionate Allowances—Orphaned Dependent Children—further amount required	2,000 00	
			722,000 00
	Total		4,938,873 32

13.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 13.

An Act to amend the Judges Act.

First reading, April 4, 1946.

MR. CHURCH.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

59349

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 13.

An Act to amend the Judges Act.

R.S., c. 105; 1930, c. 27; 1931, c. 37; 1932, cc. 16, 48; 1936, c. 39; 1944-45, cc. 10, 45.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section thirty-seven of the *Judges Act*, chapter one hundred and five of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

Judges not to act as Commissioners or arbitrators.

"**37.** (1) No judge mentioned in this Act shall act as commissioner or arbitrator on any commission or inquiry.

Exceptions.

(2) This section shall not extend nor be deemed to have extended, to judges acting as arbitrators or assessors of compensation or damages under the *Railway Act*, or any public Act, whether of general or local application, of the Dominion or of any province, whereby a judge is required or authorized to assess or ascertain compensation or damages."

R.S., c. 170.

2. The said Act is further amended by adding thereto the following section.—

Judges to be bound by decision of court of final appeal.

"**39.** Notwithstanding the provisions of any law, statute, usage, custom, or doctrine of law to the contrary and in so far as it is within the jurisdiction of Parliament to enact, all courts or a judge of any of the courts referred to in this Act, whether such court was constituted or such judge appointed prior to or after the date of the coming into force of this section, shall, when rendering decisions or pronouncing judgment in respect to any question of law competent for such court or judge to decide or pronounce upon, take judicial notice of and be bound by the then last decision or judgment of the Judicial Committee of the Privy Council or other court of final appeal rendered by such court upon or in respect to the application of the same question of law."

Explanatory Notes.

1. The purpose of this clause is to provide that judges be not allowed to serve on commissions outside their judicial duties. At present the judges may act as commissioners or arbitrators or on any commission or inquiry if nominated for that purpose by the Governor in Council. It is estimated that the administration of justice should not be interfered with by appointing to commissions judges whose services are required in the courts.

The only change in the section is made by leaving out certain words which are underlined below.

Section 37 at present reads as follows:—

"37. Unless nominated by the Governor in Council, no judge mentioned in this Act shall act as commissioner or arbitrator on any commission or inquiry.

2. This section shall not extend, nor be deemed to have extended, to judges acting as arbitrators or assessors of compensation or damages under the Railway Act, or any public Act, whether of general or local application, of the Dominion or any province, whereby a judge is required or authorized, without authority from the executive, to assess or ascertain compensation or damages."

The frequency, of recent years, with which judges are drafted for all kinds of such work impairs the efficient administration of justice and causes congestion in the law courts, and, as they are largely only fact finding commissions when appointed, they duplicate, the efficient powers and functions of Parliament, of the Committees thereof, and of the many outside Boards of recent innovation in war work, and furthermore they are a costly adjunct to good Parliamentary Government of the people, by the people and for the people, cause delays and interfere with Parliament's right to immediate solution of social and economic problems of urgency to good government, thus a system of "judicial commission government" is slowly being built up in Canada.

2. (1) R.S.C., 1927, chap. 105, is known as "an Act respecting the Judges of the Dominion and Provincial Courts" which includes County Courts. Judges must have been 10 years standing at the Bar when appointed. The Act constitutes or sets up:

(1) The Supreme Court of Canada.
(2) The Exchequer Court.
(3) Local Judges in the Admiralty.
(4) Provincial Superior Courts (organization for provinces).

(2) All judges appointed under this Act, chap. 105, are federal officers. They are also under federal authority, and are paid by the Dominion, and under the authority of Parliament whose authority has been increased by the statute commonly known as the Statute of Westminster and can be removed for cause by an address of both Houses of Parliament.

(3) Under chap. 105 "restrictions and regulations" are placed on Federal Judges regarding residence, travelling allowances, powers, eligibility, retirement, superannuation, removal for cause, and many other regulations. They are sworn to administer the law as they find it, although once appointed they have provincial jurisdiction as well as federal under Section 92 of the British North America Act.

(4) They are subject to all the federal statutes, they are required to interpret all acts passed by the high court of Parliament known as the Parliament and Government of Canada. Some are found not doing this in several cases at present.

(5) Commissioners of Assizes, County Court Judges may act in another county, and the Governor in Council in certain cases can make orders within this Act *re* judicial employment as set out in Section 36, but they are not to act on Commissions, except by Order-in-Council.

(6) It will be seen that while judges when interpreting Section 92 are provincial officers when appointed, still they are federal officers purely and simply and subject to any enactment of this Parliament and any enactment of the Parliament of Canada, and sworn to enforce it, and the Criminal Code gives them Jurisdiction in Criminal Cases, and Marriage and Divorce are federal except solemnization of marriage.

(7) This proposed Bill adds another clause to the Act, namely 39, by which Judges are to be bound by the decision of the Court of Final Appeal, in respect to any question of law competent for such judges to decide, and shall take notice and be bound by the then last decision or judgment of the judicial committee of the provincial, or other Court of Final Appeal rendered by such Court upon or with respect to such application of law.
This amendment is to apply to all the provinces of Canada. Federal authority should be paramount and supreme. One of the cardinal principles of the British constitution is that the Courts are subservient to the Legislature.

(8) The legal maxim or doctrine known as "*stare decisis*" is adopted in this amendment and this bill will be law for all Canada, notwithstanding the provisions of any law, statute, usage, custom, or doctrine of law to the contrary.

(9) Decided cases which lay down a rule of law are authoritive and must be followed. Decisions of the Judicial Committee of the Privy Council should be binding on all Canadian courts.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 27.

An Act to amend the Criminal Code. (Motor cars).

First reading, April 11, 1946.

Mr. CHURCH.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

60201

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 27.

R.S., c. 36; 1930, c. 11; 1931, c. 28; 1932, cc. 7, 8, 9, 28; 1932-33, cc. 25, 53; 1934, cc. 11, 47; 1935, cc. 36, 56; 1936, c. 29; 1938, c. 44; 1939, c. 30; 1943-44, c. 23; 1944-45, c. 35.

An Act to amend the Criminal Code. (Motor cars).

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection two of section two hundred and eighty-five of the *Criminal Code*, chapter thirty-six of the Revised Statutes of Canada, 1927, as enacted by section fifteen of chapter forty-four of the statutes of 1938, is repealed and the following substituted therefor:—

Liability of driver of car to stop after accident.

"(2) Whenever, owing to the presence of a motor car on the highway, an accident has occurred to any person or to any horse or vehicle in charge of any person, any person driving the motor car shall be guilty of an offence and liable, either on indictment or on summary conviction to imprisonment for a term of not less than six months and not exceeding twelve months if the said driver fails to stop his car, tender assistance, and give his name and address, and such motor car shall be seized by any peace officer and shall thereupon be forfeited to the Crown to be disposed of as the Attorney General of the province in which such forfeiture takes place may direct."

2. Subsection four of section two hundred and eighty-five of the said Act, as enacted by section six of chapter eleven of the statutes of 1930, and as amended by section four of chapter fifty-six of the statutes of 1935, is repealed and the following substituted therefor:—

Driving while under influence of alcohol or narcotic.

"(4) Everyone who, while under the influence of alcohol or of any narcotic, drives any motor vehicle or automobile is guilty of an offence, and liable,

(a) upon indictment, for a first offence to imprisonment for a term not exceeding six months and not less than two months, and for each subsequent offence to any

Explanatory Notes.

1. The appalling fatal accidents and injuries from highway traffic and level crossings in Canada is mounting steadily and has become a public scandal as almost every highway is coloured red with the slaughter. Nothing is done to avert these accidents as the mad race for speed goes on. Casualties from such accidents are almost as numerous as those from the second world war in persons so killed or injured.

The purpose of this amendment is to increase the penalty from "a fine not exceeding five hundred dollars and costs or to imprisonment for a term not exceeding six months" to a term of "not less than six months and not exceeding twelve months", without the option of a fine, and to "seizure and forfeiture" of the driver's car.

2. Subsection four at present reads as follows:—

"(4) Every one who, while intoxicated or under the influence of any narcotic, drives any motor vehicle or automobile, or has the care or control of a motor vehicle or automobile, whether it is in motion or not, shall be guilty of an offence, and shall be liable,

(a) upon indictment, for a first offence to imprisonment for a term not exceeding three months and not less than thirty days, and for each subsequent offence to any term not exceeding one year and not less than three months; or

term not exceeding two years and not less than six months; or

(b) upon summary conviction, for a first offence to a term of imprisonment not exceeding three months and not less than thirty days, for a second offence to a term of imprisonment not exceeding six months and not less than two months, and for each subsequent offence to a term of imprisonment not exceeding two years and not less than six months.

and the provisions of section ten hundred and thirty-five, in so far as it authorizes the imposition of a fine in lieu of any punishment otherwise authorized, and of section ten hundred and eighty-one of this Act shall not apply in the case of a conviction for an offence under this subsection."

3. The said section two hundred and eighty-five is further amended by adding thereto the following subsection:—

Hit-and-run drivers.

"(6A.) If an accident occurs on a highway, every person in charge of a vehicle who is directly or indirectly a party to the accident shall remain at or return immediately to the scene of the accident and render all possible assistance and give in writing upon request to any one sustaining loss or injury or to any constable or any officer appointed for the carrying out of the provisions of this Act or to any witness, his name and address, and also the name and address of the owner of such vehicle, and the number of the permit, if any. Any person who violates any of the provisions of this subsection shall incur a penalty of not less than six months' imprisonment and not more than one year's imprisonment, and the motor vehicle driven by the person convicted at the time of committing the offence of which he was convicted, shall be seized, impounded and taken into custody of the law and be forfeited to and become the property of the Crown in right of Canada."

Penalty.

4. Subsection seven of the said section two hundred and eighty-five as enacted by section six of chapter thirty of the statutes of 1939 is amended by adding after the word "six" in the second line thereof the word and letter "six A".

5. Section two hundred and eighty-five of the said Act, as amended by section six of chapter eleven of the statutes of 1930, by section eight of chapter forty-seven of the statutes of 1934, by section four of chapter fifty-six of the statutes of 1935, by section nine of chapter twenty-nine of the statutes of 1936, by sections fifteen and sixteen of

(b) upon summary conviction, for a first offence to a term of imprisonment not exceeding thirty days and not less than seven days, and for a second offence to a term of imprisonment not exceeding three months and not less than one month, and for each subsequent offence to a term of imprisonment not exceeding one year and not less than three months.

and the provisions of section ten hundred and thirty-five, in so far as it authorizes the imposition of a fine in lieu of any punishment otherwise authorized, and of section ten hundred and eighty-one of this Act shall not apply in the case of a conviction for an offence under this subsection."

3. The new section 6A deals with the case of what is commonly known as hit-and-run drivers.

4. This amendment brings the hit-and-run driver under subsection (7) providing that an order may be made prohibiting the convicted person from driving a motor vehicle for any period not exceeding three years.

chapter forty-four of the statutes of 1938, by section six of chapter thirty of the statutes of 1939, by section nine of chapter twenty-three of the statutes of 1943-44, and by sections one and two of this Act, is further amended by adding thereto the following subsections:—

Causing death in a culpably negligent manner.

"(10) Any person who, by the operation or use of any vehicle in a culpably negligent manner, but not wilfully or wantonly, occasions the death of another person, shall, upon conviction, be liable to imprisonment for a term not exceeding three months or to a fine of not more than one hundred dollars, or to both. The term "vehicle" shall be held to include every conveyance in, on or about which persons or property may be transported upon land, or upon, under or through water or in or through the air.

In any prosecution under this subsection, whether or not the accused was driving in a culpably negligent manner shall be a question of fact for the jury, and shall not depend upon the rate of speed fixed by law for operating such vehicle.

Person having caused death not to drive for two years.

"(11) Everyone is guilty of an indictable offence and liable to six months' imprisonment and a fine not exceeding one hundred dollars who, having caused the death of any person while driving an automobile or motor vehicle, thereafter drives an automobile or motor vehicle at any time during the next ensuing two years, notwithstanding that such death was not caused entirely or partially by fault of such driver."

6. The said Act is further amended by inserting immediately after section nine hundred and twenty-two the following as section 922A:—

Trial of female person.

"**922A.** On the trial of any female person by a jury under any provision of this Act, one-third of the jurors chosen to try the issue shall be female persons duly qualified on the same basis as male jurors."

7. Subsection three of section nine hundred and fifty-one of the said Act, as enacted by section forty-five of chapter forty-four of the statutes of 1938, is repealed, and the following substituted therefor:—

Charge of manslaughter arising out of operation of motor vehicle, criminal or culpable negligence proved.

"(3) Upon a charge of manslaughter arising out of the operation of a motor vehicle the jury, if they are satisfied that the accused is not guilty of manslaughter but is guilty of an offence under subsections six or ten of section two hundred and eighty-five, may find him guilty of one of those offences, and such conviction shall be a bar to further prosecution for any offence arising out of the same facts."

5. (10) The purpose of subsection ten is to provide that if a person is responsible for the death of another on account of the operation of a vehicle in a culpably negligent manner such person, although not guilty of wilfully or wantonly driving, should be punished for this minor offence.

(11) This subsection is for the purpose of preventing a person who has caused the death of another while driving an automobile from driving during the next ensuing two years.

6. It seems only fair that in the trial of any female person by a jury a certain proportion of the jurors should be female persons.

7. The purpose of this amendment is to define the powers of the jury in cases of manslaughter arising out of the operation of motor vehicles. The only change consists of the word underlined on the opposite page and is necessitated by the insertion of subsection ten in section 285. (See section five of this Bill.)

8. The said Act is further amended by inserting, immediately after section nine hundred and fifty-one, the following as section 951A:—

Jury to decide whether guilty or not guilty.

"**951**A. Notwithstanding any law, statute, usage, custom or doctrine of law as to the function of the judge or of the jury, on the trial by jury of any person charged with causing death or injury to another the judge shall, in every such case, leave it to the jury to decide the question of fact as to whether the accused is guilty or not guilty on the evidence adduced."

8. On the trial with a jury of persons who cause death or serious injury, it is desirable that the functions of the jury should not be curtailed or abolished. There has been much criticism of many cases of gross negligence having been taken from the jury. The jury are required to take the law to be what the judge says it is, and, owing to the many cases withdrawn by order of the judge, trial by jury in those cases is negatived, and there are so many loopholes that many persons guilty of gross negligence get off. The increased accidents require that the law should be brought up to date to meet the changing conditions, while preserving also the liberty of the subject.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 28.

An Act respecting the Financial Agreement between Canada and the United Kingdom signed on the sixth day of March, 1946.

First reading, April 11, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
59078 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 28.

An Act respecting the Financial Agreement between Canada and the United Kingdom signed on the sixth day of March, 1946.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The United Kingdom Financial Agreement Act, 1946.*

Agreement approved.

2. The Agreement between the Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter in this Act referred to as the Government of the United Kingdom) set out in the Schedule to this Act is approved.

Payments not exceeding $1,250,000,000.

3. For the purpose of carrying out the obligation of the Government of Canada under Article One of the said Agreement, the Minister of Finance, out of unappropriated moneys in the Consolidated Revenue Fund, may, from time to time, prior to the thirty-first day of December, nineteen hundred and fifty-one, pay to or pursuant to the order of the Government of the United Kingdom at its request amounts not exceeding in the aggregate one thousand two hundred and fifty million dollars ($1,250,000,000).

Continuation of interest-free provision of Act of 1942. 1942-43, c. 8.

4. Notwithstanding the provisions of section four of *The War Appropriation (United Kingdom Financing) Act, 1942,* no interest shall be payable in respect of any period prior to the first day of January, nineteen hundred and fifty-one, under any obligation of the Government of the United Kingdom delivered to the Government of Canada under that section.

U.K. indebtedness under Commonwealth Air Training Plan extinguished.

5. The indebtedness of the Government of the United Kingdom to the Government of Canada with respect to the British Commonwealth Air Training Plan, as agreed upon in Article Seven of the said Agreement, is extinguished and the Minister of Finance may take such action as may be necessary to write off in the Public Accounts of Canada the indebtedness so extinguished.

Loans as required.

6. (1) The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament by any Act heretofore passed, raise by way of loan under the provisions of *The Consolidated Revenue and Audit Act, 1931*, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not exceeding in the whole the sum of one thousand two hundred and fifty million dollars ($1,250,000,000), as may be required for the purposes of this Act.

1931, c. 27.

Loan a charge on C.R.Fund.

(2) The principal raised by way of loan under this Act, and the interest thereon, shall be a charge upon and payable out of the Consolidated Revenue Fund.

Orders and regulations.

7. (1) The Governor in Council may do or authorize such acts and things and make such orders and regulations as are necessary for the purpose of carrying out the said Agreement.

Tabling Orders in Council.

(2) An Order in Council made under this section shall be laid before Parliament within fifteen days after it is made or, if Parliament be not then in session, within fifteen days after the commencement of the next ensuing session thereof, and shall be published in the *Canada Gazette*.

Publication.

Coming into force.

8. This Act or any portion thereof shall come into force on such day as the Governor in Council may fix by proclamation.

SCHEDULE.

FINANCIAL AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE UNITED KINGDOM.

The Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland agree as follows:—

Article 1.

Credit.

The Government of Canada will extend to the Government of the United Kingdom a credit of $1,250,000,000 which may be drawn upon at any time prior to December 31, 1951.

Article 2.

Purpose of the Credit.

The purpose of the credit is to facilitate purchases by the United Kingdom of goods and services in Canada and to assist in making it possible for the United Kingdom to meet transitional post-war deficits in its current balance of payments, to maintain adequate reserves of gold and dollars and to assume the obligations of multilateral trade.

Article 3.

Amortization and Interest.

(i) The amount of the credit drawn by December 31, 1951, shall be repaid in 50 annual instalments beginning on December 31, 1951, with interest at the rate of 2 per cent per annum. Interest for the year 1951 shall be computed on the amount outstanding on December 31, 1951, and for each year thereafter interest shall be computed on the amount outstanding on January 1 of each such year.

Forty-nine annual instalments of principal repayments and interest shall be equal, calculated at the rate of $3,182,300 for each $100,000,000 of the credit drawn by December 31, 1951, and the fiftieth annual instalment shall be at the rate of $3,184,073.665 for each such $100,000,000. Each instalment shall consist of the full amount of the interest due and the remainder of the instalment shall be the principal to be repaid in that year. Payments required by this Article are subject to the provisions of Article 4.

(ii) The Government of the United Kingdom may accelerate repayment of the amount drawn under this credit.

Article 4.

Waiver of Interest Payments.

In any year in which the Government of the United Kingdom requests the Government of Canada to waive the amount of the interest due in the instalment of that year, the Government of Canada will grant the waiver if:—

(a) The Government of the United Kingdom finds that a waiver is necessary in view of the present and prospective conditions of international exchange and the level of its gold and foreign exchange reserves; and

(b) The International Monetary Fund certifies that the income of the United Kingdom from home-produced exports plus its net income from invisible current transactions in its balance of payments was on the average over the five preceding calendar years less than the average annual amount of United Kingdom imports during 1936-1938, fixed at 866 million pounds as such figure may be adjusted for changes in the price level of these imports. If waiver is requested for an interest payment prior to that due in 1955, the average income shall be computed for the calendar years from 1950 through the year preceding that in which the request is made; and

(c) Interest payments due in that year on any credit made available to the Government of the United Kingdom to which a similar provision for waiver of interest applies are also waived.

Article 5.

Exchange and Import Arrangements.

The Government of the United Kingdom and the Government of Canada agree that in respect of *(a)* the operation of exchange controls and arrangements, and *(b)* quantitative import restrictions, each will grant to the residents and products of the other, treatment not less favourable than that provided for in any instrument of agreement with the Government of any other country signed prior to the date of this Agreement.

Article 6.

Outstanding Interest-Free Loan.

The two Governments agree that the interest-free provision of the loan made to the Government of the United Kingdom under The War Appropriation (United Kingdom Financing) Act, 1942, will continue until January 1, 1951, and that the other arrangements with regard to the loan will continue as at present until that date. The two Governments agree to enter into discussions before January 1, 1951, with regard to the question of interest on, and the terms of repayment of, any balance of the loan then outstanding.

ARTICLE 7.

British Commonwealth Air Training Plan.

The Government of Canada agrees to cancel the amount owing by the Government of the United Kingdom to the Government of Canada with respect to the British Commonwealth Air Training Plan, which amount the two Governments agree is $425,000,000.

ARTICLE 8.

Consultation on Agreement.

The two Governments agree that they will consult with each other as they may deem necessary on the working of any provision of this Agreement, and that if in the opinion of either Government reconsideration of this Agreement is justified by the prevailing conditions of international exchange or by any major change in the international financial situation which materially alters the prospective benefits and obligations flowing from this Agreement they will forthwith consider what changes in its provisions they should agree to make. Any changes agreed upon by the two Governments will be subject to such legislative approval as may be necessary.

ARTICLE 9.

Entry into Force.

This Agreement is made subject to such legislative approval as may be necessary and shall enter into force in whole or in part at such time or times as shall be agreed upon by the two Governments.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

SIGNED in duplicate at Ottawa, this sixth day of March, 1946.

For the Government of Canada:

(Signed) J. L. ILSLEY,
Minister of Finance.

For the Government of the United Kingdom:

(Signed) MALCOLM MACDONALD,
High Commissioner for the United Kingdom.

54.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 54.

An Act to amend The Reinstatement in Civil Employment Act, 1942.

First reading, April 15, 1946.

THE MINISTER OF LABOUR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

61055

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 54.

An Act to amend The Reinstatement in Civil Employment Act, 1942.

1942-43, c. 31.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. *The Reinstatement in Civil Employment Act, 1942*, chapter thirty-one of the statutes of 1942-43, is amended by adding thereto the following section:—

Orders in Council given force and effect of Act of Parliament.

"**12.** The Orders of the Governor in Council set out in the Schedule to this Act have the same force and effect, on and from the days on which they were respectively made, as if they have been enacted by Parliament."

Schedule.

2. The said Act is further amended by adding thereto the following Schedule:—

"SCHEDULE

P.C. 77

AT THE GOVERNMENT HOUSE AT OTTAWA,
Thursday, the 11th day of January, 1945.

Present:

His Excellency
The Governor General in Council:

Whereas *The Reinstatement in Civil Employment Act, 1942*, made provision for the reinstatement of members of His Majesty's forces in civil employment after discharge;

And whereas the Minister of Labour reports that it is necessary to make regulations to carry out the purposes and intentions of the Act under section eleven of the said Act;

Explanatory Note.

The Reinstatement in Civil Employment Act, 1942, assures to members of His Majesty's Forces and to other specified classes of persons undertaking special war services, rights of reinstatement upon discharge from service in the employment in which they were engaged at the time of acceptance for service.

As the result of the experience gained in the administration of the Act, it has been found necessary to amend the provisions of the Act, from time to time, in order to give full effect to its purposes. Such amendments have been made by Order in Council under the authority of the *War Measures Act* and *The National Emergency Transitional Powers Act, 1945*.

The amendment to the Act herewith proposed gives statutory effect to these Orders in Council by incorporation in the Act with effect from the date of the enactment of the respective Orders in Council.

That difficulties have arisen in the interpretation of the said Act and in the application of the said Act to circumstances that were not contemplated at the time the Act was passed; and

That it is therefore, by reason of the war, deemed necessary, for the security, defence, peace, order and welfare of Canada, to make regulations defining the rights of persons to reinstatement in civil employment pending reconsideration of the said Act by Parliament;

Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Labour and under the authority of the *War Measures Act* and *The Reinstatement in Civil Employment Act, 1942*, is pleased to make the following regulations and they are hereby made and established accordingly.

THE REINSTATEMENT REGULATIONS.

Short Title.

1. These regulations may be cited as THE REINSTATEMENT REGULATIONS.

Definitions.

2. In these regulations, unless the context otherwise requires,

(a) "Act" means *The Reinstatement in Civil Employment Act, 1942;*

(b) "applicant" means a person who is or claims to be entitled to reinstatement under the Act;

(c) "Minister" means the Minister of Labour;

(d) "reinstatement" means reinstatement under the Act;

(e) "reinstated employee" means an employee who has been reinstated under the Act;

(f) "Reinstatement Officer" means a person designated as such under these regulations;

(g) "Selective Service Officer" means a National Selective Service Officer appointed under the National Selective Service Civilian Regulations; and

(h) other words and expressions have the same respective meanings as in the Act.

Acceptance for service.

3. For the purposes of the Act and these regulations, where a man has,

(a) upon being served with an order requiring him to report for military training, service or duty under regulations made by the Governor in Council, or

(b) in the belief that he has been or will be accepted for service in one of His Majesty's armed forces,

left his employment to comply with the order or to enter the service,

(c) he shall be deemed to have been accepted for service in His Majesty's forces at the time he left the employment whether that time is before or after the time these regulations come into force; and

(d) his service in His Majesty's forces shall be deemed to have been terminated when he ascertained that he was not being accepted for service therein whether that time is before or after the time these regulations come into force.

Continuity of service during incapacity.

4. Where, after termination of his service in His Majesty's forces, a person receives hospital treatment or is physically or mentally incapable of performing work to which he would have been entitled upon reinstatement, the period of the treatment or incapacity shall, upon reinstatement thereafter, be deemed to have been a period of service in His Majesty's forces for the purposes of section three of the Act.

Delayed reinstatement.

5. Where the Minister or a Selective Service Officer has, within the period described in paragraph *(a)* of section four of the Act, directed or requested a person entitled to reinstatement to accept other employment and the person so directed or requested accepts the employment, his service in His Majesty's forces shall be deemed not to have been terminated for the purposes of the Act until the termination of the work which he has been so directed or requested to accept.

Business operated in several establishments.

6. Where an employer's employees are employed in various establishments and it is not reasonably practicable to reinstate an applicant in the establishment in which he was employed at the time he was accepted for service in His Majesty's forces, the employer shall reinstate the applicant in one of his other establishments in Canada if

(a) it is reasonably practicable so to reinstate him; and

(b) it is or has been the policy or practice of the employer to transfer employees in the applicant's classification from one establishment to another.

Application for reinstatement.

7. (1) An applicant may apply to the employer verbally or in writing for reinstatement.

(2) The Minister may prescribe forms to be used in applying for reinstatement but an application is not invalid or defective because it is not in prescribed form.

(3) The fact that an employer has offered to reinstate a former employee within the period described by paragraph *(a)* of section four of the Act but before the employee has applied for reinstatement does not affect the employee's right to apply for reinstatement at a later time within the said period, and, notwithstanding section four of the Act,

it is not a defence in proceedings for a violation of section three of the Act for the employer to prove facts described by paragraph *(b)* of section four of the Act unless he also proves that the employee applied for reinstatement before he offered reinstatement to him.

(4) For the purposes of the Act and these regulations, if an applicant inquires about reinstatement but does not expressly apply for reinstatement he shall be deemed not to have applied for reinstatement.

Application for assistance.

8. (1) A person who has been offered reinstatement may accept the offer without prejudice to a claim that it does not comply with the requirements of the Act.

(2) Where an applicant, having been offered reinstatement by the employer and having presented himself for employment, is of opinion that the employment offered does not comply with the requirements of the Act, he may apply for assistance to a Reinstatement Officer in person or in writing.

(3) Failure of a person who has applied for assistance under subsection two of this section to perform the duties of the employment during a period when he is being assisted by a Reinstatement Officer shall, for the purposes of section five of the Act, be deemed not to be reasonable cause for terminating the employment.

(4) The fact that an applicant has applied to a Reinstatement Officer for assistance under this section shall, for the purposes of paragraph *(b)* of section four of the Act, be deemed to be a reasonable excuse for failing to present himself for employment during the period when he is being assisted by the Reinstatement Officer.

Applicant incapable of performing work.

9. (1) If an employer claims that an applicant is physically or mentally incapable of performing work available in the employer's service, a Reinstatement Officer may arrange for a medical examination of the applicant.

Extension of time for reinstatement.

(2) Where, upon discharge from His Majesty's forces, a person is physically or mentally incapable of performing work available in the service of the employer by whom he was employed when accepted for service in His Majesty's forces, he may notify the employer, during the period described by paragraph *(a)* of section four of the Act, that he intends to apply for reinstatement when he is capable of performing the work, and, where a person has so notified an employer and has, within nine months after discharge in Canada from the service or from hospital treatment following discharge in Canada or within ten months after discharge overseas or from hospital treatment following discharge overseas, made one or more applications for reinstatement it is not a defence in proceedings for a violation of section three of the Act for the employer to prove

(a) that the applicant was physically or mentally incapable of performing work available in the employer's service unless he proves that the applicant was so incapable at the time of the last application for reinstatement made within the said period of nine or ten months, as the case may be;

(b) the facts described by paragraph *(a)* of section four of the Act; or

(c) the facts described in paragraph *(b)* of section four of the Act, unless he proves that the applicant applied for reinstatement before he offered to reinstate him.

Proof that applicant employed as replacement.

10. Proof, for the purposes of paragraph *(e)* of section four of the Act, that an applicant was employed to take the place of an employee who had been previously accepted for service in His Majesty's forces may only be made by proving that the applicant was employed directly or indirectly to take the place of the other employee and would not have been employed if the other employee had not left the employment.

Rate of remuneration on reinstatement.

11. (1) Where there is a practice or policy of paying graduated scales of wages and where increases are given to employees principally on the basis of length of service, it shall be deemed, for the purposes of the Act, that increases are given on the basis of length of service only and in any such case the employer shall, upon reinstatement of an applicant in his previous classification, remunerate him at the rate at which he would, on that basis, have been remunerated if his service in His Majesty's forces had been service with the employer.

(2) Where there is a practice or policy of giving increases in wages to employees by reason of acquired skills, experience or training, the employer shall, as soon after an applicant has been reinstated as he has manifested the skills, experience or training, give to the applicant the increases which he might have been given if the relevant skills, experience or training acquired in His Majesty's forces had been acquired in the employment.

Promotions.

(3) The employer shall grant to a reinstated employee upon reinstatement or as soon thereafter as is reasonably practicable every promotion to which he would have become entitled by reason of length of service or seniority if the time spent by the reinstated employee in His Majesty's forces had been spent in the service of the employer.

Permanent status and seniority.

(4) Where, under the terms of employment, whether under a collective agreement or otherwise, employees obtain a permanent status in the employment or are entered on the seniority lists after having been in the employer's

services for a fixed period, service in His Majesty's forces shall be deemed to have been service with the employer for the purposes of determining

(a) his status or position in so far as it affects his right to reinstatement; and

(b) his status or position after reinstatement.

Vacations with pay.

12. (1) Subject to the other provisions of this section, for the purpose of determining a reinstated employee's right to vacation with pay for the calendar year in which he is reinstated and all subsequent years, the period of service in His Majesty's forces shall be deemed to be time spent in the service of the employer.

(2) Subject to subsection three of this section, a reinstated employee is not entitled to vacation with pay for the calendar year in which he is reinstated unless he is in the employment ninety days in the calendar year after reinstatement.

(3) Notwithstanding these regulations, the employer may, in accordance with his existing practice or policy or in accordance with a collective labour agreement or otherwise, grant vacation with pay commencing at any time after reinstatement.

Reinstatement Officers.

13. The Minister may designate any person as a Reinstatement Officer to assist in the administration and enforcement of the Act and these regulations and may issue to a Reinstatement Officer a certificate of his designation as such.

Powers of Reinstatement Officers.

14. (1) A Reinstatement Officer may, for the purpose of enforcing and administering the Act and these regulations,

(a) enter at all reasonable times any premises or place, other than a private dwelling house not being a workshop, where he has reasonable grounds for supposing that an applicant was employed before being accepted for service in His Majesty's forces;

(b) make such examination and inquiry as may be necessary for ascertaining whether the provisions of the Act and these regulations are being complied with in any such premises or place; and

(c) examine orally, either alone or in the presence of any other person, as he thinks fit, with respect to any matter arising under the Act or these regulations, any person whom he finds in the premises or place, and require a person so examined to sign a declaration as to the truth of the statements made by him with respect thereto.

(2) Every person shall forthwith furnish to a Reinstatement Officer such information as the Reinstatement Officer may reasonably require in connection with the enforcement

or administration of the Act or these regulations and shall produce for inspection every register, book, card, wage sheet, record of wages or other document that he reasonably requires in that connection.

(3) The production of a document purporting to be a certificate of designation as a Reinstatement Officer signed by or on behalf of the Minister is evidence of the designation and a Reinstatement Officer applying for admission to any premises or place under this section shall, if required, produce his certificate of designation.

Secrecy of information.

15. (1) Subject to subsection two of this section, information, written or verbal, obtained under these regulations shall not be disclosed to any person except the Minister or his officers in the course of their employment.

(2) The Minister or a Reinstatement Officer may—

(a) disclose to an applicant or any person acting on his behalf, such information as may be necessary for the enforcement of his rights under the Act or these regulations;

(b) disclose information obtained under these regulations to a department of the Government or to a Court in connection with the administration or enforcement of the Act or these regulations.

Penalties.

16. (1) Any person who—

(a) refuses to supply information as required by these regulations;

(b) obstructs, hinders or delays a Reinstatement Officer in making an inspection of registers, books, cards, wage sheets, records of wages and other documents under these regulations; or

(c) fails or refuses to produce a register, book, card, wage sheet, record of wages or other document, as required by these regulations;

is guilty of an offence and liable, on summary conviction, in the case of a corporation to a fine of not less than one hundred dollars and not more than one thousand dollars and in the case of any other person to a fine of not less than twenty-five dollars and not more than five hundred dollars.

(2) Every person who contravenes any of the provisions of these regulations is guilty of an offence and, where no penalty is expressly provided, liable on summary conviction, in the case of a corporation to a fine of not less than one hundred dollars and not more than one thousand dollars and in the case of any other person to a fine not exceeding two hundred dollars.

17. Where there is any conflict between the provisions of the Act and the provisions of these regulations, the regulations prevail.

A. D. P. HEENEY,
Clerk of the Privy Council."

"P.C. 5324

AT THE GOVERNMENT HOUSE AT OTTAWA,

THURSDAY, the 2nd day of AUGUST, 1945.

PRESENT:

His Excellency
The Governor General in Council:

Whereas *The Reinstatement in Civil Employment Act, 1942*, provides for the reinstatement in civil employment only of discharged members of His Majesty's forces, merchant seamen, including those who serve in the Merchant Marine of countries other than those at war with the United Nations, and members of the Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom;

And Whereas by reason of the war it is deemed necessary and advisable for the security, defence, peace, order and welfare of Canada to provide for the reinstatement in civil employment also of members of the naval, military or air forces of any of the United Nations who were employed in Canada prior to the ninth day of September, nineteen hundred and thirty-nine;

Now, Therefore, His Excellency the Governor General in Council, on the recommendation of the Minister of Labour and under the authority of the *War Measures Act*, is pleased to order and it is hereby ordered that for the purposes of *The Reinstatement in Civil Employment Act, 1942*, the expression "service in His Majesty's forces" shall be deemed to include service on active service in the present war in the naval, military or air forces of any of the United Nations.

A. D. P. HEENEY,
Clerk of the Privy Council."

"P.C. 6769

AT THE GOVERNMENT HOUSE AT OTTAWA

TUESDAY, the 6th day of NOVEMBER, 1945.

PRESENT:

HIS EXCELLENCY
THE ADMINISTRATOR IN COUNCIL:

WHEREAS by reason of the war, it is deemed necessary for the security, defence, peace, order and welfare of Canada to amend The Reinstatement Regulations (Order in Council P.C. 77, dated January 11, 1945) as hereinafter set out;

NOW THEREFORE, His Excellency the Administrator in Council, on the recommendation of the Minister of Labour and under the authority of the *War Measures Act*, is pleased to amend The Reinstatement Regulations and they are hereby amended by inserting the following section immediately after section 3 thereof:

3A. (1) For the purpose of this section 'member of an interim force' means a member of the naval, military or air forces of Canada who has offered to serve in any of the said forces for a specific period terminating on or after the thirtieth day of September, 1947 and who, having been accepted for such service, is so serving.

(2) Where a person was, immediately before becoming a member of an interim force, on active service in the present war in the naval, military or air forces of Canada, his service shall, for the purposes of section three of the Act, be deemed not to have terminated whether or not he continues on active service as long as he continues to perform full-time duties as a member of one of the said forces until

(a) the thirty-first day of March, 1946; or

(b) if he has applied for retirement or discharge from the said service before the thirty-first day of March, 1946, until actual termination of his service.

(3) For the purposes of section 3 of the Act, the service of a member of the interim force shall be deemed to have terminated on the thirty-first day of March, 1946 unless he has, prior to that date, applied for retirement or discharge.

A. D. P. HEENEY
Clerk of the Privy Council"

"P.C. 1298

AT THE GOVERNMENT HOUSE AT OTTAWA

TUESDAY, the 9th day of APRIL, 1946.

PRESENT:

HIS EXCELLENCY
THE ADMINISTRATOR IN COUNCIL:

His Excellency the Administrator in Council, on the recommendation of the Minister of Labour and under the authority of *The National Emergency Transitional Powers Act, 1945,* is pleased to amend The Reinstatement Regulations (Order in Council P.C. 77 dated January 11, 1945 as amended by Order in Council P.C. 6769 dated November 6, 1945) and they are hereby amended by the rescission of subsections two and three of section 3A and substitution of the following therefor:

'(2) Where a person was, immediately before becoming a member of an interim force, on active service in the present war in the naval, military or air forces of Canada, his service shall, for the purposes of section three of the Act, be deemed not to have terminated whether or not he continues on active service as long as he continues to perform full-time duties as a member of one of the said forces until

(a) the thirtieth day of April, 1946; or

(b) if he has applied for retirement or discharge from the said service before the thirtieth day of April, 1946, until actual termination of his service.

'(3) For the purposes of section three of the Act the service of a member of the interim force shall be deemed to have terminated on the thirtieth day of April, 1946, unless he has, prior to that date, applied for retirement or discharge.'

A. D. P. HEENEY
Clerk of the Privy Council"

55.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 55.

An Act to amend certain Acts in respect to the Labelling and Marking of Foods and Drugs.

First reading, April 16, 1946.

MR. PICARD.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
59353 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 55.

An Act to amend certain Acts in respect to the Labelling and Marking of Foods and Drugs.

R.S., c. 76. 1929, c. 49.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Labelling and Marking of Foods and Drugs Act, 1946.*

2. (1) Paragraph *(b)* of section three of the *Food and Drugs Act*, chapter seventy-six of the Revised Statutes, 1927, as enacted by section three of chapter three of the statutes of 1939, is repealed and the following substituted therefor:—

Regulations.

"*(b)* respecting the packaging and labelling, in English and in French, of any article of food or drug and the design of any such package or label with a view to preventing the public or the purchaser being deceived or misled as to the character, strength, quality or quantity of the article and requiring, notwithstanding anything contained in paragraph *(f)* of section seven of this Act, a declaration of net contents upon any package containing a cosmetic;"

(2) Subsection one of section eight of the said act is repealed and the following substituted therefor:

Compounds, mixtures, etc., to be labelled as such.

"**8.** (1) Every article of food which is a compound, mixture, imitation or substitute shall be plainly and correctly labelled as such in the English and the French languages."

3. Paragraph *(b)* of subsection one of section eight of *The Opium and Narcotic Drug Act, 1929*, chapter forty-nine of the statutes of 1929, is repealed and the following substituted therefor:—

Formula or true test of ingredients to be printed on label.

"*(b)* no retail druggist shall sell, or offer for sale except pursuant to direction of a physician, any remedy or preparation intended for internal use and in paragraph

Explanatory Note.

The purpose of this Act is to provide for the people who understand only the French language the same protection as is provided for those who speak English, under the *Food and Drugs Act* and under *The Opium and Narcotic Drug Act, 1929*.

The only changes in the above mentioned Acts are indicated by underlining on the opposite pages.

(a) hereof mentioned unless there be printed in English and in French, in a conspicuous place on an inseparable part of the main panel of the label and wrapper of the bottle, box, or other container, and in letters of the same size and visibility as the directions for the use of the preparation or remedy, the full formula or true list of medicinal ingredients, and the following words:—"It is unlawful to administer this preparation to a child under two years of age as it contains (insert name of drug) and is dangerous to its life."

58.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 58.

An Act respecting the Recognition, Observance and Commemoration of Canadian Citizenship.

First reading, April 29, 1946.

MR. BEAUDOIN.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

61142

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 58.

An Act respecting the Recognition, Observance and Commemoration of Canadian Citizenship.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Canadian Citizenship Day Act.*

Canadian Citizenship Day, a legal holiday.

2. Throughout Canada, in each and every year, the anniversary of the day fixed by proclamation of the Governor in Council as the date of coming into force of *The Canadian Citizenship Act*, not being a Sunday, shall be a legal holiday, and shall be kept and observed as such under the name of Canadian Citizenship Day: Provided that in the years when such anniversary falls on a Sunday, the Monday following shall be in lieu thereof, a legal holiday, and shall be kept and observed as such under the same name.

Proclamation respecting Canadian Citizenship Day.

3. The Governor in Council may, in each and every year, proclaim the Canadian Citizenship Day as a public occasion for the recognition of all who, in consequence of the adoption of *The Canadian Citizenship Act*, have attained the status of Canadian Citizens, urging the civil and educational authorities of the provinces and municipalities to make plans and arrangements for the proper observance of this day including the full instruction of present and future Canadian Citizens in their responsibilities and opportunities as Canadian Citizens.

Explanatory Note.

When introducing *The Canadian Citizenship Act* on October 1, 1945, and again this year on the second reading of the Bill the second of April, the Secretary of State the Honourable Paul Martin stated:

> "For the national unity of Canada and for the future and greatness of this country it is felt to be of the utmost importance that all of us, new Canadians or old, have a consciousness of a common purpose and common interests as Canadians; that all of us be able to say with pride and say with meaning: 'I am a Canadian citizen'."

The purpose of this Bill is to help Canadians, old and new, to realize and take pride in the achievements and the greatness of Canada, to promote national unity by reminding all of us of our present status and future aspirations as a nation.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 61.

An Act to amend the Yukon Quartz Mining Act.

First reading, May 8, 1946.

THE MINISTER OF MINES AND RESOURCES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

60705

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 61.

An Act to amend the Yukon Quartz Mining Act.

R.S., c. 217; 1928, c. 53; 1932, c. 23.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section twelve of the *Yukon Quartz Mining Act*, chapter two hundred and seventeen of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:

Persons who may enter and locate and lands subject to entry and location.

"**12.** (1) Subject to subsection two of this section, a person eighteen years of age, or over, may personally or by attorney enter, locate, prospect and mine upon any vacant Dominion lands in the Yukon Territory, for the minerals defined in this Act, and upon all lands the right whereon so to enter, prospect and mine such minerals has been, or hereafter shall be reserved to the Crown.

Limitation on number of claims within 12-month period.

(2) Subject to section forty-five of this Act during any period of twelve months no person shall be entitled to locate, whether personally, as attorney for another or by an attorney, more than seven mineral claims in the aggregate within a distance of ten miles from any other mineral claim (making a total of eight mineral claims) located by him personally, as attorney or by attorney, during that period.

Power of attorney to be filed.

(3) Every power of attorney authorizing a person to enter, locate, prospect or mine pursuant to subsection one of this section shall be filed with the mining recorder before the entering, locating, prospecting or mining is undertaken."

Repeal.

2. Sections seventeen, forty-six and forty-seven of the said Act are repealed.

Explanatory Notes.

Section **1.**

Sections **12**, **17**, **46** and **47** of the Yukon Quartz Mining Act impose certain restrictions on the number of claims that may be located and recorded by any one person and also restrict the locating of claims by an attorney. Representations have been made that these provisions do not allow the discoverer of mineral claims to protect adequately the Strike and Dip extensions of a mineral occurrence and permit encroachment by others. The provisions further prevent the staking of a sufficient area to justify the outlay required to finance a mining development under present conditions.

Section **12** presently reads:

"**12.** Every person eighteen years of age, or over, shall have the right personally, but not through another except as provided in section forty-seven of this Act, to enter, locate, prospect, and mine upon any vacant Dominion lands in Yukon Territory, for the minerals defined in this Act, and upon all lands the right whereon so to enter, prospect and mine such minerals has been, or hereafter shall be reserved to the Crown."

Section **2.**

Sections **17**, **46** and **47** presently read as follows:—

"**17.** Any person having located and recorded a mineral claim under the provisions of this Act shall not have the right to locate another claim in the same mining district, either in his own name or in the name of any other person, for his benefit, for a period of twenty days from the date of such location."

"**46.** Any person upon satisfying a mining recorder that he is about to uudertake a *bona fide* prospecting trip to a distant part of the district, may receive written permission from the mining recorder to record a claim within said mining district at any time within a period not exceeding six months from the date upon which such written permission was given: Provided said claim has been located by the applicant in accordance with the provisions of this Act."

"**47.** No record shall be granted for a claim which has not been staked by the applicant in person in the manner specified in this Act.

2. Except that if any person satisfies the mining recorder that he is about to undertake a *bona fide* prospecting trip to a distant part of the district and files with the mining recorder in advance a power of attorney from not more than two persons, authorizing him to stake claims for them in consideration of their having enabled him to undertake the trip, he may stake one claim in the name of each such person."

3. Section fifty-three of said Act is repealed and the following substituted therefor:

Number of adjoining claims that may be grouped for working.

"**53.** (1) Adjoining claims, not exceeding eight in number, may be grouped together for the performance of work by the owner or owners thereof upon filing with the mining recorder a notice of his or their intention so to group such claims and obtaining a certificate in form "E" of this Act.

Work on one or more of claims.

(2) The holder or holders of a certificate in form "E" of this Act may perform on any one or more of the claims in respect of which the certificate was issued all or any part of the work required to entitle him or them to a certificate of work for each claim so held by him or them, but if such work is not done or if payment in lieu thereof is not made as prescribed in section fifty-five of this Act, the claims shall be deemed to be vacant and abandoned without any declaration of cancellation or forfeiture on the part of the Crown.

Claims renewable on application.

(3) Claims in respect of which a certificate in form "E" has been issued and claims owned by one person within a mining district, may, on application by the owners thereof, be made renewable on any one date.

Conditions of renewal.

(4) The mining recorder shall charge, for each claim, one dollar and a quarter for each three months or portion thereof that it is necessary to extend the record to make claims renewable on the same date, and the work, or payment in lieu thereof, required for the fractional part of the year for which each claim is extended shall be allowed at the rate of twenty-five dollars for each three months or fraction thereof, and such payment or work shall be made or performed prior to the date upon which all are so made renewable."

4. The said Act is further amended by inserting immediately after section fifty-six thereof the following section:

Regulations to protect service personnel from forfeiture of claims.

"**56A.** The Governor in Council may make regulations exempting members of the naval, military or air forces of His Majesty or any of His Majesty's allies, during the period of their service as such and one year thereafter, from the provisions of this Act respecting forfeiture, for non-performance of work or non-payment of assessments or rentals, of mineral claims held by them at the time of their enlistment."

Section **3.**

Section **53** as it presently reads does not cover the case of one owner who has eight adjoining claims. The wording of the section has also been clarified.

Section **53** presently reads as follows:—

"**53.** Adjoining claims not exceeding eight in number, may be worked by the owners thereof in partnership upon filing a notice of their intention to so work the same with the mining recorder and upon obtaining a certificate according to form "E" of this Act.

2. This certificate will allow the holders thereof to perform on any one or more of such claims all or any part of the work required to entitle them to a certificate of work for each claim so held by them.

3. If such work shall not be done, or if payment shall not be made in lieu thereof as prescribed in section fifty-five of this Act, the claims shall be deemed to be vacant and abandoned without any declaration of cancellation or forfeiture on the part of the Crown.

4. Claims in respect of which such certificates of partnership in form "E" have been issued and claims owned by one person, within a mining district, may, on application by the owners thereof, be made renewable on any one date.

5. For this the mining recorder shall charge, for each claim, one dollar and a quarter for each three months or portion thereof that it is necessary to extend the record to make all such claims renewable on the same date, and the work or payment in lieu thereof, required for the fractional part of the year for which each claim is extended shall be allowed at the rate of twenty-five dolars for each three months or fraction thereof, and such payment or work shall be made or performed prior to the date upon which all are so made renewable."

Section **4.**

This section is proposed to be added to the Act in order to give the Governor in Council power to make regulations under this Act instead of having to rely on the authority of the War Measures Act under which P.C. 3136 of October 18, 1939, was passed. If this proposal and a similar amendment to the Yukon Placer Mining Act are passed, Order in Council P.C. 3136 may be revoked upon the making of appropriate regulations under this section.

5. Section fifty-eight of said Act is repealed and the following substituted therefor:

Co-owners and their interests.

"**58.** If two or more persons own a claim each such person shall contribute, proportionately to his interest, to the work required to be done by section fifty-four of this Act, and to the payment of renewal fees, and in the event of it being proven to the mining recorder after a notice of hearing has been served on all parties interested, in the manner directed by such mining recorder, that any co-owner has not so contributed, his interest shall become vested by order of the mining recorder in the other co-owners in proportion to their respective interests."

6. Form "E" in Schedule I of the said Act is repealed and the following substituted therefor:

Form "E" Schedule I (sec. 53).

"FORM "E" (SECTION 53)

Certificate that annual expenditure may, after recording claims, be made on any one of not more than eight claims grouped together for the performance of work.

Mining District.

This is to certify that in accordance with the provisions of section 53 of the *Yukon Quartz Mining Act*, the registered owner(s) or agent(s) of such owner(s) of the following mineral claims have filed a notice of his (their) intention to group such claims together for the performance of work:—

Dated at , this day of , 19 .

Mining Recorder."

7. Item six of Schedule II of said Act is repealed and the following substituted therefor:

"**6.** Grouping Certificate.....$5.00"

Section **5.**

Section **58** as it presently reads does not require a co-owner to contribute to the payment of renewal fees nor does it provide for vesting of the interest of a co-owner who does not pay his share of the renewal fees in the other co-owners. This has been added to the draft.

Section **58** presently reads:—

"**58.** If two or more persons own a claim, each such person shall contribute, proportionately to his interest, to the work required to be done by section fifty-four of this Act, and in the event of it being proven to the mining recorder or the Gold Commissioner, after notice of hearing has been served as directed on all parties interested, that any co-owner has not done so, his interest shall become vested by order of the Gold Commissioner or mining recorder in the other co-owner or co-owners according to their former interests."

Section **6.**

Form "E" is to be amended so as to agree with the new proposed Section **53**,

Form "E" presently reads:—

"Form "E" (Section 53).

Certificate in cases of Partnership that annual expenditure may, after recording claims, be made on any one of the claims affected by such partnership.

Mining District.

This is to certify that in accordance with the provisions of Section 53 of Yukon Quartz Mining Act, the registered owners, or agents of the owners, of the following mineral claims have filed a notice of their intention to work such claims in partnership:—

Dated at.....this.....day of.....19.....

Mining Recorder."

Section **7.**

Item 6 is to be amended to have the language agree with the language of the proposed section **53.**

Item 6 presently reads:———

"6. For a Certificate of Partnership.....$5.00"

62.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 62.

An Act to amend the Yukon Placer Mining Act.

First reading, May 8, 1946.

THE MINISTER OF MINES AND RESOURCES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
62491 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 62.

An Act to amend the Yukon Placer Mining Act.

R.S., c. 216.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. The *Yukon Placer Mining Act*, chapter two hundred and sixteen of the Revised Statutes of Canada, 1927, is amended by inserting immediately after section forty-nine thereof the following section:—

Non-forfeiture of claims of service personnel.

"**49**A. The Governor in Council may make regulations exempting members of the naval, military or air forces of His Majesty or any of His Majesty's allies, during the period of their service as such and one year thereafter, from the provisions of this Act respecting forfeiture of mineral claims held by them at the time of their enlistment, for non-performance of work or non-payment of assessments or rentals."

2. The said Act is further amended by inserting immediately after section eighty-three thereof the following section:

Export of gold without payment of royalty. Offence.

"**83**A. (1) Every person who exports or attempts to export from the Territory any gold with respect to which the royalty imposed by section eighty-three has not been paid, shall be guilty of an offence and liable on summary conviction to a fine not exceeding two hundred and fifty dollars or to imprisonment for a term not exceeding three months or to both such fine and such imprisonment.

On conviction gold forfeited to His Majesty.

(2) Where a person is convicted under subsection one of this section the convicting magistrate or justice shall order that the gold in respect of which the conviction is had is and thereupon the gold shall be forfeited to His Majesty.

Production of certificate that royalty paid.

(3) Every person about to export gold from the Territory shall upon demand produce to any peace officer a certificate from the Controller (formerly Comptroller) of the Territory

Explanatory Notes.

Section 1.

This section is proposed to be added to the Act in order to give the Governor in Council power to make regulations exempting members of His Majesty's Air, Naval and Military Forces from the provisions of this Act respecting forfeiture for non-performance of work, etc., on claims held by them at the time of their enlistment under this Act instead of having to rely on the authority of the *War Measures Act*. If this proposed amendment and a similar amendment to the *Yukon Quartz Mining Act* are passed, Order in Council P.C. 3136 of October 18, 1939, may be revoked upon the making of regulations under this section.

Section 2.

The necessity of the legislation set out in section 2 arises by reason of improvement of transportation facilities in Yukon Territory. It is now possible to leave the Territory by one of several routes. This fact has increased the chances of successfully smuggling of gold out of the Territory. During the past three years there have been several instances where gold has been so smuggled. The Controller of the Yukon Territory and also the R.C.M.P. have asked that the Act be amended to strengthen their hands in preventing this evasion of the law.

or person authorized by the Controller under subsection three of section eighty-three certifying that the royalty imposed by section eighty-three with respect to such gold has been paid and failure to produce the certificate upon such demand shall be *prima facie* proof that the royalty has not been paid.

Search without warrant and seize gold.

(4) Where any peace officer has reason to suspect that any person has committed or is about to commit an offence described in section eighty-three or has in his possession or in his belongings any gold in respect of which the royalty imposed by section eighty-three has not been paid, such peace officer may without warrant search such person and his belongings and any articles believed to be his belongings and may seize any gold found upon such person or in such belongings.

Detention of seized gold.

(5) Any gold seized pursuant to subsection four of this section may be detained for a period of six months, and if before the expiration of such period any proceedings with respect to such gold are taken under this Act may be further detained until such proceedings are finally concluded.

"peace officer."

R.S., c. 36.

(6) For the purpose of this section the expression 'peace officer' means a peace officer as defined in section two of the *Criminal Code*."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 63.

An Act respecting the boundaries of certain National Parks.

First reading, May 8, 1946.

THE MINISTER OF MINES AND RESOURCES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

61324

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 63.

An Act respecting the boundaries of certain National Parks.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The National Parks (Boundaries) Amendment Act, 1946.*

Park areas described.

2. Notwithstanding section three of *The National Parks Act*, chapter thirty-three of the statutes of 1930,

Banff. Kootenay.

(a) Banff Park and Kootenay Park comprise the areas described in Schedule A to this Act;

Riding Mountain.

(b) the tracts or parcels of land described in Schedule B to this Act are added to Riding Mountain Park;

Point Pelee.

(c) the tracts or parcels of land described in Schedule C to this Act are added to Point Pelee Park;

Georgian Bay Islands.

(d) the tract or parcel of land described in Schedule D to this Act is added to The Georgian Bay Islands Parks;

Mallorytown Landing.

(e) the tract or parcel of land described in Schedule E to this Act is added to Mallorytown Landing, one of the St. Lawrence Islands Parks.

Lands withdrawn from Kootenay Park.

3. All those parcels or tracts of land that formed a part of Kootenay Park immediately before the commencement of this Act but which are outside the boundaries of that Park as described in Schedule A to this Act, are withdrawn from that Park and declared to be no longer required for park purposes.

Lands withdrawn from Riding Mountain Park.

4. Those parcels or tracts of land described in Schedule F to this Act are withdrawn from Riding Mountain Park and declared to be no longer required for park purposes.

Application of The National Parks Act. 1930, c. 33.

5. All the provisions of *The National Parks Act* not inconsistent with this Act shall apply to the areas and parcels or tracts of land described in Schedules A, B, C, D and E to this Act.

SCHEDULE A.

Banff Park.

Commencing at the point of junction of the Interprovincial Boundary between Alberta and British Columbia and the height of land that divides the watershed area of Spray river from that of Kananaskis river which said point occurs on Mount Sir Douglas in latitude fifty degrees forty-three minutes, and longitude one hundred and fifteen degrees twenty minutes;

Thence in a general northerly direction and following throughout the said height of land to Mt. Birdwood;

Thence continuing northerly along the height of land between the valley of Spray river and the valley of Smuts creek through Mt. Smuts and Mt. Shark to a stone cairn on the summit of an isolated hill in latitude fifty degrees fifty-one minutes thirty seconds, and longitude one hundred and fifteen degrees twenty-five minutes, erected by H. F. Lambart, D.L.S. in 1935;

Thence on an astronomic bearing of three hundred and thirty-two degrees fourteen minutes, to a standard survey post, mound and pits on the left bank of Spray river approximately one thousand feet up-stream from the mouth of Turbulent creek, erected by M. P. Bridgland, D.L.S. in 1931;

Thence easterly and northerly following throughout the natural contour passing through the last described point to the point of intersection with a straight line defined by H. F. Lambart, D.L.S. in 1935 by a standard survey post and stone cairn east of Spray river hereinafter referred to and a stone cairn on the westerly side of Spray river near the said contour line and distant one mile more or less in a straight line down-stream from the junction of Spray Lakes creek with the said Spray river;

Thence across Spray river valley on an astronomic bearing of ninety-four degrees twenty-six minutes nine hundred feet more or less to the aforementioned standard survey post and stone cairn beside the trail on the easterly side of Spray river;

Thence continuing on the same course, two thousand six hundred and forty-six feet more or less to a stone cairn on the crest of a sharply defined ridge of Mount Nestor;

Thence northerly and following the said crest to Mount Nestor;

Thence northerly and following the crest of Goat Range to a point on the production of the following straight line defined by M. P. Bridgland, D.L.S., in 1931;

Thence on an astronomic bearing of fourteen degrees thirty decimal five minutes to a standard survey post and stone mound;

Thence continuing on the same course one hundred and twenty-four decimal naught three chains more or less to a standard survey post and stone mound on the height of land between the watersheds of Goat creek and Spray Lakes creek;

Thence continuing on the same course to the most southerly summit of Three Sisters Mountain;

Explanatory Notes.

Banff Park.

Although Banff Park is described by metes and bounds in the *National Parks Act*, the boundaries of Banff Park were not surveyed until 1940 when on instructions from the Surveyor General a survey was made and boundary posts set up. Following the survey, an official map of the Park was prepared.

This map was approved and signed on behalf of the Dominion of Canada by the Honourable T. A. Crerar, Minister of Mines and Resources, under authority of an order of His Excellency the Governor in Council and on behalf of the Province of Alberta by the Honourable N. E. Tanner, Minister of Lands and Mines. An original signed copy of the said map was filed in the Land Titles Office for the South Alberta Land Registration District of Calgary on the 18th April, 1941, as Number 3845, Book E.Q. Folio 109.

Two small parcels of land not formerly in the Park are included within the boundaries of the Park, as set out in Schedule A. One parcel containing approximately 210 acres was acquired as a site for the Eastern Gateway. The other parcel comprising one-sixth square miles due to an adjustment of the boundary made on the survey of the Park is added with the approval of the Province. Total area added is approximately one-half square mile.

The total area of the Park as described in Schedule A is 2,585 square miles more or less.

Thence northwesterly following throughout the height of land that divides the watershed area of Spray river from that of Bow river to the summit of Mt. Rundle in latitude fifty-one degrees seven minutes twenty seconds, and longitude one hundred and fifteen degrees twenty-eight minutes;

Thence in a straight line defined by M. P. Bridgland, D.L.S. in 1931 toward the summit of Mt. Charles Stewart, on an astronomic bearing of sixty-nine degrees forty-eight decimal eight minutes to a standard survey post and stone mound on the east boundary of section fifteen in township twenty-five, range eleven, west of the Fifth Meridian;

Thence continuing on the same course fifty-seven decimal twenty chains more or less to a standard survey post and stone mound on the south boundary of the north half of section fourteen in the said township;

Thence easterly along the south boundary of the north half of sections fourteen and thirteen to the east boundary of section thirteen of the said township;

Thence northerly along the east boundary of the said section to a standard survey post, pits and mound thirty-nine decimal four links south of the northeast corner of the said section thirteen;

Thence on the astronomic bearing of sixty-nine degrees forty-eight decimal eight minutes to the summit of Mt. Charles Stewart;

Thence northeasterly following the height of land which bounds the watershed area of Carrot Creek and its tributaries to the point at which it becomes the height of land that divides the watershed area of Lake Minnewanka from that of Ghost river;

Thence continuing along the last mentioned height of land through Orient Point to a stone cairn in latitude fifty-one degrees sixteen minutes, longitude one hundred and fifteen degrees ten minutes;

Thence in a straight line defined by H. F. Lambart, D.L.S., in 1935 on an astronomic bearing of three hundred and forty-seven degrees thirty-seven decimal eight minutes a distance of five thousand six hundred and sixty-seven decimal seven feet more or less to a stone cairn;

Thence continuing on the same bearing nine hundred and forty-eight decimal three feet more or less to a standard survey post and stone cairn beside the trail through Devil's Gap;

Thence continuing on the same course one thousand eight hundred and forty-five decimal four feet more or less to a stone cairn;

Thence continuing on the same course to Devil's Fang Mountain;

Thence westerly and northerly following throughout all its sinuosities the height of land that forms the southerly and westerly limit of the watershed area of Ghost River or any of its tributaries to Mount Oliver;

Thence northerly along the height of land that forms the easterly limit of the watershed area of Dormer river to a stone cairn on an astronomic bearing of one hundred and thirty-five degrees and seven-tenths of a minute from the summit of Dormer Mountain;

Thence in a straight line defined by H. F. Lambart, D.L.S., in 1935 on an astronomic bearing of three hundred and fifteen degrees and seven-tenths of a minute, a distance of eight thousand five hundred and ninety-two decimal seven feet more or less to a stone cairn;

Thence continuing on the same course four thousand one hundred and eighty-four feet more or less to a standard survey post and stone cairn beside the trail on the northerly side of Dormer river;

Thence continuing on the same course eight thousand nine hundred and eighteen decimal eight feet more or less to a cairn on the summit of Dormer Mountain;

Thence in a straight line defined by H. F. Lambart, D.L.S., in 1935 on an astronomic bearing of three hundred and twenty-six degrees five minutes to a stone cairn;

Thence continuing on the same course one thousand and eighty-three decimal eight feet more or less to a standard post and stone cairn beside the trail along Panther river;

Thence continuing on the same course nine hundred and eighty-one decimal six feet more or less to a stone cairn;

Thence continuing on the same course two thousand four hundred and eleven decimal six feet more or less to a stone cairn on the crest of a ridge of Barrier Mountain;

Thence continuing on the same course to the summit of Barrier Mountain;

Thence northwesterly along a well defined height of land to a stone cairn on the summit of Warden Rock;

Thence in a straight line defined by H. F. Lambart, D.L.S., in 1935 on an astronomic bearing of two hundred and eighty-nine degrees thirteen decimal one minutes, a distance of seven thousand and forty-three decimal four feet more or less to a standard survey post and stone cairn beside the trail on the west side of Red Deer river;

Thence continuing on the same course one thousand nine hundred and eight decimal nine feet more or less to a stone cairn;

Thence continuing on the same course to the summit of a mountain in latitude fifty-one degrees forty-two decimal five minutes, longitude one hundred and fifteen degrees forty-four minutes;

Thence northwesterly following the height of land that forms the easterly and northerly limit of the watershed of Tyrrell creek, the northerly limit of the watershed of Divide creek and the easterly limit of the watershed of Peters creek to the summit of Condor peak;

Thence northerly along a well defined ridge to the forks of Peters creek in latitude fifty-one degrees forty-nine minutes, longitude one hundred and fifteen degrees fifty-seven minutes;

Thence northerly along the right bank of Peters creek to its confluence with Clearwater river;

Thence crossing Clearwater river to its left bank and following the said bank upstream to a stone cairn approximately half a mile east of the mouth of Indianhead creek;

Thence in a straight line defined by H. F. Lambart, D.L.S. in 1935 on an astronomic bearing of three hundred and twenty-nine

degrees twenty-two decimal nine minutes, a distance of nine hundred and eight decimal two feet more or less to a standard survey post beside the trail along the valley;

Thence continuing on the same course to a stone cairn near the edge of timber;

Thence continuing on the same course to camera station two hundred and sixty-five A, which is a point on the height of land forming the easterly limit of the watershed area of Indianhead creek the said camera station together with all camera stations hereinafter referred to being triangulation points of surveys made by M. P. Bridgland, D.L.S.;

Thence northwesterly along the said height of land to its junction with the height of land between the watershed area of Clearwater river and those of Ram and Siffleur rivers;

Thence southwesterly along the last described height of land to the summit of Mount Kentigern;

Thence northwesterly along a sharply defined ridge between Siffleur river and one of its tributaries through camera station three hundred to a stone cairn on the east side of Siffleur river;

Thence in a straight line defined by H. F. Lambart, D.L.S. in 1935 on an astronimical bearing of two hundred and sixty-one degrees eighteen decimal seven minutes, a distance of six hundred and ninety-nine decimal seven feet more or less to a standard survey post and stone cairn beside the trail on the west side of Sffleur river;

Thence continuing on the same course one thousand one hundred and fourteen decimal four feet more or less to a stone cairn;

Thence continuing on the same course to camera station three hundred and five;

Thence westerly following a high rocky height of land through camera stations three hundred and six, three hundred and three, and three hundred and four to camera station three hundred and eight which last mentioned station is on the height of land forming the easterly limit of the watershed area of Mistaya river;

Thence northwesterly along the last described height of land to camera station four hundred and twenty-five situate at the junction of the said height of land with the height of land enclosing the watershed area of Murchison creek.

Thence following the last described height of land through camera stations four hundred and twenty-six, four hundred and twenty-two, four hundred and twenty-one, and four hundred and twenty, and along the crest of a precipitous rock escarpment to a stone cairn in latitude fifty-one degrees fifty-nine minutes thirty seconds, longitude one hundred and sixteen degrees thirty-nine minutes;

Thence in a straight line defined by H. F. Lambart, D.L.S. in 1935 on an astronomic bearing of three hundred and thirty-four degrees fifty-seven decimal five minutes a distance of two thousand and twenty-four decimal eight feet more or less to a standard survey post and stone cairn beside the trail on the southerly side of North Saskatchewan river;

Thence continuing on the same course two thousand two hundred and eighty-nine decimal four feet more or less to a standard post and stone cairn beside the trail on the northerly side of the said river;

Thence continuing on the same course two thousand five hundred and five decimal one feet more or less to a stone cairn on the height of land forming the easterly limit of the watershed of Owen creek;

Thence northerly following the said height of land to its junction with the height of land forming the easterly limit of the watershed of North Saskatchewan river;

Thence northwesterly along the last described height of land through all its sinuosities to a stone cairn erected by H. F. Lambart, D.L.S., in 1935 at the summit of Nigel Pass;

Thence westerly, southeasterly and southwesterly along the height of land between the watershed areas of North Saskatchewan river and Athabaska river to a stone cairn on a well defined ridge overlooking Sunwapta Pass in latitude fifty-two degrees thirteen minutes, longitude one hundred and seventeen degrees nine point five minutes;

Thence following the survey of the said Pass by H. F. Lambart, D.L.S., in 1935 on an astronomic bearing of two hundred and thirty-eight degrees forty-two decimal two minutes, a distance of three thousand seven hundred and nine decimal seven feet more or less to a stone cairn;

Thence on an astronomic bearing of two hundred and eighteen degrees forty-eight minutes a distance of two thousand one hundred and forty-seven decimal three feet more or less to a stone cairn;

Thence on an astronomic bearing of two hundred and thirty-five degrees six minutes, a distance of two thousand six hundred and sixty-eight decimal one feet more or less to a stone cairn on a well defined ridge of the last described height of land on the westerly side of Sunwapta Pass;

Thence continuing southwesterly and northwesterly along the said height of land to The Snow Dome being a point on the Interprovincial Boundary between Alberta and British Columbia;

Thence southerly following the Interprovincial Boundary to the point of commencement, containing an area of two thousand five hundred and eighty-five square miles more or less, the boundaries herein described being shown on a copy of the map of Banff Park certified by Frederic Hatheway Peters, Surveyor General of Dominion Lands on the twenty-second day of April nineteen hundred and forty, said map being approved on behalf of the Dominion of Canada by The Honourable T. A. Crerar, Minister of Mines and Resources, and on behalf of the Province of Alberta by The Honourable N. E. Tanner, Minister of Lands and Mines, and filed on the eighteenth day of April nineteen hundred and forty-one in the Land Titles Office for the South Alberta Land Registration District of Calgary in the Province of Alberta under No. 3845 Book E.Q. Folio 109.

Kootenay Park

All those portions of the Province of British Columbia lying between the summit of the Rocky Mountains to the east and Columbia River to the west, which may be more particularly known and described as follows:

Firstly: Commencing at Monument numbered 14-C of the Interprovincial Boundary survey between the Province of Alberta and British Columbia as the same was established by the Interprovincial Boundary Commission, said Monument being in approximate Latitude fifty-one degrees, naught five minutes (51° 05′) North and Longitude one hundred and fifteen degrees, fifty-one minutes (115° 51′) West;

Thence in a general south-southeasterly direction along the height of land which divides the watershed area of Simpson River and Verdant Creek to the summit of Monarch Mountain;

Thence in a general southerly direction and following the sinuosities of the above described height of land to an outlying peak of Monarch Mountain distant approximately one (1) mile from the summit of said Mountain;

Thence westerly along a sharply defined ridge an estimated distance of twenty-five (25·00) chains to a stone cairn;

Thence in a straight line across the valley of Verdant Creek a distance of one hundred and eight decimal seven five three (108·753) chains more or less on a bearing of one hundred and ninety-nine degrees, naught six minutes (199° 06′) to a stone cairn;

Thence in a general southwesterly direction along the line of local watershed to the summit of Mount Shanks on Hawk Ridge;

Thence in a general southeasterly direction along the crest of Hawk Ridge to a stone cairn;

Thence in a straight line a distance of sixty decimal three eight seven chains (60·387) more or less on a bearing of one hundred and ninety-one degrees twenty minutes (191° 20′) to a stone cairn on the right bank of Simpson River;

Thence in a straight line a distance of seventy-eight decimal three one three (78·313) chains more or less on a bearing of one hundred and sixty degrees thirty-five minutes (160° 35′) to a stone cairn;

Thence southerly along a sharply defined line of watershed division to a camera station marked 8032 on the map of Kootenay Park, which camera station is on the point of a long ridge leading northwesterly from Octopus Mountain;

Thence in a straight line across the valley of Lachine Creek on a bearing of two hundred and twenty-nine degrees thirty-four minutes (229° 34′) to a stone cairn, said cairn being about forty-four decimal thirty (44·30) chains west of Lachine Creek measured along said straight line;

Thence in a general southwesterly direction along a well-defined line of watershed division to intersect the crest of Mitchell Range;

Kootenay Park.

The original Agreement known as the Banff-Windermere Road Agreement which was approved by the Dominion Government by Orders in Council dated the 14th and 20th March, 1919, and ratified by an Act of the Provincial Legislature known as the *Banff-Windermere Road Agreement Ratification Act*, being Chapter 5, British Columbia Statutes, 1919, contained the following provision:—

> (4) The said Province will grant to the Dominion Government a strip of land along the said Banff-Windermere Road as laid out and completed to an approximate width of five (5) miles on each side thereof; Provided always that, as far as possible, the crests of the mountains shall constitute the outside boundaries of the said area.

Kootenay Park as established by Order in Council, P.C. 827, in 1920 included the area granted by the Province of British Columbia.

A small part of the Park unsuitable for park purposes was removed from the Park area by Order in Council, P.C. 209, of February 2 1922, following an arrangement with the Province.

An official survey of and map showing the boundaries of Kootenay Park were made under instructions from the Surveyor General.

Upon completion of the survey, it was found that the Park area varied considerably from the area mentioned in the original agreement, but the principle set out in the proviso of section 4 of that agreement was maintained in that the survey fixed the boundaries of the Park along the crest of the mountains.

The Provincial Government of British Columbia, upon the completion of the survey and map, implemented the abovementioned statute (Cap. 5, British Columbia Statutes, 1919), by passing Order in Council No. 810 of August 8, 1928, approving of the survey and the boundaries fixed by the survey. The boundaries of Kootenay Park, as surveyed, are set out in Schedule A to the Bill.

The area of the Park when established in 1920 was estimated at 587 square miles. Approximately seven square miles were removed from the Park in 1922. Upon completion of the survey, the area of the Park was established as 543 square miles, more or less.

Thence in a general southerly direction along the crest of Mitchell Range to its intersection with the production of a straight line as the same is surveyed part way across the valley of Daer Creek, said straight line being marked on the ground by three stone cairns and having a southerly bearing of one hundred and fifty degrees fourteen minutes (150° 14′);

Thence in a straight line across the valley of Daer Creek on said bearing of one hundred and fifty degrees fourteen minutes (150° 14′) and on said line produced to its intersection with the crest of Mitchell Range;

Thence in a general south-southeasterly direction along the crest of Mitchell Range and following always that ridge of said Range from which there is direct westerly drainage into Kootenay River to a point on the north boundary of Group Lot 12064, said point being distant thirty-one decimal thirty-one (31·31) chains more or less west from the northeast corner of said Lot;

Thence easterly along the north boundary of said Lot to the northeast corner thereof;

Thence southerly along the east boundaries of Group Lots 12064, 12062 and 12061 to the southeast corner of said Lot 12061;

Thence westerly and following the south boundary of said Lot 12061 and said south boundary produced to the left, or easterly, bank of Kootenay River;

Thence southerly along the easterly bank of Kootenay River to its intersection with the north boundary of the south half of Group Lot 11837 produced easterly across Kootenay River;

Thence westerly in a straight line to the easterly extremity of the north boundary of the south half of Group Lot 11837;

Thence continuing westerly in the same straight line and following the north boundaries of the south halves of Group Lots 11837 and 11838 respectively to the west boundary of said Lot 11838;

Thence southerly along said west boundary of Group Lot 11838 fifteen decimal nine nought one (15.901) chains more or less to an iron bar in an earth mound;

Thence in a general westerly direction along a well-defined line of local watershed to a peak on the crest of Stanford Range, said peak being marked 8609 on the map of Kootenay Park;

Thence southwesterly across the summit of Kimpton Pass along the line of watershed between Kimpton and Shuswap Creeks to a camera station marked 8335 on the map of Kootenay Park;

Thence southerly and westerly along the line of watershed between Stoddart and Shuswap Creeks to a wooden post in an earth mound planted at the intersection of said line of watershed with the north boundary of District Lot numbered 4596;

Thence west along the north boundary of said Lot 4596 to a stone cairn built at its intersection with the east boundary of Group Lot 9248, said point of intersection being distant fourteen decimal one five one (14.151) chains more or less north from the southeast corner of said Lot 9248;

Thence northerly along the east boundary of said Lot 9248 to the northeast corner of said Lot;

Thence westerly along the north boundary of said Lot 9248 to the southeast corner of Group Lot 8996;

Thence northerly along the east boundary of said Lot 8996 to the northeast corner of said Lot;

Thence westerly along the north boundary of said Lot 8996 to the northwest corner of said Lot;

Thence westerly along the north boundary of Group Lot 8208 to the southeast corner of Group Lot 8207;

Thence northerly along the east boundary of said Lot 8207 to the southwest corner of Group Lot 10114;

Thence easterly along the south boundary of said Lot 10114 to the southeast corner of said Lot;

Thence northerly along the east boundary of said Lot 10114 to the northeast corner of said Lot;

Thence westerly along the north boundary of said Lot 10114 to the northwest corner of said Lot, which point is also the southeast corner of Group Lot 9010;

Thence northerly along the east boundaries of Group Lots 9010 and 9560 to the northeast corner of said Lot 9560;

Thence westerly along the north boundary of said Lot 9560 to the northwest corner of said Lot, which point is also a point on the south boundary of Group Lot 9011;

Thence continuing westerly along the south boundary of said Lot 9011 to the southwest corner of said Lot;

Thence northerly along the west boundary of said Lot 9011 and said west boundary produced to its intersection with the south boundary of Group Lot 10112;

Thence easterly along the south boundary of said Lot 10112 to the southeast corner of said Lot;

Thence northerly along the east boundary of said Lot 10112 to the southwest corner of Group Lot 9577;

Thence easterly along the south boundary of said Lot 9577 to the southeast corner of said Lot;

Thence northerly along the east boundary of said Lot 9577 to the northeast corner of said Lot, which corner is a point on the south boundary of Group Lot 10720;

Thence easterly along the south boundary of said Lot 10720 to the southeast corner of said Lot;

Thence northerly along the east boundary of said Lot 10720 to the northeast corner of said Lot;

Thence westerly along the north boundary of said Lot 10720 to the northwest corner of said Lot, which corner is a point on the east boundary of Group Lot 9042;

Thence northerly along the east boundaries of Group Lots 9042 and 9043 to the northeast corner of said Lot 9043;

Thence westerly along the north boundary of said Lot 9043 to a point which is the southeast corner of Group Lot 9044;

Thence northerly thirty-one decimal eight six (31·86) chains more or less to the northerly extremity of the most easterly boundary of said Lot 9044;

Thence westerly along the boundary of said Lot 9044 to the interior corner of said Lot;

Thence northerly along the boundary of said Lot 9044 to the easterly extremity of the most northerly boundary of said Lot 9044;

Thence in a general northeasterly direction and following the line of local watershed to a camera station marked 8170 on the map of Kootenay Park;

Thence in a general east-northeasterly direction and following the height of land which divides the watershed areas of Sinclair and Kindersley Creeks to a camera station marked 8807 on the map of Kootenay Park, which camera station is a point on the crest of the Brisco Range;

Thence in a general north-northwesterly direction and following the crest of said Brisco Range to a camera station marked 8640 on the map of Kootenay Park;

Thence northerly and easterly along a well-defined ridge forming the southerly confine of the Boyce Creek watershed area to the point of intersection of said ridge with the southerly production of a straight line having a bearing of two hundred and eighteen degrees forty-nine minutes (218°49′) more or less from a stone cairn erected at a point on the west boundary of Group Lot 12053 distant thirty-six decimal nine three nine (36·939) chains more or less south from the northwest corner of said Lot to a stone cairn distant fifty-four decimal seven nine one (54·791) chains more or less on said bearing from the first above mentioned cairn;

Thence in a straight line to said stone cairn on the west boundary of said Lot 12053;

Thence northerly along the west boundaries of Group Lots 12053 and 11165 to a point on the west boundary of said Lot 11165 which is also the southwest corner of Group Lot 11187;

Thence easterly along the south boundary of said Lot 11187 to the southeast corner of said Lot;

Thence northerly along the east boundaries of Group Lots 11187, 11659 and 11390 to the northeast corner of said Lot 11390, which said corner is a point on the south boundary of Group Lot 11389;

Thence easterly along the south boundary of said Lot 11389 to the southeast corner of said Lot;

Thence northerly along the east boundary of said Lot 11389 to the northeast corner of said Lot;

Thence in a straight line on an approximate bearing of thirty-three degrees naught one minute (33° 01′) to a stone cairn on the north side of Whitetail Creek distant thirty-seven decimal naught nine (37·09) chains more or less from said northeast corner of Lot 11389;

Thence continuing in the same straight line to intersect the crest of the height of land between the right and left forks of Whitetail Creek;

Thence in a general northeasterly direction and following along the crest of the above described height of land to the summit of Mount Verendrye which is a peak of Vermilion Range;

Thence in a general northwesterly direction along the crest of said Vermilion Range to the southerly boundary of the Railway Belt;

Thence northeasterly along the southerly boundary of said Railway Belt to the Interprovincial boundary between Alberta and British Columbia;

Thence southerly along the said Interprovincial boundary to monument numbered 14-C hereinbefore mentioned as the point of commencement, containing an area of four hundred and nineteen (419) square miles, more or less, and

Secondly: Commencing at the above described intersection of the southerly boundary of the Railway Belt with the Interprovincial boundary between British Columbia and Alberta;

Thence southwesterly along the southerly boundary of said Railway Belt to the crest of the Vermilion Range;

Thence northwesterly along the said crest to the southeasterly boundary of Yoho National Park;

Thence northeasterly along the said Park boundary to the Interprovincial boundary between British Columbia and Alberta;

Thence southeasterly along the said Interprovincial boundary to the point of commencement, containing an area of one hundred and twenty-four (124) square miles, more or less;

The said portions comprising together an area of five hundred and forty-three (543) square miles, more or less, all as shown on a map of Kootenay National Park drawn and printed at the office of the Surveyor General at Ottawa, and bearing a certificate signed by F. H. Peters, Surveyor General, dated February 1, 1928, a copy of said map being on file in the Department of Lands, Victoria, British Columbia, numbered 7 T 312, a duplicate of which is of record in the Department of Mines and Resources, Ottawa, under number 35608.

SCHEDULE B.

(Addition to)

RIDING MOUNTAIN PARK.

The northwest quarter of Section 19, in Township 19, and Range 18, west of the Principal Meridian, in the Province of Manitoba; excepting thereout all that portion taken for a public road, as same is shown coloured pink on a plan filed in the Neepawa Land Titles Office as Deposit No. 2642.

All that portion of the original road allowance adjoining the north boundary of Section 19, in Township 19, and Range 18, west of the Principal Meridian, in the Province of Manitoba, described as follows: Commencing at a point on the north boundary of said Section 19, distant easterly thereon, thirty-four feet (34′) from the northwest corner of said Section 19; thence easterly along the said north boundary four

Riding Mountain Park.

Addition.

The Department acquired a number of small areas comprising in all slightly less than two sections with some pieces of roadway as an addition to the Riding Mountain Park. These areas lie immediately south of the townsite of Wasagaming, the headquarters of the Park. They were specially required to round out the Park in this important section. The area being added consists of 962·3 acres.

hundred feet (400′); thence northerly at right angles with said north boundary sixty-six feet (66′) to the northern limit of said Original Road Allowance; thence westerly along the northern limit of said Road Allowance, three hundred and eighty-two feet (382′); thence southwesterly in a straight line to the point of commencement.

The northeast quarter of Section 24, Township 19, in Range 19, West of the Principal Meridian, in the Province of Manitoba.

The south half and the south half of the north half of Section 29, in Township 19, and Range 18, west of the Princiapl Meridian, in the Province of Manitoba; and all that portion of the original Dominion Government Road Allowance between Sections 29 and 30, in the said Township and Range, which lies to the north of the production in a straight line westerly of the south boundary of the southwest quarter of said Section 29 and to the south of the production in a straight line westerly of the north boundary of the south half of the northwest quarter of said Section 29.

The southeast quarter of Section 30 in Township 19 and Range 18, West of the Principal Meridian, in the Province of Manitoba.

All that portion of the original Government Road Allowance between Sections 29 and 30, in Township 19, and Range 18, west of the Principal Meridian, in the Province of Manitoba, which lies to the north of the production in a straight line westerly of the north boundary of the south half of the northwest quarter of said section 29, and all that portion of the original Government Road Allowance between Sections 31 and 32, in the said township, which lies to the south of the southern shore line of Clear Lake, as shown on a map or plan of township 19, in range 18, west of the Principal Meridian, approved and confirmed at Ottawa, by T. Shanks, for the Surveyor General of Dominion Lands on the 4th day of April, A.D. 1921.

SCHEDULE C.

(Addition to)
POINT PELEE PARK

All and singular those certain parcels or tracts of land lying and being in the Township of Mersea in the County of Essex, Province of Ontario, which may be more particularly described as follows:

Firstly, Lots One, Two, Two-A, Three, Three-A, Four and Four-A and the parcel of land lying between Lots Two, Three and Four and the easterly foreshore, SAVE AND EXCEPTING THEREFROM a strip of land two hundred (200′) feet wide lying along said foreshore, as shown on the plan of the Squatters' Holdings on the Naval Reserve at Point Pelee in the Township of Mersea, County of Essex, Province of Ontario, and signed by G. McPhillips, Dominion Land Surveyor, on the thirtieth day of July one thousand eight hundred and eighty-nine, which said plan is registered in the Registry Office for the said Township of Mersea under No. 397, SAVE AND EXCEPTING THEREFROM

Point Pelee Park.

The areas being added to the Point Pelee Park comprise:

(a) Part of a number of squatters' holdings which the Department purchased from the estate of Joseph W. Post, together with some adjoining lands, the title to which was in the Crown in the right of the Dominion but which were not included in the Park;

(b) Two lots in a subdivision of Lot One of the squatters' holdings which the Department acquired at a tax sale;

(c) With the formal consent of the local municipality, the Department expropriated the roads inside the Park boundaries.

The total area of the parcels being added to the Park consists of 255·03 acres. The total area of the Park is 3,869 acres, including the additions.

Lot number Sixty as shown on the plan of subdivision of said Lots One, Two and Two-A of the Squatters' Holdings at Point Pelee, signed by Alexander Baird, Ontario Land Surveyor on the nineteenth day of January, one thousand nine hundred and twenty-five, which said plan is registered in the said Registry Office under No. 1165;

Secondly, all roads or road allowances shown on the plan of the Squatters' Holdings on the Naval Reserve at Point Pelee in the Township of Mersea, County of Essex, Province of Ontario, signed by G. McPhillips, Dominion Land Surveyor, on the thirtieth day of July one thousand eight hundred and eighty-nine, which said plan is registered in the Registry Office for the said Township of Mersea under No. 397;

Thirdly, all roads, avenues, drives, lanes and public alleys shown on the plan of the subdivision of Lots One, Two and Two-A of the Squatters' Holdings at Point Pelee, signed by Alexander Baird, Ontario Land Surveyor, on the nineteenth day of January, one thousand nine hundred and twenty-five, which said plan is registered in the said Registry Office for the said township of Mersea under No. 1165.

SCHEDULE D.

(Addition to)

GEORGIAN BAY ISLANDS PARK.

Flowerpot Island as shown on the Manitoulin sheet of the standard topographical map series issued by the Department of Mines and Resources, being sheet No. 8 S.W. and dated 1926.

SCHEDULE E.

(Addition to)

MALLORYTOWN LANDING, one of the St. Lawrence Islands Parks.

All and singular that certain parcel or tract of land and premises, situate, lying and being in the Township of Front of Yonge in the County of Leeds, in the Province of Ontario; and being composed of all that portion of Lot twenty-two in the Broken Front Concession of the Township of Front of Yonge; having an area of three point thirty-eight acres, more or less, and more particularly described as follows:

Commencing at a point in the division line between Lots twenty-two and twenty-three in said Concession distant ten thousand seven hundred and seven point fourteen feet measured southerly thereon from the rear of said Concession;

Thence north thirty degrees fifty-six minutes thirty seconds east six hundred and ninety-six point seventy-three feet to the beginning of a curve;

Georgian Bay Islands Parks.

Flowerpot Island, which it is desired to include in the Georgian Bay Islands Park, is located at the head of the Bruce Peninsula.

The Island was surrendered by the Chippewa Indians on the 5th day of June, 1856, and was acquired for park purposes from the Department of Indian Affairs on the 6th December, 1930.

With the addition of Flowerpot Island, Georgian Bay Islands Parks will consist of Beausoleil Island (2,712 acres), Flowerpot Island (475 acres) and some 28 smaller islands (251 acres), a total area of approximately 3,438 acres.

Mallorytown Landing Park.
One of St. Lawrence Islands Parks.

The new scenic highway which the Provincial Government is constructing between Brockville and Gananoque runs through the Mallorytown Landing Park, one of the St. Lawrence Islands Parks. The Provincial Government secured and transferred to the Dominion a small area adjoining the Park in compensation for the area taken up by the right of way for the Highway.

The area of the parcel being added to this Park is 3.38 acres.

The total area of Mallorytown Landing Park is approximately 10 acres.

St. Lawrence Islands Parks, consisting of 15 islands, contains approximately 190 acres.

Thence northeasterly along a curve to the right of radius five thousand six hundred and fifty-four point sixty-five feet a distance of forty-one point fifty-one feet arc measurement, the long chord of which has a bearing of north thirty-one degrees nine minutes seven seconds east and a length of forty-one point fifty-one feet to intersect the division line between the east and west halves of said Lot twenty-two;

Thence south thirty degrees forty-five minutes thirty seconds east along said last mentioned division line five hundred and twenty-five feet more or less to the Normal High Water Mark of the River St. Lawrence;

Thence westerly along said Normal High Water Mark to said division line between Lots twenty-two and twenty-three;

Thence north thirty degrees twenty-eight minutes west along said division line fifty feet more or less to the point of commencement.

SCHEDULE F.

Withdrawal from Riding Mountain Park.

Legal Subdivisions 15 and 16, section 31, and legal subdivisions 13 and 14, section 32, township 23, range 24, west of the principal meridian.

Northeast quarter of section 3, township 19, range 18, west of the principal meridian.

Riding Mountain Park.

Withdrawal.

The two small areas being withdrawn from the Park were former sites of the Forest Officer's headquarters when the Park area was a Forest Reserve. These two areas are outside the main Park area.

Upon the establishment of the Park a more intensive administration of the area was organized under which it was found advisable to locate the park wardens inside the Park. The improvements upon these two small areas have been disposed of and the said areas are not now being used as they are in the centre of a farming district. It is considered they should be available for agricultural purposes. The total area of the two parcels being withdrawn is 320 acres.

The total area of the Park is approximately 1,148 square miles.

64.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 64.

An Act to amend the Feeding Stuffs Act, 1937.

First reading, May 8, 1946.

THE MINISTER OF AGRICULTURE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

61553

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 64.

An Act to amend The Feeding Stuffs Act, 1937.

1937, c. 30.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section three of *The Feeding Stuffs Act, 1937*, chapter thirty of the statutes of 1937, is repealed and the following substituted therefor:

Exemptions.

"**3.** (1) Subject to subsection two of this section, this Act shall not apply to

(a) whole hays, straws, corn stover and silage when unmixed with any other material;

(b) hulled oats, hulled barley, cracked Indian corn and the whole seeds or grains of cultivated farm crops;

(c) feeding stuff prepared in accordance with a prescription provided and signed by the purchaser for consumption or processing by such purchaser;

(d) feeding stuff for export from Canada and so labelled;

(e) feeding stuffs sold by the individual grower thereof.

Subject to regulation.

(2) Such hulled oats, hulled barley, cracked Indian corn and the whole seeds or grains of cultivated farm crops as are intended for consumption by live stock shall be deemed to be feeding stuff and subject to the regulatory powers provided by section fourteen of this Act."

2. Section fourteen of the said Act is amended by adding immediately after paragraph *(d)* thereof the following paragraph:

Regulations.

"*(dd)* prescribing and limiting the vitamin claims that may be made for any feeding stuff or any ingredients or constituents thereof;"

Explanatory Notes.

1. The underlined words are new. The new subsection (2) enables the Governor in Council to make regulations under section 14 with respect to the described grains when intended for consumption by live stock. As it now reads the Act does not provide authority by regulation to require the bagging or packaging of whole grains at standard content weights, as has been required of ground grains and other feeding stuffs.

2. Section 14 authorizes the Governor in Council to make regulations for specified purposes. The new subsection *(dd)* is self-explanatory.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 125.

An Act to amend the House of Commons Act.

First reading, May 17, 1946.

THE SECRETARY OF STATE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

62279

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 125.

An Act to amend the House of Commons Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Sections nineteen and twenty of the *House of Commons Act*, chapter one hundred and forty-five of the Revised Statutes of Canada, 1927, are repealed.

EXPLANATORY NOTE.

The sections to be repealed, at present read as follows:

"**19.** Credits for all the sums mentioned in the next preceding section shall issue from time to time according to the directions of the commissioners.

(2) The credits shall issue on one of the banks of Canada in favour of the Accountant and his assistant, or of such two officers as the commissioners from time to time designate.

(3) The commissioners shall from time to time apply for such credits as they deem necessary for that purpose in favour of the said Accountant and his assistant, or of the other officers designated by them, by an order signed by the Speaker and two others of the commissioners."

"**20.** The officers in whose favour the credit is given shall give such security and in such form for the faithful performance of their respective duties as the commissioners require."

The above sections are now obsolete, being superseded by the subsequent provisions of *The Consolidated Revenue and Audit Act, 1931*, which apply to the House of Commons.

126.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 126.

An Act to amend The Export Credits Insurance Act.

First reading, May 17, 1946.

THE MINISTER OF TRADE AND COMMERCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

63245

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 126.

An Act to amend The Export Credits Insurance Act.

1944-45, c. 39; 1945, (2nd Sess.) c. 20.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Preamble repealed.

1. The preamble to *The Export Credits Insurance Act*, chapter thirty-nine of the statutes of 1944-45, and the word "Therefore," at the beginning of the enacting clause of the said Act, are repealed.

2. Section two of the said Act is repealed and the following substituted therefor:

"PART I

Definitions.

"**2.** (1) In this Part, unless the context otherwise requires:

"advisory council".

(a) "advisory council" means the advisory council to the board of directors of the Corporation, as constituted by this Act;

"Board".

(b) "Board" means the board of directors of the Corporation;

"by-law".

(c) "by-law" means a by-law made by the Board and approved by the Governor in Council pursuant to this Act;

"contract of insurance".

(d) "contract of insurance" means a contract of insurance entered into pursuant to this Part;

"Corporation".

(e) "Corporation" means the Export Credits Insurance Corporation;

Explanatory Notes.

1. The preamble which reads:

"Whereas, it is desirable to promote the revival of trade by establishing a corporation to insure against loss caused by insolvency, delays in collection and transfer difficulties in connection with the export of Canadian-produced goods, and during the period of transition from war to peace by providing for loans or guarantees to governments of other countries or their agencies:"

has been deleted as being inconsistent with the amendments proposed herein.

2. The heading "Part I" is placed immediately after the Short Title of the Act in order to group under Part I of the Act all the definitions dealing with the Export Credits Insurance Corporation.

"**2.** (1) The following notes refer to the paragraphs as lettered in the Act:

Para. *(a)*. No change.

Para. *(b)*. No change.

Para. *(c)* which reads:

"*(c)* 'by-law' means a by-law made by the Board of Directors and approved by the Governor in Council pursuant to this Act;

is amended by deleting the words "of Directors" as redundant in view of the definition in paragraph *(b)*."

Para. *(d)* which reads:

"*(d)* 'Canadian-produced goods' means goods wholly or partly produced or manufactured in Canada;"

is deleted from Part I of the Act and transferred to the definition section of Part II.

Para. *(e)* which reads:

"*(e)* 'contract of insurance' means a contract of insurance entered into pursuant to Part I of this Act;"

is relettered paragraph *(d)* and is amended by deleting the words "Part I of this Act" and substituting the words "this Part".

Para. *(f)* is relettered paragraph *(e)*. No other change.

"export". (*f*) "export" means export from Canada;

"exporter". (*g*) "exporter" means a person who exports or agrees to export goods;

"Minister". (*h*) "Minister" means the Minister of Trade and Commerce;

"person". (*i*) "person" includes any association or partnership;

"selling price". (*j*) "selling price" includes insurance, freight or other charges paid or to be paid by the exporter on the buyer's behalf.

Sale of goods. (2) For the purposes of this Act a sale of goods to a buyer who intends to export them shall be deemed to be an export and the seller shall be deemed to be an exporter."

Repeal. **3.** The heading "Part I" immediately preceding section three of the said Act is repealed.

Para. *(g)* which reads:

"*(g)* 'cost of Canadian-produced goods' includes the cost of such services or supplementary work done or to be done in connection with the design, inspection, delivery, erection, installation or testing of goods purchased or to be purchased from an exporter, as may be determined by regulation;"

is deleted from Part I of the Act and transferred to the definition section of Part II.

Para. *(h)* is relettered paragraph *(f)*. No other change.

Para. *(i)* which reads:

"*(i)* 'exporter' means a person who exports Canadian-produced goods from Canada;"

is relettered paragraph *(g)* and amended by adding the words "or agrees to export" in order to permit the insurance of a contract for the export of goods from Canada, before shipment as well as after shipment. The words "Canadian-produced" are deleted. (See notes opposite Clause 7 (1).) The words "from Canada" are deleted as redundant in view of the definition of the word "export".

Para. *(j)* which reads:

"*(j)* 'insolvency' means the state or condition of being unable to pay in full when due the purchase price of exported Canadian-produced goods;"

is deleted as redundant in view of the amendments proposed in Clause 7 (1).

Para. *(k)* which reads:

"*(k)* 'insured' means any person with whom the Corporation enters into a contract of insurance;"

is deleted as the word "insured" is not used in the Act in the sense of the definition.

Para. *(l)* is relettered paragraph *(h)*. No other change.

Para. *(m)* is relettered paragraph *(i)*. No other change.

Para. *(n)* which reads:

"*(n)* 'security' includes bills, promissory notes, bonds, debentures, and any other evidences of indebtedness and shares."

is deleted from Part I of the Act and transferred to the definition section of Part II.

This new paragraph (j) is added to define the words "selling price" which appear in the proposed amendment to paragraph *(a)* of subsection one of section thirteen.

(2) This subsection is added in order to allow the Corporation to insure a person who sells goods to a foreign buyer where the foreign buyer intends to take delivery of the goods in Canada and export them himself.

3. See note opposite Clause 2.

4. (1) Subsection one of section five of the said Act is repealed and the following substituted therefor:

Board of directors.

"**5.** (1) The Corporation shall be under the management of a board of directors composed of the members of the Corporation and not more than four other directors appointed from time to time by the Governor in Council, one of whom shall be appointed by the Governor in Council to be General Manager of the Corporation."

(2) Subsection three of section five of the said Act is repealed and the following substituted therefor:

Directors' fees.

"(3) The directors, except the Deputy Minister of Trade and Commerce, the Deputy Minister of Finance, the Governor of the Bank of Canada and the General Manager, shall be entitled to receive for attendance at directors' meetings, such fees as may be fixed by the by-laws of the Corporation, but the aggregate amount of the fees paid to all directors, exclusive of expenses, shall not exceed three thousand dollars in any fiscal year."

5. Section eight of the said Act is repealed and the following substituted therefor:

Delegation.

"**8.** The Board may delegate to the General Manager or any officer, agent or employee of the Corporation, authority to act in the conduct of the business of the Corporation in all matters which are not by this Act or by the by-laws of the Corporation specifically reserved to be done by the Board."

6. Paragraphs *(e)* and *(f)* of subsection one of section twelve of the said Act are repealed and paragraph *(g)* thereof is re-lettered "*(e)*".

7. (1) Paragraph *(a)* of subsection one of section thirteen of the said Act is repealed and the following substituted therefor:

Contract of insurance.

"*(a)* for the purpose of facilitating and developing trade between Canada and any other country, enter into a contract of insurance with an exporter to insure him against any risk of loss in connection with the export or an agreement for the export of goods by reason of the failure of the exporter, for any cause not avoidable by the exporter, to recover the selling price of the goods;"

Repeal.

(2) Subsection three of section thirteen of the said Act is repealed.

4. (1) and (2). The only changes are to replace the words "Chief Executive Officer" where they occur by the words "General Manager". This designation is considered to be a better description of the position held.

5. The only change is to replace the words "Chief Executive Officer" by the words "General Manager" for the reason stated opposite Clause 4.

6. Paragraph *(e)* which reads:

"*(e)* the types of contracts for the sale of Canadian-produced goods which may be included in the risk insured and the types of service or supplementary work to be done in connection with the erection, installation or testing of Canadian-produced goods, which may be included in such contracts;" and

Paragraph *(f)* which reads:

"*(f)* the terms and conditions upon which the Corporation will enter into any contract of insurance including therein, but not so as to restrict the generality of the foregoing,

(i) the rate or rates of premium, provided that such premiums are established at rates which in the opinion of the Board are adequate to cover probable losses;

(ii) the terms of co-insurance, if any;"

are repealed, because the various types of contracts which the Corporation would be prepared to insure, and the terms and conditions upon which the Corporation would enter into any contract of insurance would differ widely, and accordingly the wording of any such by-laws which could be passed would necessarily be so vague as to have little effect.

7. (1) Paragraph *(a)* at present reads:

"*(a)* for the purpose of facilitating and developing trade or any branch of trade between Canada and any other country, enter into a contract of insurance with an exporter to insure against the risk of loss involved in a contract for the export of Canadian-produced goods;"

(2) Subsection (3) which reads:

"(3) In this section "loss" means the loss accruing to an exporter upon non-payment, when due, of the purchase price of the goods exported, by reason of insolvency or delay of the importer or his inability to secure the currency with which the purchase price is to be paid."

is repealed as redundant in view of the changes proposed in subclause (1) of this Clause.

8. Section fourteen of the said Act is repealed and the following substituted therefor:

Liability under contracts outstanding.

"**14.** The liability of the Corporation under the contracts of insurance issued and outstanding shall not at any time exceed a total of ten times the aggregate of the amount of the paid-up capital and the surplus of the Corporation."

9. Section sixteen of the said Act is repealed and the following substituted therefor:

Fiscal year.

"**16.** The fiscal year of the Corporation shall be the year ending on the thirty-first day of December."

10. Subsection two of section seventeen of the said Act is repealed and the following substituted therefor:

Statement of accounts.

"(2) The Corporation shall make up and transmit to the Minister within three months after the end of each fiscal year in such form as he may prescribe a statement of its accounts for the fiscal year, together with such summary or report by the Chairman as he may determine desirable or as may be required by the Minister."

11. Section twenty-two of the said Act as amended by section one of chapter twenty of the statutes of 1945 (second session) is repealed and the following substituted therefor:

Definitions.

"**22.** In this Part, unless the context otherwise requires,

"Canadian-produced goods".

(a) "Canadian-produced goods" means goods wholly or partly produced or manufactured in Canada or goods belonging to His Majesty in right of Canada;

"Canadian services".

(b) "Canadian services" means services performed by persons ordinarily resident in Canada;

"Cost of Canadian-produced goods".

(c) "cost of Canadian-produced goods" includes the cost of such services or supplementary work done or to be done in connection with the design, inspection, delivery, erection, installation or testing of goods purchased or to be purchased from an exporter, as may be determined by regulation;

"export".

(d) "export" in the case of His Majesty includes to sell or agree to sell goods situated outside of Canada;

"exporter".

(e) "exporter" means a person, including His Majesty in right of Canada, who exports or agrees to export goods from Canada;

"person".

(f) "person" includes any association or partnership;

"security".

(g) "security" includes bills, promissory notes, bonds, debentures and any other evidences of indebtedness and shares.

Assistance to governments of other countries.

"**22A.** (1) At any time before the first day of January, nineteen hundred and forty-eight, the Governor in Council on the recommendation of the Minister of Finance and the Minister of Trade and Commerce may, if he deems it

8. Section 14 which reads:

"**14.** The liability of the Corporation under the contracts of insurance issued and outstanding at any one time shall not exceed a total of ten times the amount of the paid-up capital and surplus as indicated by the last quarterly statement of the Corporation."

is reworded in order to clarify the fact that the aggregate of the amount of the paid-up capital and the surplus of the Corporation should be taken into account in calculating the limit of the Corporation's liability. The words "as indicated by the last quarterly statement" in the Act are deleted in order to permit the Corporation, by obtaining additional capital during the quarter, to issue Policies and incur liabilities without being limited by the aggregate of the paid-up capital and the surplus as shown by the previous quarterly statement.

9. The word "December" is substituted for the word "March" to enable the Corporation to maintain statistics on the same basis as the export trade statistics compiled by the Dominion Bureau of Statistics.

10. The words "three months" are substituted for the words "twenty-one days" to allow the Corporation sufficient time to prepare its annual statements.

11. The amendments now being made to Part II are mainly to enlarge the purposes for which the credits, granted to foreign governments or agencies may be used.

The amendments permit a credit

(a) to be made available to private importers in the borrowing countries so that direct contact may be established at an early date between Canadian exporters and their potential customers abroad;

(b) to be used to purchase Canadian services; and

(c) to be used to purchase goods from His Majesty in the right of Canada including corporations owned by His Majesty such as War Assets Corporation.

The definition section at the beginning of the Act now applies to both Part I and Part II. A change is being made and the definitions applying to Part I of the Act will appear in Part I and the definitions applying to Part II will appear in section 22 of Part II.

In the new section 22 the words underlined are new.

The new section 22A corresponds, except where changes are indicated by underlining, to section 22 of the Act which reads as follows:

"**22.** (1) During the three years next ensuing after the coming into force of this Part of this Act, the Governor in Council on the recommendation of the Minister of Finance and the Minister of Trade and Commerce may, if he deems

advisable for the purpose of facilitating and developing trade or any branch of trade between Canada and any other country, authorize the Minister of Finance to,

(a) guarantee the undertaking of the government or any agency of the government of any such other country to pay or guarantee the payment of the cost of Canadian-produced goods purchased from an exporter or the cost of Canadian services;

(b) make a loan to the government or any agency of the government of any such other country to enable such government or such agency or any person ordinarily resident in such other country to pay the cost of Canadian-produced goods purchased from an exporter or the cost of Canadian services; or

(c) purchase, acquire or guarantee any security issued or guaranteed by the government or by any agency of the government of any such other country to any person in Canada for payment of the cost of Canadian-produced goods purchased from an exporter or of the cost of Canadian services;

if the government of such other country requests the Government of Canada to give such guarantee, make such loan, or purchase, acquire or guarantee such securities and in the case of a guarantee undertakes to indemnify the Government of Canada against loss in connection therewith.

Aggregate amount of guarantees.

(2) The aggregate amount of guarantees under subsection one of this section outstanding at any time shall not exceed two hundred million dollars and the aggregate of the amount of loans made and outstanding at any time and the value of securities purchased or acquired and held at any one time under subsection one of this section shall not exceed seven hundred and fifty million dollars.

Terms of assistance.

(3) The Governor in Council may determine the terms and conditions upon which any guarantee, loan, purchase, acquisition or guarantee of securities shall be made under this section."

12. Section twenty-four of the said Act is repealed and the following substituted therefor:

Corporation as agent of the Minister of Finance.

"**24.** The Minister of Finance may employ the Export Credits Insurance Corporation to act as his agent in respect of any matter arising under Part II of this Act."

Repeal.

13. An Act to amend *The Export Credits Insurance Act*, chapter twenty of the statutes of 1945 (second session), is repealed.

Coming into force of Sec. 11.

14. Section eleven of this Act shall be deemed to have come into force on the first day of March, nineteen hundred and forty-five.

it advisable for the purpose of facilitating and developing trade or any branch of trade between Canada and any other country, authorize the Minister of Finance to,

(a) guarantee the obligations of the government or an agency of the government of any such other country to pay the cost of Canadian-produced goods under a contract to purchase such goods from an exporter;

(b) make a loan to the government or an agency of the government of any such other country to enable such government or such agency to purchase from an exporter and to pay the cost of Canadian-produced goods; or

(c) purchase, acquire or guarantee any security issued by the government or by the agency of the government of any such other country to any person in Canada for payment of the cost of Canadian-produced goods, exported or to be exported to such other country;

if the government of such other country requests the Government of Canada to give such guarantee, make such loan, or purchase, acquire or guarantee such securities and undertakes to indemnify the Government of Canada against loss in connection therewith.

(2) The aggregate amount of guarantees under subsection one of this section outstanding at any time shall not exceed two hundred million dollars and the aggregate of the amount of loans made and outstanding at any time and the value of securities purchased or acquired and held at any one time under subsection one of this section shall not exceed seven hundred and fifty million dollars.

(3) The Governor in Council may determine the terms and conditions upon which any guarantee, loan, purchase, acquisition or guarantee of securities shall be made under this section."

12. The only change here is that the full name of the corporation is given.

13. The 1945 amending Act increased the amount of the credits from $100,000,000 to $750,000,000. This bill incorporates the 1945 amendment.

14. March 1, 1945, is the date of the first agreement entered into under Part II of the Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 127.

An Act to amend the Public Printing and Stationery Act.

First reading, May 20, 1946.

THE SECRETARY OF STATE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

62283

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 127.

An Act to amend the Public Printing and Stationery Act.

R.S., c. 162; 1928, c. 5.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Repeal.

1. Section three of the *Public Printing and Stationery Act*, chapter one hundred and sixty-two of the Revised Statutes of Canada, 1927, is repealed.

Explanatory Note.

Section three of the *Public Printing and Stationery Act* is obsolete and should be repealed. It reads as follows:—

"**3.** In all cases in which any duty is by this Act assigned to the clerk of either House of Parliament, the same shall, in respect of all matters within the jurisdiction and under the superintendence of the joint committee of the two Houses on printing or its officers be performed by the clerk of the committee, or other officer specially designated by the committee."

138.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 138.

An Act to amend the Railway Act.

First reading, May 23, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

63871

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 138.

An Act to amend the Railway Act.

R.S., c. 170; 1927, c. 43; 1929, c. 44; 1930, c. 36, 1932-33, c. 47; 1938, cc. 12, 40.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection one of section three hundred and ten of the *Railway Act*, chapter one hundred and seventy of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:

Trains moving in reverse.

"**310.** (1) Whenever in any city, town or village, any train, not headed by an engine or its tender, is passing over or along a highway at rail level which is not adequately protected by gates or otherwise, the company shall station on that part of the train, which is then foremost, a person who shall warn persons standing on, or crossing, or about to cross the track of such railway."

2. Paragraph *(g)* of subsection one of section four hundred and twenty-one of the said Act is repealed and the following substituted therefor:

Moving in reverse without warning.

"*(g)* whenever in any city, town or village, any train of the company, not headed by an engine or its tender, is allowed to pass over or along a highway at rail level which is not adequately protected by gates or otherwise, the company does not station on that part of the train, which is then foremost, a person who shall warn persons standing on, or crossing or about to cross the track of such railway,"

Explanatory Notes.

1. Under the provisions of section 310 (1) of the Railway Act an engine with its tender heading a train or running alone when moving backwards with the tender in front of the engine over a level crossing not adequately protected is required to have a man on the tender to warn persons at the crossing. The subsection to be repealed reads as follows:

"**310.** (1) Whenever in any city, town or village, any train not headed by an engine is passing over or along a highway at rail level which is not adequately protected by gates or otherwise, the company shall station on that part of the train, which is then foremost, a person who shall warn persons standing on, or crossing, or about to cross the track of such railway."

The purpose of the amendment is to relieve Railway companies from the requirement of having a man stationed on the tender to warn persons when the engine and tender are moving reversely over level crossings.

2. Section 421 (1) *(g)* is the corresponding penalty section which requires amendment in accordance with the proposed change in section 310 of the said Act.

139.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 139.

An Act to amend The Department of Transport Stores Act.

First reading, May 23, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

63867

2nd Session, 2th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 139.

An Act to amend The Department of Transport Stores Act.

1937, c. 28; 1939, c. 16.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section six of *The Department of Transport Stores Act*, chapter twenty-eight of the statutes of 1937, as amended by chapter sixteen of the statutes of 1939, is repealed and the following substituted therefor:—

Inventory.

"**6.** The inventory of stores at the end of each fiscal year shall not exceed one million six hundred thousand dollars."

Explanatory Notes.

1. Section 6 of the Act reads as follows:—

"**6.** The inventory of stores at the end of each fiscal year shall not exceed one million two hundred and fifty thousand dollars."

The purpose of the amendment is to enable the Department of Transport to have on hand at the end of the fiscal year stores not exceeding the maximum inventory value of $1,600,000 which is deemed advisable in view of the expansion in the requirements of the Department and the increase in prices affecting transactions under the Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 140.

An Act to amend The Small Loans Act, 1939.

First reading, May 24, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58542

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 140.

An Act to amend The Small Loans Act, 1939.

1939, c. 23.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection two of section three of *The Small Loans Act, 1939*, chapter twenty-three of the statutes of 1939, is repealed and the following substituted therefor:—

Not more than one and one-half per cent per month.

"(2) The cost of the loan mentioned in subsection one of this section shall, for a loan for a period of fifteen months or less, not exceed one and one-half per centum per month on the amount actually advanced to the borrower and monthly balances thereof from time to time outstanding, and, for a loan for a period greater than fifteen months, the cost of the loan shall not exceed one per centum per month on the amount actually advanced to the borrower and monthly balances thereof from time to time outstanding and in addition thereto such proportion of one half of one per centum per month on the said amount and balances as fifteen is of the period of the loan expressed in months."

Reduction if term of loan more than 15 months.

2. Paragraph *(b)* of section fourteen of the said Act is repealed and the following substituted therefor:—

Limitation as to amount, time and cost of loan.

"*(b)* lend money in sums not exceeding five hundred dollars in amount and may charge, exact or receive or stipulate for the payment by the borrower of a sum of money as the cost of a loan which shall not exceed an amount equivalent to the amounts or rates herein prescribed, namely, in the case of a loan for a period of fifteen months or less, one and one-half per centum per month on the amount actually advanced to the borrower and monthly balances thereof from time to time outstanding, and in the case of a loan for a period greater than fifteen months, one per centum per month on the amount actually advanced to the borrower and monthly

Explanatory Note.

These amendments reduce the maximum rate of cost of loan for small loans of $500 or less made by money-lenders and small loans companies under *The Small Loans Act, 1939*, from 2% per month to 1½% per month for loans of terms of fifteen months or less with proportionate reductions for loans of longer terms.

The amendment will apply to all new loans made on or after January 1, 1947, and to all renewals or extensions of the term of loans outstanding at any time after the coming into force of this Act.

balances thereof from time to time outstanding and in addition thereto such proportion of one-half of one per centum per month on the said amount and balances as fifteen is of the period of the loan expressed in months: Provided, however, that every loan shall be repayable in approximately equal instalments of principal or of principal and cost of the loan at intervals of not more than one month each, and on default in the payment of any instalment, interest shall accrue thereon from the date of default at the rate fixed by the contract as the cost of the loan, but if default in the payment of any instalment continues beyond the date on which the last instalment of the loan falls due, interest shall accrue thereon at a rate not exceeding twelve per centum per annum from such date: Provided, further, that the cost of the loan or any part thereof or any interest accruing after default shall not be compounded or deducted or received in advance: and Provided, further, that the borrower may repay the loan or any part thereof before maturity on the date on which any instalment thereof falls due, without notice, bonus or penalty, but the borrower shall, when making such repayment, pay the portion of the cost of the loan accrued and unpaid up to the date of such repayment."

Repayments.

Cost not to be compounded or deducted.

Prepayment.

3. This Act shall apply to all loans made on and after the first day of January, 1947, and to all renewals, or extensions of the term, of loans outstanding at any time after the coming into force of this Act.

To what loans applicable.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 141.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

AS PASSED BY THE HOUSE OF COMMONS, 24th MAY, 1946.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

64562

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 141.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable Viscount Alexander of Tunis, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-seven, and for other purposes connected with the public service: May it therefore please Your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

1. This Act may be cited as *The Appropriation Act, No. 3, 1946.*

$136,598,972.86 granted for 1946–47.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole one hundred and thirty-six million, five hundred and ninety-eight thousand, nine hundred and seventy-two dollars and eighty-six cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-twelfth of the amount of each of the several items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-seven, as laid before the House of Commons at the present session of Parliament.

$2,327,018.33 granted for 1946–47.

3. From and out of the Consolidated Revenue Fund there may be paid and applied, in addition to the amount granted therefor by section two of this Act, a sum not exceeding in the whole two million, three hundred and twenty-seven thousand, eighteen dollars and thirty-three cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-twelfth of the amount of each of the several items to be voted set forth in Schedule A to this Act.

$64,911,397.66 granted for 1946–47.

4. From and out of the Consolidated Revenue Fund there may be paid and applied, in addition to the amount granted therefor by section two of this Act a sum not exceeding in the whole sixty-four million, nine hundred and eleven thousand, three hundred and ninety-seven dollars and sixty-six cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-sixth of the amount of each of the several items to be voted set forth in Schedule B to this Act.

Account to be rendered in detail.

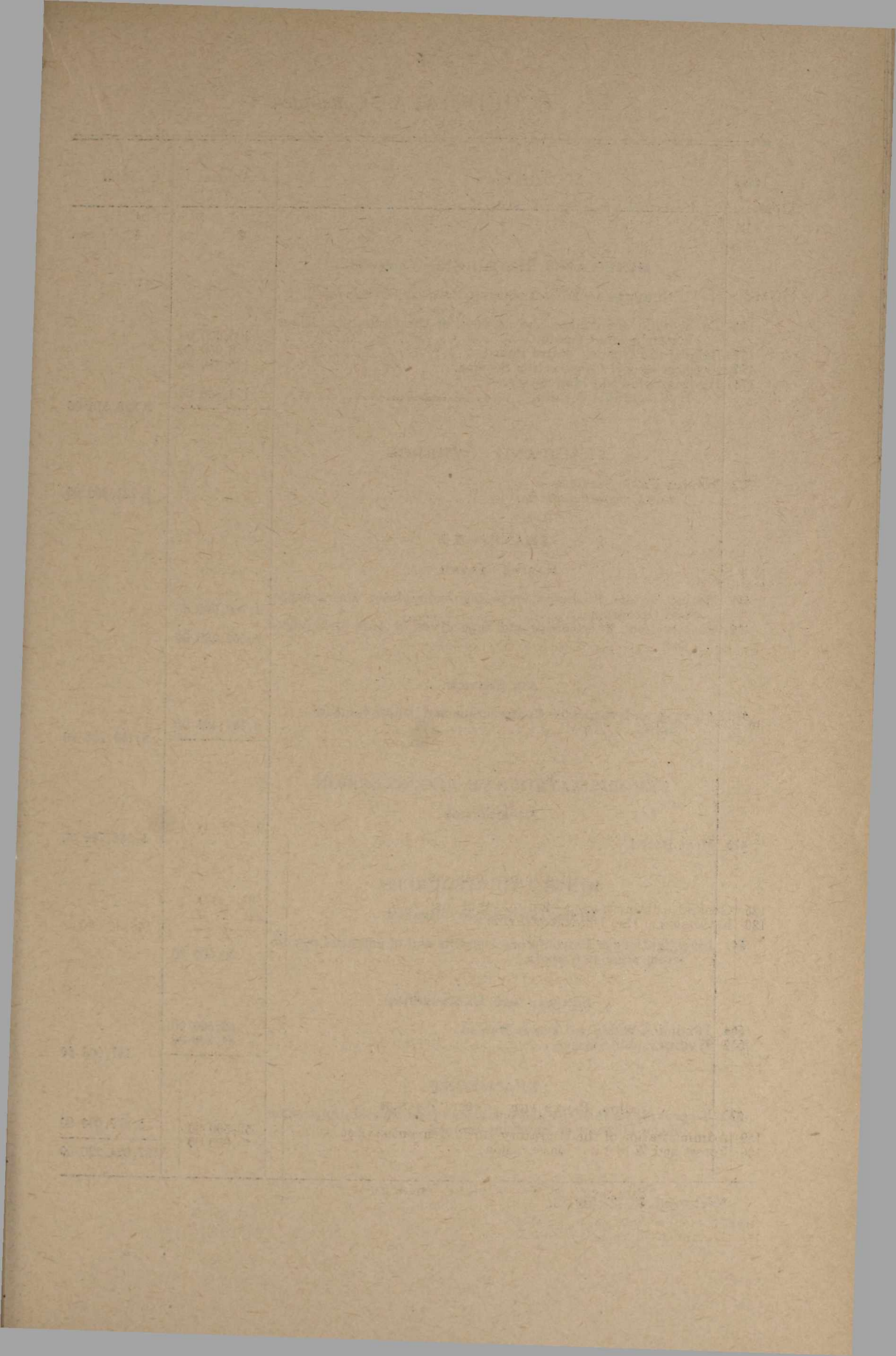
5. A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the next session of Parliament.

SCHEDULE A

Based on the Main Estimates, 1946-47. The amount hereby granted is $2,327,018.33, being one-twelfth of the amount of each item in the said Estimates as contained in this Schedule.

SUMS granted to His Majesty by this Act for the financial year ending 31st March, 1947, and the purposes for which they are granted.

Item	Service	Amount	Total
		$ cts.	$ cts.
	AGRICULTURE		
	SCIENCE SERVICE		
8	Botany and Plant Pathology	534,121 00	
10	Agricultural Entomology	680,375 00	
11	Forest Entomology	721,916 00	
	EXPERIMENTAL FARMS SERVICE		
16	Prairie Reclamation	451,340 00	
	MARKETING SERVICE		
26	Dairy Products	438,652 00	
			2,826,404 00
	LEGISLATION		
	THE SENATE		
122	General Administration	240,040 00	
	HOUSE OF COMMONS		
125	General Administration—Estimates of the Clerk	563,710 00	
126	Estimates of the Sergeant-at-Arms	346,107 00	
			1,149,857 00
	MINES AND RESOURCES		
	MINES AND GEOLOGY BRANCH		
139	Geological Surveys	500,000 00	
140	Topographical Surveys	550,000 00	
142	National Museum of Canada	72,000 00	
	LANDS, PARKS AND FORESTS BRANCH		
159	Administration of the Migratory Birds Convention Act	52,500 00	
160	Forest and Wild Life Conservation	40,000 00	
	SURVEYS AND ENGINEERING BRANCH		
163	Dominion Observatory, Ottawa	126,835 00	
165	Dominion Water and Power Bureau	272,000 00	



SCHEDULE A—*Concluded*

Item	Service	Amount	Total
		$ cts.	$ cts.
	MINES AND RESOURCES—*Concluded*		
	SURVEYS AND ENGINEERING BRANCH—*Concluded*		
166	To provide for studies and surveys of the Columbia River Watershed in Canada	300,000 00	
167	Lake of the Woods Control Board	8,950 00	
170	Engineering and Construction Service	106,880 00	
175	Hydrographic and Map Service— Hydrographic Service	794,350 00	
			2,823,515 00
	TRADE AND COMMERCE		
373	Foreign Trade Services— Trade Commissioner Service		1,721,890 00
	TRANSPORT		
	MARINE SERVICE		
401	Marine Service Steamers, including Icebreakers, Maintenance and Operation	1,760,000 00	
402	Construction, Maintenance and Supervision of Aids to Navigation	2,562,330 00	
	AIR SERVICE		
433	Airways and Airports—Construction and Improvements— Capital	3,837,425 00	
			8,159,755 00
	DEMOBILIZATION AND RECONVERSION		
	AGRICULTURE		
479	Meat Board		5,168,799 00
	MINES AND RESOURCES		
	MINES AND GEOLOGY BRANCH		
541	Investigations of Petroliferous Deposits and of potential petroliferous areas in Canada	50,000 00	
	SURVEYS AND ENGINEERING		
554	Dominion Water and Power Bureau	62,500 00	
559	Hydrographic Service	84,500 00	
			197,000 00
	TRANSPORT		
620	To provide for facilities and operations under the administration of the Director of Merchant Seamen		5,877,000 00
			*27,924,220 00

*Net total, $2,327,018.33.

SCHEDULE B

Based on the Main Estimates, 1946-47. The amount hereby granted is $64,911,397.66, being one-sixth of the amount of each item in the said Estimates as contained in this Schedule.

SUMS granted to His Majesty by this Act for the financial year ending 31st March, 1947, and the purpose for which they are granted.

Item	Service	Amount	Total
		$ cts.	$ cts.
	MINES AND RESOURCES		
	SURVEYS AND ENGINEERING BRANCH		
172	Geodetic Service	197,960 00	
174	International Boundary Commission	39,475 00	
			237,435 00
	TRANSPORT		
	RAILWAY SERVICE		
419	To provide for the construction of an icebreaker—railway car—highway vehicle—passenger ferry vessel for the Prince Edward Island Car Ferry Service (Capital)		2,000,000 00
	VETERANS AFFAIRS		
	SOLDIER SETTLEMENT AND VETERANS LAND ACT		
464	Administration of Soldier Settlement, British Family Settlement, General Land Settlement and Veterans Land Act, etc.		5,443,400 00
	DEMOBILIZATION AND RECONVERSION		
	AGRICULTURE		
482	Grosse Isle Research Project		80,000 00
	FINANCE		
487	Comptroller of the Treasury	6,333,280 00	
501	Halifax Area Explosion and V-E Day Damage—Payment of Claims	1,800,000 00	
			8,133,280 00
	MINES AND RESOURCES		
	LANDS, PARKS AND FORESTS		
549	Dominion Forest Service—Alternative Service Work Camps	41,000 00	
551	National Parks Bureau—Alternative Service Work Camps	75,000 00	
	SURVEYS AND ENGINEERING		
555	Engineering and Construction Service	225,000 00	
558	Geodetic Service	163,100 00	
			504,100 00

SCHEDULE B—*Concluded*

Item	Service	Amount	Total
		$ cts.	$ cts.
	NATIONAL DEFENCE		
569	Army and Related Services		283,170,171 00
	RECONSTRUCTION AND SUPPLY		
605	To provide for the liquidation of contracts, including commitments of previous years, etc.	29,900,000 00	
610	Termination of Contracts	50,000,000 00	
611	To provide for recoverable advances for working capital purposes, etc.	10,000,000 00	
			89,900,000 00
			*389,468,386 00

*Net total, $64,911,397.66.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 154.

An Act to amend the Research Council Act.

First reading, May 27, 1946.

THE MINISTER OF RECONSTRUCTION AND SUPPLY.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

63833

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 154.

An Act to amend the Research Council Act.

R.S., c. 177.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Definitions.

1. (1) Section two of the *Research Council Act*, chapter one hundred and seventy-seven of the Revised Statutes of Canada, 1927, is amended by adding immediately after paragraph *(b)* thereof the following paragraph:—

"company"

"*(bb)* 'company' means a company incorporated pursuant to subsection one of section fourteen of this Act and any company the direction and control of which is assumed by the Council pursuant to subsection two of section fourteen of this Act;"

(2) Section two of the said Act is further amended by adding thereto the following paragraphs:—

"Vice-President (Administration)."

"*(e)* 'Vice-President (Administration)' means the Vice-President (Administration) of The Honorary Advisory Council for Scientific and Industrial Research;

"Vice-President (Scientific)."

(f) 'Vice-President (Scientific)' means the Vice-President (Scientific) of The Honorary Advisory Council for Scientific and Industrial Research."

2. The said Act is further amended by inserting immediately after section three thereof the following section:—

Committee of the P.C. on Scientific and Industrial Research.

"**3A.** There shall be a committee to be called the Committee of the Privy Council on Scientific and Industrial Research consisting of such number of ministers belonging to the King's Privy Council for Canada as the Governor in Council may determine, to be nominated by the Governor in Council."

Appointment of Council.

3. Section four of the said Act is repealed and the following substituted therefor:—

"**4.** (1) The Council shall consist of a President, Vice-President (Administration) and Vice-President (Scientific)

Explanatory Notes.

The *Research Council Act* was passed in 1924 as chapter 6 of the statutes of that year. It now appears as chapter 177 of the Revised Statutes of Canada, 1927.

1. (1) The proposed new paragraph *(bb)* of section 2 refers to the proposed new section 14.

(2) The proposed new paragraphs *(e)* and *(f)* refer to the proposed revision of section 4.

2. The new section 3A is designed to make formal provision for the continuance of the committee of the Privy Council on Industrial and Scientific Research to which the Council has been reporting since its establishment.

Section 4 presently reads as follows:—

> **4.** (1) "The Council shall consist of not more than fifteen members who shall be appointed by the Governor in Council on the recommendation of the Committee.
>
> (2) The members of the Council, with the exception of the President, shall hold office for a period of three years, and not less than four members shall retire each year.
>
> (3) Of the members first appointed under this Act, not more than five shall each be appointed for a period of three years, not more than five members shall each be appointed for a period of two years, and not more than five members shall each be appointed for a period of one year.
>
> (4) Any retiring member shall be eligible for re-appointment."

The proposed amendment is designed to facilitate the conduct of the Council's affairs by the appointment of a

and not more than seventeen other members, to be appointed by the Governor in Council.

Tenure of office.

(2) The members of the Council, with the exception of the President, Vice-President (Administration), and Vice-President (Scientific), shall hold office for a period of three years.

Re-appointment.

(3) A retiring member shall be eligible for re-appointment.

Executive Committee.

(4) There shall be an Executive Committee of the Council consisting of the President, Vice-President (Administration), Vice-President (Scientific) and at least three other members selected by the Council."

4. Section five of the said Act is repealed and the following substituted therefor:—

President of the Council.

"**5.** (1) The President shall be the chief executive officer of the Council and shall have supervision over, and direction of, the work of the Council and of the officers, technical and otherwise, appointed for the purpose of carrying on the work of the Council.

Vice-President (Administration).

(2) Subject to the direction and control of the President, the Vice-President (Administration) shall have charge of all matters relating to administration and shall perform such other duties as the President may from time to time assign to him.

Vice-President (Scientific).

(3) Subject to the direction and control of the President, the Vice-President (Scientific) shall have charge of the laboratories of the Council and shall perform such other duties as the President may from time to time assign to him.

Salaries as prescribed by Governor in Council.

(4) The President, Vice-President (Administration) and Vice-President (Scientific) shall receive such salaries and be employed for such terms of office as the Governor in Council may prescribe, and such salaries shall be paid out of the moneys provided for the work of the Council."

5. The said Act is further amended by inserting immediately after section eight thereof the following section:—

Powers of Council.

"**8A.** The Executive Committee of the Council may exercise the powers of the Council and shall submit at each meeting of the Council minutes of its proceedings since the last preceding meeting of the Council."

6. Section nine of the said Act is repealed and the following substituted therefor:—

Travelling and other expenses.

"**9.** No member of the Council, with the exception of the President, Vice-President (Administration) and Vice-President (Scientific) shall receive any payment or emolument for his services, but each member shall receive such travelling and other expenses in connection with the work of the Council as may be approved by the Governor in Council."

Vice-President (Administration) and a Vice-President (Scientific) appointed by the Governor in Council and the establishment of an executive committee selected by the Council.

4. Section 5 presently reads as follows:—

"**5.** (1) There shall be a President of the Council who shall be appointed by the Governor in Council on the recommendation of the Committee.

(2) The President shall be the chief executive officer of the Council, and shall have supervision over, and direction of, the work of the Council and of the officers, technical and otherwise, appointed for the purpose of carrying on the work of the Council.

(3) He shall receive such salary and be employed for such term of office as the Governor in Council may prescribe, and such salary shall be paid out of the moneys provided for the work of the Council."

The proposed amendment defines the functions of the President, Vice-President (Administration) and Vice-President (Scientific), and provides for a fixing of their salaries and terms of office by the Governor in Council and for payment of their salaries out of the moneys provided for the work of the Council.

5. The proposed new section 8A provides for the exercise by the Executive Committee of the powers of the Council and the submission to the Council of the minutes of the proceedings of the Executive Committee.

6. Section 9 presently reads as follows:—

"**9.** No member of the Council, with the exception of the President, shall receive any payment or emolument for his services, but each member shall receive such payments for travelling and other expenses in connection with the work of the Council as may be approved by the Governor in Council."

The proposed amendment inserts the necessary reference to the Vice-President (Administration) and Vice-President (Scientific).

Additional powers of Council.

7. Section ten of the said Act is amended by adding thereto the following paragraphs:—

"*(h)* To carry on experimental and development work and manufacturing with respect to the matters referred to in paragraphs *(c)* and *(d)* of this section so as to render the processes, methods or products to which the said matters relate more available and effective in useful arts and manufacturing and for scientific purposes and otherwise;

(i) To license or sell or otherwise grant or make available to others Canadian or other patent rights or any other rights, vested in or owned or controlled by the Council, to or in respect of discoveries and inventions and improvements in processes, apparatus or machines, and to receive royalties, fees and payments therefor."

8. Subsection one of section eleven of the said Act is repealed and the following substituted therefor:—

Discoveries and inventions vested in Council.

"**11.** (1) All discoveries, inventions or improvements in processes, apparatus or machines made by a member or any number of members of the technical staff of the Council or a company and all rights with respect thereto shall be vested in the Council."

9. The said Act is further amended by adding thereto the following sections:—

Council may procure incorporation of companies.

1934, c. 1933.

"**14.** (1) The Council may, with the approval of the Governor in Council,—

(a) procure the incorporation of any one or more companies under the provisions of Part I of *The Companies Act, 1934*, for the objects and purposes of exercising and performing on behalf of the Council such of the powers conferred upon the Council by paragraphs *(c)*, *(d)*, *(i)* and *(h)* of section ten of this Act as the Council may from time to time direct and all the issued shares of the capital stock of each such company shall be owned or held in trust by the Council for His Majesty in right of Canada except shares necessary to qualify other persons as directors; or

Assume control of existing companies.

(b) assume, by transfer to the Council in trust for His Majesty in right of Canada of all the issued share capital thereof except shares necessary to qualify other persons as directors, the direction and control of any one or more existing companies all the issued share capital of which is owned by or held in trust for His Majesty in right of Canada except shares necessary to qualify other persons as directors and may delegate to any such company any of the powers conferred on the Council by paragraphs *(c)*, *(d)*, *(h)* and *(i)* of section ten of this Act.

7. The proposed new paragraph *(h)* of section 10 is designed to give the Council power to carry particular works past the stage of pure research.

The proposed new paragraph *(i)* of section 10 embodies with some clarification part of subsection one of section 11 and extends its application to any patent and other rights vested in or owned or controlled by the Council.

8. Subsection one of section 11 presently reads as follows:—

> "**11.** (1) All discoveries, inventions and improvements in processes, apparatus, or machines, made by a member or any number of members of the technical staff of the Council shall be vested in the Council and shall be made available to the public under such conditions and payment of fees or royalties or otherwise as the Council may determine, subject to the approval of the Governor in Council."

The amendment adds the necessary reference to a company and omits the provisions covered by the new paragraph *(i)* of section 10.

9. The proposed section 14 provides for the incorporation or taking over of companies to carry out such of the powers conferred on the Council by paragraphs *(c)* and *(d)* of section 10 and by the proposed new paragraphs *(h)* and *(i)* of section 10 as may be more conveniently performed by a separate organization. Such companies will be subject to the provisions of *The Government Companies Operation Act*, which it is the intention to pass at the present session of Parliament.

Books and records.

(2) Every company shall keep and maintain such books and records, in addition to those required by *The Companies Act, 1934*, as the Council may prescribe and shall make such reports and returns to the Council as the Council may require.

Accounts.

(3) The accounts of a company shall be audited by the Auditor General.

Council may establish pension fund.

"**15.** The Council may, with the approval of the Governor in Council, establish and support a pension fund or make other pension or superannuation arrangements for the benefit of members of the professional scientific staff of the Council and their dependents, except persons who are contributors under the *Civil Service Superannuation Act* and their dependents."

R.S., c. 24.

The proposed new section 15 provides for the establishment of pension or superannuation arrangements for employees of the Council who are not contributors under the *Civil Service Superannuation Act.*

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 155.

An Act respecting the operation of Government Companies.

First reading, May 27, 1946.

THE MINISTER OF RECONSTRUCTION AND SUPPLY.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

62068

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 155.

An Act respecting the operation of Government Companies.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Government Companies Operation Act.*

Definitions. "Minister."

2. In this Act, unless the context otherwise requires,

(a) "Minister" means, in relation to each Company, the Minister who has direction or control of the affairs of the Company;

"Company." 1934, c. 33.

(b) "Company" means a company incorporated under Part I of *The Companies Act, 1934*, all the issued shares of capital stock of which are owned by or held in trust for His Majesty in right of Canada, except shares necessary to qualify other persons as directors.

Bank accounts.

3. Every Company shall establish and maintain in its own name one or more accounts in the Bank of Canada or a chartered bank approved by the Minister of Finance and shall deposit therein all monies received by the Company and shall pay out of the said accounts all administrative and operating costs and expenses of the Company.

Additional capital.

4. The Governor in Council may

(a) authorize the Minister of Finance to advance to a Company, by way of loan, additional working capital out of unappropriated monies in the Consolidated Revenue Fund; and

(b) authorize a Company to borrow additional capital and authorize the Minister of Finance to guarantee repayment of monies so borrowed;

Limitation.

but the aggregate of outstanding advances made and loans guaranteed pursuant to this section shall not, in the case of any Company, exceed five hundred thousand dollars at any one time.

Explanatory Notes.

During the war, several companies were incorporated under Part I of *The Companies Act, 1934*, to carry out special projects. Some of these companies, such as Polymer Corporation Limited and Canadian Arsenals Limited, will continue their operations for a considerable period. It may also be desirable, where statutory authority exists, to incorporate similar companies to carry out other special projects.

The present bill is intended to provide for the financing of such companies and in particular to enable them to use operating revenue to pay operating costs and to enable emergency requirements for funds to be met; to define their status as agents of His Majesty; to make the usual provisions as to superannuation and other rights of civil servants who become employees of the company; to authorize the companies to set up pension and other welfare plans for employees who are not under the *Civil Service Superannuation Act;* to provide expressly for the application of the *Government Employees Compensation Act* to employees of the companies; and to provide for the making of annual and other reports by the companies.

Capital works and additional shares of capital stock.

5. The Governor in Council may

(a) authorize a Company, on behalf of His Majesty, to construct, acquire, extend or improve capital works, and, for this purpose, to expend any of the monies administered by it,

(b) authorize the Minister of Finance to pay from any unappropriated monies in the Consolidated Revenue Fund such further sums as may be necessary to carry out the construction, acquisition, extension or improvement of such capital works, and

(c) authorize the Minister of Finance to purchase additional shares of capital stock of a Company and to pay for the same out of unappropriated monies in the Consolidated Revenue Fund,

Limitation.

but the aggregate of the amounts paid under paragraph *(b)* of this section and the amounts used to purchase shares of capital stock under paragraph *(c)* of this section shall not, in the case of any Company, exceed five hundred thousand dollars in any fiscal year.

Payment of excess amount to Receiver General.

6. When the Minister or the Minister of Finance so directs, a Company shall pay to the Receiver General of Canada so much of the monies administered by it as the Minister or the Minister of Finance, as the case may be, considers to be in excess of the amount required for the purposes of the Company.

Company an agent of H. M.

7. (1) Every Company is for all its purposes an agent of His Majesty and its powers may be exercised only as an agent of His Majesty.

Right to contract under corporate name.

(2) Every Company may on behalf of His Majesty contract in its corporate name without specific reference to His Majesty.

Right to sue and be sued.

(3) Every Company may sue and be sued in respect of any right acquired or obligation incurred by it as agent of His Majesty as if the right or obligation had been acquired or incurred on its own behalf instead of as agent of His Majesty.

Employment and remuneration of officers and servants

R.S., c. 22.

8. (1) Every Company may, notwithstanding the *Civil Service Act* or any other statute or law, employ such officers or servants as it deems necessary to conduct its operations and may determine their conditions of employment and their remuneration which shall be paid by the Company.

Control.

(2) Every Company has the control and supervision of the officers and servants employed by the Company.

Pension or superannuation.

R.S., c. 24.

9. (1) *The Civil Service Superannuation Act* does not apply to officers and servants employed by a Company but each Company may with the approval of the Governor in Council establish and support a pension fund or group

insurance plan or other pension or superannuation arrangements for the benefit of officers and servants employed by the Company and their dependents and a Company may, with the approval of the Governor in Council, continue any such fund, plan or arrangement established by the Company at the time this Act comes into force.

Civil Service Superannuation rights preserved. R.S., c. 24.

(2) Notwithstanding subsection one of this section or any other statute or law, a person who, immediately prior to his employment by any Company was a contributor under the *Civil Service Superannuation Act*, continues while employed by the Company to be a contributor under that Act; for the purposes of that Act, his service with the Company shall be counted as service in the civil service and he, his widow, children or other dependents, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said Act; and in the event of his being retired from employment with such Company for any reason other than that of misconduct, he shall be eligible for reappointment in the civil service or to receive the same benefits under the *Civil Service Superannuation Act*, as he might have been granted if he were retired under like circumstances from a position in the civil service.

Civil Service Act benefits preserved. R.S., c. 22.

(3) Any person who at the time of his employment with any Company holds a position in the civil service or is an employee within the meaning of the *Civil Service Act* shall continue to retain and be eligible for all the benefits, except salary, as a civil servant, that he would have been eligible to receive had he remained under that Act.

Application of R.S., c. 30.

(4) The *Government Employees Compensation Act* applies to officers and servants of a Company and for the purposes of that Act such officers and servants shall be deemed to be employees in the service of His Majesty.

Annual report.

10. (1) Every Company shall, as soon as possible after the thirty-first day of March in each year, and in any event within three months thereof, submit to the Minister an annual report in such form as the Minister may prescribe of its affairs and operations during the twelve month period ending on the thirty-first day of March and the Minister shall lay the said report before Parliament, if Parliament is then in session or within fifteen days of the next session of Parliament.

To be laid before Parliament.

Other reports.

(2) Every Company shall, in addition to making an annual report under subsection one of this section, make to the Minister such other reports of its affairs and operations or of any particular transaction or part of its business as the Minister may require.

Coming into force.

11. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

156.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 156.

An Act to amend The Quebec Boundaries Extension Act, 1912.

First reading, May 28, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

64820

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 156.

An Act to amend The Quebec Boundaries Extension Act, 1912.

1912, c. 45.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Paragraphs repealed.

1. Paragraphs *(a)* and *(b)* of section two of *The Quebec Boundaries Extension Act, 1912*, chapter forty-five of the statutes of 1912, are repealed.

Coming into force.

2. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council published in the *Canada Gazette*, but such proclamation shall not be made until the Legislature of Quebec agrees to the said repeal of paragraphs *(a)* and *(b)* of section two of the said Act.

Explanatory Note.

The paragraphs to be repealed at present read as follows:—

"*(a)* That the population of the territory hereby added to the province of Quebec shall be excluded in ascertaining the population of the said province for the purposes of any readjustment of representation of the other provinces consequent upon any census;

"*(b)* That in the general census of the population of Canada which is required to be taken in the year one thousand nine hundred and twenty-one and in every tenth year thereafter the population of the territory hereby added to the province of Quebec shall be distinguished from that of the said province as heretofore constituted, and the representation of the said territory in the House of Commons shall be determined according to the rules enacted by section 51 of "The British North America Act, 1867," regulating the representation of the provinces other than Quebec;"

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 164.

An Act to amend the Meat and Canned Foods Act.

First reading, June 3, 1946.

THE MINISTER OF FISHERIES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

62907

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 164.

An Act to amend the Meat and Canned Foods Act.

R.S., c. 77; 1934, c. 38; 1935, c. 31; 1939, c. 19; 1940-41, c. 6.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(b)* of subsection two of section eighteen of the *Meat and Canned Foods Act*, chapter seventy-seven of the Revised Statutes of Canada, 1927, as enacted by section three of chapter six of the statutes of 1940-41, is repealed and the following substituted therefor:

Cans to be labelled with true description of contents.

"*(b)* a true and correct description, plainly and conspicuously printed, of the contents of the can including the vernacular name and, in the case of fish, the minimum weight in avoirdupois of the contents and, in the case of shellfish unless it is otherwise provided by the regulations, the minimum weight in avoirdupois of the dry meat in the can."

2. Section twenty-three of the said Act, as enacted by section five of chapter six of the statutes of 1940-41, is repealed and the following substituted therefor:

Regulations dealing with canned fish or shellfish.

"**23.** For the purposes of this Act the grades of canned fish or shellfish shall be as designated by regulation and, if the need for such is established to the satisfaction of the Governor in Council, canned fish or shellfish shall be classified, inspected and labelled as provided in regulations made for such purpose."

Explanatory Notes.

1. The only material change provided for by the Amendment is the elimination of the words "the name of the place and/or province where the same was packed", which presently appear in the second and third lines of paragraph *(b)* of subsection 2 of Section 18.

The change would not make it compulsory for dealers to have cans of fish or shellfish labelled with the name of place or province where the same were packed. The present requirement causes unnecessary hardship to assemblers, who pack or buy a number of products in more than one province, in which case labels have to be made for each type of product and for each province where it was packed. Likewise, the present requirement is now unnecessary, as under the regulations all cans are required to be embossed with the registered mark or number of the cannery where the same were packed.

The remaining changes are merely in the wording and are intended to clarify the meaning of the said paragraph.

The existing paragraph reads as follows:

"*(b)* a true and correct description of the contents of the can, including the vernacular name and the name of the place and/or province where the same was packed, in the case of fish the minimum weight in avoirdupois of the contents and in the case of shellfish, unless it is otherwise provided by the regulations, the minimum weight in avoirdupois of the dry meat in the can, plainly printed in a conspicuous manner on each label."

2. The only change made in the existing section, is the substitution of the words "fish or shellfish" for the word "lobster" in the first and fourth lines thereof. This change is necessary in order to provide statutory authority for the establishment of standards of quality and grades for canned fish or shellfish other than lobster.

The existing section presently reads as follows:

"**23.** For the purpose of this Act the grades of canned lobster shall be as designated by regulation and, if the need for such is established to the satisfaction of the Governor in Council, canned lobster shall be classified, inspected and labelled as provided in the regulation."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 165.

An Act relating to the Development and Control of Atomic Energy.

First reading, June 3, 1946.

THE MINISTER OF RECONSTRUCTION AND SUPPLY.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

64558

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 165.

An Act relating to the Development and Control of Atomic Energy.

Preamble.

WHEREAS it is essential in the national interest to make provision for the control and supervision of the development, application and use of atomic energy, and to enable Canada to participate effectively in measures of international control of atomic energy which may hereafter be agreed upon; THEREFORE, His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Atomic Energy Control Act, 1946.*

Definitions.

2. In this Act, unless the context otherwise requires,

"atomic energy."

(a) "atomic energy" means all energy of whatever type derived from or created by the transmutation of atoms;

"Board."

(b) "Board" means the Atomic Energy Control Board established by section three of this Act;

"Chairman."

(c) "Chairman" means the Chairman of the Committee of the Privy Council on Scientific and Industrial Research as defined in the *Research Council Act*;

R.S., c. 177.

"Committee."

(d) "Committee" means the Committee of the Privy Council on Scientific and Industrial Research as defined in the *Research Council Act;*

"company."

(e) "company" means a company incorporated pursuant to paragraph *(a)* of subsection one of section ten and any company the direction and control of which is assumed by the Board pursuant to paragraph *(b)* of subsection one of section ten of this Act;

"member."

(f) "member" means a member of the Board;

"President."

(g) "President" means the President of the Board; and

"prescribed substances."

(h) "prescribed substances" means uranium, thorium, plutonium, neptunium, deuterium, their respective

Explanatory Notes.

The present Bill is intended to provide means for promoting the development of atomic energy and for controlling said development to such extent as may be required for public safety and the carrying out of international obligations.

For these purposes it is proposed to set up a Board of five members which will have powers exercisable only as an agent of His Majesty (section 3), will report to the Committee of the Privy Council on Industrial and Scientific Research (section 21) and will be under the general direction of that Committee (section 7). One member of the Board will be the President of the National Research Council and the other members will be appointed by the Governor in Council to hold office during pleasure (section 4).

Sections 7, 8 and 9 empower the Board to undertake or facilitate research and investigation with respect to atomic energy, and to engage in, facilitate and control as the public interest may require the production and utilization of atomic energy, the dissemination of information with respect thereto and the production and distribution of materials requisite therefor.

Provision is made for the approval by the Governor in Council of utilization of atomic energy (section 8*(b)*), acquisition of property by the Board (section 8*(c)*), licensing of the use of inventions controlled by the Board (section 8*(h)*), and the making of regulations by the Board (section 9)

The regulations are to be published in the *Canada Gazette* and laid before Parliament (section 9(2)).

"Atomic energy" and "prescribed substances" are defined broadly (section 2*(a)* and *(h)*), the intention being that specific definitions of things subject to greater or lesser degrees of control and other administrative machinery will

derivatives and compounds and any other substances which the Board may by regulation made under this Act designate as being capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

Board constituted.
Agent of His Majesty.

3. (1) There is hereby constituted a body corporate to be called the Atomic Energy Control Board for the purposes hereinafter set out and with powers exercisable by it only as an agent of His Majesty.

Right to contract.

(2) The Board may on behalf of His Majesty contract in the name of His Majesty and property acquired by the Board is the property of His Majesty and shall be vested in the name of His Majesty except shares in the capital stock of a company which shall be vested in the name of the Board in trust for His Majesty.

Acquisition of property.

Composition and appointment of Board.
R.S., c. 177.

4. (1) The Board shall consist of the person who from time to time holds the office of President of the Honorary Advisory Council for Scientific and Industrial Research as defined in the *Research Council Act* and four other members appointed by the Governor in Council.

Tenure of office.
Remuneration.

(2) The members of the Board appointed by the Governor in Council shall hold office during pleasure and shall be paid such, if any, salaries as may from time to time be fixed by the Governor in Council.

Travelling and other expenses.

(3) Each member shall receive his travelling and other expenses in connection with the work of the Board.

Quorum.

(4) Three members shall form a quorum.

In case of vacancy.

(5) A vacancy in the Board shall not impair the right of the remaining members to act.

President of the Board.

5. (1) One of the members shall be appointed by the Governor in Council to be the President of the Board.

Duties.

(2) The President shall be the chief executive officer of the Board and shall have supervision over and direction of the work of the Board and of the officers, technical and otherwise, employed for the purpose of carrying on the work of the Board.

Meetings.

6. The Board shall meet at least four times a year in the City of Ottawa on such days as it may from time to time determine and may also meet at such other times and at such places as it may from time to time determine.

Duties of the Board.

7. The Board shall comply with any general or special direction given by the Committee with reference to the carrying out of its purposes and shall advise the Committee on all matters relating to atomic energy, which, in the opinion of the Board, may affect the public interest.

be embodied in the regulations made under section 9, so that they can be quickly modified as the advance of knowledge with respect to atomic energy may require.

Provision is made by section 10 for the incorporation or taking over of companies to carry out such of the Board's powers under paragraphs *(a) (b) (c)* and *(h)* of section 8 as may more conveniently be carried on by a separate organization. Such companies will be subject to the provisions of *The Government Companies Operation Act*, which it is the intention to pass at the present session of Parliament.

Control by Parliament is provided for by sections 15 (making the Board generally subject to the provisions of *The Consolidated Revenue and Audit Act, 1931*), 16 (providing that expenses of the Board are to be paid out of monies appropriated by Parliament for the purpose except to the extent that the Board or a company may receive funds through the conduct of its operations or by gift or otherwise), 17 (providing for audit by the Auditor General), 18 (declaring that works or undertakings relating to atomic energy are works for the general advantage of Canada) and 21 (providing for an annual report by the Board to the Committee to be laid before Parliament and for the making of such other reports as the Committee may require).

Section 20 provides for penalties for breaches of the Act or regulations made by the Board.

There are the usual provisions for the organization of the Board (sections 3 to 7 inclusive and section 8 *(d)*) the employment of personnel (section 8 *(e)* and *(f)*) the application of the *Civil Service Superannuation Act* to civil servants employed by the Board and the setting up of pension or superannuation arrangements for employees who are not under the *Civil Service Superannuation Act* (section 11), and the application of the *Government Employees' Compensation Act* (section 12).

Section 19 provides for the taking of oaths of secrecy by members and employees of the Board and the companies.

Powers of the Board.

8. The Board may,—

(a) undertake or cause to be undertaken researches and investigations with respect to atomic energy;

(b) with the approval of the Governor in Council utilize, cause to be utilized and prepare for the utilization of atomic energy;

(c) with the approval of the Governor in Council acquire or cause to be acquired by purchase, lease, requisition or expropriation, prescribed substances and any mines, deposits or claims of prescribed substances and any works or property for production or preparation for production of, or for research or investigation with respect to, atomic energy;

(d) make rules for regulating its proceedings and the performance of its functions;

R.S., c. 22.

(e) notwithstanding the *Civil Service Act* or any other statute or law appoint and employ such professional, scientific, technical and other officers and employees as the Board deems necessary for the purposes of this Act;

(f) with the approval of the Committee, fix the tenure of appointment, the duties and, subject to the approval of the Governor in Council, the remuneration, of officers and employees appointed or employed by the Board;

(g) with the approval of the Committee, disseminate or provide for the dissemination of information relating to atomic energy to such extent and in such manner as the Board may deem to be in the public interest;

(h) with the approval of the Governor in Council license or otherwise make available or sell or otherwise dispose of discoveries, inventions and improvements in processes, apparatus or machines, patent rights and letters patent of Canada or foreign countries acquired under this Act and collect royalties and fees thereon and payments therefor; and

(i) without limiting the generality of any other provision of this Act, establish, through the Honorary Advisory Council for Industrial and Scientific Research as defined in the *Research Council Act*, or otherwise, scholarships and grants in aid for research and investigations with respect to atomic energy, or for the education or training of persons to qualify them to engage in such research and investigations.

R.S., c. 177.

Regulations.

9. (1) With the approval of the Governor in Council the Board may make regulations,—

(a) for encouraging and facilitating research and investigations with respect to atomic energy;

(b) for developing, controlling, supervising and licensing the production, application and use of atomic energy;

(c) respecting mining and prospecting for prescribed substances;

(d) regulating the production, import, export, transportation, refining, possession, ownership, use or sale of prescribed substances and any other things that in the opinion of the Board may be used for the production, use or application of atomic energy;

(e) for the purpose of keeping secret information respecting the production, use and application of, and research and investigations with respect to, atomic energy, as in the opinion of the Board, the public interest may require;

(f) governing co-operation and the maintenance of contact, through international organizations or otherwise, with scientists in other countries or with other countries with respect to the production, use, application and control of, and research and investigations with respect to, atomic energy; and

(g) generally as the Board may deem necessary for carrying out any of the provisions or purposes of this Act.

Publication.

To be laid before Parliament.

(2) Regulations under this section shall forthwith be published in the *Canada Gazette* and laid before Parliament within fifteen days after they are made if Parliament is then sitting, and, if not, then within fifteen days after the commencement of the next ensuing session thereof.

10. (1) The Board may with the approval of the Governor in Council,—

Board may procure incorporation of companies.

1934, c. 33.

(a) procure the incorporation of any one or more companies under the provisions of Part I of *The Companies Act, 1934*, for the objects and purposes of exercising and performing on behalf of the Board such of the powers conferred upon the Board by paragraphs *(a)*, *(b)*, *(c)* and *(h)* of section eight of this Act as the Board may from time to time direct and all the issued shares of the capital stock of each such company shall be owned or held in trust by the Board for His Majesty in right of Canada except shares necessary to qualify other persons as directors; or

Board may assume direction and control of existing companies.

(b) assume, by transfer to the Board in trust for His Majesty in right of Canada of all the issued share capital thereof except shares necessary to qualify other persons as directors, the direction and control of any one or more existing companies all the issued share capital of which is owned by or held in trust for His Majesty in right of Canada except shares necessary to qualify other persons as directors and may delegate to any such company any of the powers conferred on the Board by paragraphs *(a)*, *(b)*, *(c)* and *(h)* of section eight of this Act.

Books and records.

1934, c. 33.

(2) Every company shall keep and maintain such books and records, in addition to those required by *The Companies Act, 1934*, as the Board may prescribe and shall make such reports and returns to the Board as the Board may require.

Audit.

(3) The accounts of a company shall be audited by the Auditor General.

R.S., c. 24, not applicable.

Pension fund.

11. (1) The *Civil Service Superannuation Act* is not applicable to officers and employees employed by the Board but the Board may, with the approval of the Governor in Council, establish and support a pension fund or make other pension or superannuation arrangements for the benefit of officers and employees employed by the Board and their dependents.

Civil Service Superannuation rights preserved.

R.S., c. 24.

(2) Notwithstanding subsection one of this section and any other statute or law, a person who, immediately prior to his employment by the Board, was a contributor under the *Civil Service Superannuation Act* continues while employed by the Board to be a contributor under the said Superannuation Act; and for the purposes of the said Superannuation Act, his service with the Board shall be counted as service in the civil service, and he, his widow, children or other dependents, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said Superannuation Act, and in the event of his being retired from employment with the Board for any reason other than that of misconduct, he shall be eligible for reappointment in the civil service or to receive the same benefits under the said Superannuation Act as he might have been granted if he were retired under like circumstances from a position in the civil service.

Civil Service Act benefits preserved.

R.S., c. 22.

(3) Any person who at the time of his employment with the Board holds a position in the civil service or is an employee within the meaning of the *Civil Service Act* shall continue to retain and be eligible for all the benefits, except salary as a civil servant, that he would have been eligible to receive had he remained under that Act.

Application of R.S., c. 30.

12. The *Government Employees Compensation Act* applies to officers and employees employed by the Board and for the purposes of the said Compensation Act such officers and employees shall be deemed to be employees in the service of His Majesty.

Discoveries and inventions vested in His Majesty.

13. (1) All discoveries, inventions and improvements in materials, methods, processes, apparatus or machines, made by a member or any number of members of the technical staff of the Board or of a company shall be vested in His Majesty.

Payment of bonuses or royalties.

(2) The Board or a company, with the approval of the Governor in Council, may pay to its technical officers and to others working under its auspices who have made valuable discoveries, inventions or improvements in materials, methods, processes, apparatus or machines such bonuses or royalties as in its opinion may be warranted.

Claim for compensation may be referred to Exchequer Court.

14. Whenever any property has been requisitioned or expropriated under this Act and the compensation to be made therefor has not been agreed upon, the claim for compensation shall be referred by the Minister of Justice to the Exchequer Court.

1931, c. 27 to apply.

15. Subject to the provisions of this Act, the Board shall be subject to the provisions of *The Consolidated Revenue and Audit Act, 1931*.

Expenses.

16. All expenses under this Act shall be paid out of monies appropriated by Parliament for the purpose or received by the Board or a company through the conduct of its operations, bequest, donation or otherwise.

Audit.

17. All receipts and expenditures of the Board shall be subject to examination and audit by the Auditor General.

Works and undertakings declared to be for the general advantage of Canada.

18. All works and undertakings whether heretofore constructed or hereafter to be constructed,—

(a) for the production, use and application of atomic energy,

(b) for research or investigation with respect to atomic energy, and

(c) for the production, refining or treatment of prescribed substances,

are and each of them is declared to be works or a work for the general advantage of Canada.

Oath of fidelity and secrecy.

19. (1) Every member and every officer and employee of and every person acting under the direction of the Board shall, before acting as such, take before a Justice of the Peace or a Commissioner for taking affidavits, an oath of fidelity and secrecy in the form set out in the Schedule to this Act.

Idem for personnel of companies.

(2) Every director and every officer and employee of a company shall, before acting as such, take before a Justice of the Peace or a Commissioner for taking affidavits, an oath of fidelity and secrecy in the form set out in the Schedule to this Act.

Offences and penalties.

20. Any person who contravenes or fails to observe the provisions of this Act or of any regulation made under the authority of this Act shall be guilty of an offence and liable on summary conviction to a fine not exceeding five thousand

dollars or to imprisonment for a term not exceeding two years or to both such fine and such imprisonment, but such person may, at the election of the Attorney General of Canada or of the province in which the offence is alleged to have taken place, be prosecuted upon indictment, and if convicted shall be liable to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding five years or to both such fine and such imprisonment; and where the offence has been committed by a company or corporation every person who at the time of the commission of the offence was a director or officer of the company or corporation shall be guilty of the like offence if he assented to or acquiesced in the commission of the offence or if he knew that the offence was about to be committed and made no attempt to prevent the commission, and in a prosecution of a director or officer for such like offence, it shall not be necessary to allege or prove a prior prosecution or conviction of the company or corporation for the offence.

Annual report.

21. (1) The Board shall as soon as possible after the thirty-first day of March in each year and in any event within three months thereof submit to the Committee an annual report in such form as the Committee may prescribe of its affairs and operations during the twelve-month period ending on the thirty-first day of March and the Chairman shall lay the said report before Parliament forthwith, if Parliament is then in session, or, if Parliament is not then in session, within the first fifteen days of the next ensuing session.

To be laid before Parliament.

Other reports.

(2) The Board shall in addition to making an annual report under subsection one of this section make to the Committee such other report of its affairs and operations as the Committee may require.

Coming into force.

22. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

SCHEDULE

Oath of Fidelity and Secrecy (Section 19 (1))

I ..... do solemnly swear that I will faithfully, truly and to the best of my judgment, skill and ability, execute and perform the duties required of me as a member (or officer or employee or person acting under the direction as the case may be) of the Atomic Energy Control Board.

I further solemnly swear that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Board, nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Board and relating to its business.

Oath of Fidelity and Secrecy (Section 19(2))

I ..... do solemnly swear that I will faithfully, truly and to the best of my judgment, skill and ability, execute and perform the duties required of me as a director (or officer or employee, as the case may be) of .....

.....

I further solemnly swear that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the said company nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the said company and relating to its business.

193.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 193.

An Act to amend the Combines Investigation Act.

First reading, June 5, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

65094

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 193.

An Act to amend the Combines Investigation Act.

R.S., c. 26; 1935, c. 54; 1937, c. 23.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Definitions.

1. Subsection five of section two of the *Combines Investigation Act*, chapter twenty-six of the Revised Statutes of Canada, 1927, as enacted by section two of chapter twenty-three of the statutes of 1937, is repealed and the following substituted therefor:

"Minister".

"(5) 'Minister' means the Minister of Justice."

2. Section six of the said Act, as enacted by section three of chapter twenty-three of the statutes of 1937, is repealed and the following substituted therefor:

Deputy Commissioners.

"**6.** (1) One or more persons may be appointed Deputy Commissioners of the *Combines Investigation Act* in the manner authorized by law.

Powers and duties.

(2) The Governor in Council may authorize a Deputy Commissioner to exercise the powers and perform the duties of the Commissioner whenever the Commissioner is absent or unable to act.

Delegation of duties and powers to Deputies.

(3) The Commissioner may authorize a Deputy Commissioner to make inquiry regarding any matter into which the Commissioner has power to inquire, and when so authorized a Deputy Commissioner shall perform such of the duties of the Commissioner and may exercise such of the powers of the Commissioner as such Deputy Commissioner is, by this Act or any regulations made thereunder, required or authorized to perform or exercise."

3. Paragraph *(e)* of section ten of the said Act, as enacted by section four of chapter fifty-four of the statutes of 1935, is repealed and the following substituted therefor:

Explanatory Notes.

The amendments provided in this Bill are designed to facilitate efficient administration of the *Combines Investigation Act*, R.S. 1927, c. 26, as amended by 1935, c. 54, and 1937, c. 23. They relate to investigations and court procedure concerning undue monopolistic trade restrictions and unlawful combinations in restraint of trade. No change is proposed in the existing definitions of offences.

1. This amendment incorporates into the Act the effect of a transfer already made, effective October 1, 1945, under the provisions of the *Public Service Re-Arrangement and Transfer of Duties Act*. The subsection to be repealed reads:

"(5) 'Minister' means the Minister of *Labour*."

2. The section to be repealed reads:

"**6.** (1) An Assistant Commissioner of the Combines Investigation Act may be appointed in the manner authorized by law.

(2) When the Commissioner is absent or unable to act, or when so authorized by the Commissioner with respect to any investigation or matter, the Assistant Commissioner, or, if he also is at the same time absent or unable to act, another officer designated by the Minister, may and shall exercise the powers and perform the duties of the Commissioner "

3. Section 10 of the existing Act reads:

"**10.** It shall be the duty of the Commissioner

(a) to receive and register, and, subject to the provisions of this Act, to deal with applications for investigation of alleged combines;

(b) to bring at once to the Minister's attention every such application;

(c) to conduct such correspondence with the applicants and all other persons as may be necessary;

(d) to call for such returns and to make such inquiries as he may consider to be necessary in order that he may thoroughly examine into the matter brought to his attention by any application for an investigation;

(e) to make reports from time to time to the Minister;

(f) to keep a register in which shall be entered the particulars of all applications, inquiries, reports and recommendations, and safely to keep all applications, records of inquiries, correspondence, returns, reports, recommendations, evidence and documents relating to applications and proceedings conducted by the Commissioner and when so required to transmit all or any of such to the Minister;

(g) to supply to any persons on request information as to this Act or any regulations thereunder;

(h) generally to do all such things and take all such proceedings as may be required in the performance of his duties under this Act or under any regulations made hereunder."

Duties of Commissioner: Studies and reports.

"*(e)* to compile information and make studies concerning the existence in Canada of monopolistic conditions arising from the operations of international cartels or otherwise and to make reports from time to time to the Minister."

4. The said Act is further amended by adding immediately after section ten thereof the following section:

Transfer from D.T. & I.C. Act of provisions *re* certain complaints.

R.S., c. 36, ss. 498 and 498A.

"**10A.** The Commissioner may receive complaints respecting practices alleged to be offences under this Act or under section four hundred and ninety-eight or section four hundred and ninety-eight A of the *Criminal Code* and may investigate the same and, if of opinion that a practice complained of constitutes such an offence, may communicate the complaint and such evidence, if any, in support thereof as is in the possession of the Commissioner to the attorney general of the province within which the offence is alleged to have been committed or to the Attorney General of Canada, for such action as the attorney general of the province or the Attorney General of Canada, as the case may be, may deem appropriate in the circumstances."

5. Section twelve of the said Act, as enacted by section five of chapter twenty-three of the statutes of 1937, is repealed and the following substituted therefor:

Commissioner shall cause inquiry to be made.

"**12.** The Commissioner shall, on application made under section eleven of this Act, or whenever he has reason to believe that a combine exists or is being formed, or on direction by the Minister, cause an inquiry to be made into all such matters as he considers necessary to inquire into with the view of determining whether a combine exists or is being formed."

6. Section twenty-two of the said Act, as enacted by section fifteen of chapter fifty-four of the statutes of 1935 and amended by sections four and seven of chapter twenty-three of the statutes of 1937, is further amended by inserting immediately after subsection two thereof the following subsections:

Certificate for exercise of compulsion to witnesses.

"(2A) The Commissioner shall not exercise power to penalize any person pursuant to this Act, whether for contempt or otherwise, unless and until on the application of the Commissioner, which shall be heard and determined *ex parte*, a judge of the Exchequer Court of Canada or of a superior or county court has certified, as such judge may, that such power may be exercised in the matter disclosed in the application.

Availability of things seized under warrant of a justice.

(2B) A justice before whom any thing seized pursuant to a search warrant issued with reference to an offence against this Act is brought may, on the application of the Commissioner, order that such thing be delivered to the

4. New. This section is substantially similar in form to section 20, c. 59, of the statutes of 1935, *The Dominion Trade and Industry Commission Act, 1935.* Provisions of that Act, which make its section 20 applicable to the *Combines Investigation Act* and to sections 498 and 498A of the *Criminal Code,* are proposed to be repealed by subsection 1 of section 14 of this Bill.

5. The section to be repealed reads:

"**12.** The Commissioner shall on application made under *the last preceding* section, or on direction by the Minister, cause an inquiry to be made into all such matters *with respect to the said alleged combine* as he shall consider necessary to enquire into with the view of determining whether a combine exists or is being formed."

Section 12 of c. 26, of R.S.C. 1927, which was in effect from 1923 to 1935, read:

"**12.** Whenever such application shall be made to the Registrar, or whenever the Registrar shall have reason to believe that a combine exists or is being formed, or whenever so directed by the Minister, the Registrar shall cause an inquiry to be made into all such matters, whether of fact or of law, with respect to the said alleged combine as he shall consider necessary to enquire into with the view of determining whether a combine exists or is being formed. 1923, c. 9, s. 6."

The section as amended by 1935, c. 54, reads:

"**12.** The Commission shall on application made under the last preceding section or on its own motion whenever it has reason to believe that a combine exists cause an inquiry to be made into all such matters, whether of fact or of law, with respect to the said alleged combine as it shall consider necessary to enquire into with the view of determining whether a combine exists."

6. The new subsection 2A replaces section 42, which is to be repealed by section 13 of this Bill, and which is printed opposite that section.

The new subsection 2B authorizes a justice who issues a search warrant under the *Criminal Code* with reference to an offence against the Act to make evidence so obtained available to the Commissioner upon application.

Commissioner and the Commissioner shall deal with any thing so delivered to him as if production of it had been made to him pursuant to subsection one of this section."

Use of documentary evidence in criminal proceedings.

7. Section twenty-four of the said Act, as enacted by section seventeen of chapter fifty-four of the statutes of 1935 and amended by sections four and eight of chapter twenty-three of the statutes of 1937, is further amended by deleting at the end thereof the words:

"nor shall any such documents be used or receivable in any criminal proceedings except proceedings under this Act, or under section four hundred and ninety-eight of the *Criminal Code*."

8. Subsection two of section twenty-seven of the said Act, as enacted by section twenty of chapter fifty-four of the statutes of 1935 and amended by section four of chapter twenty-three of the statutes of 1937, is repealed and the following substituted therefor:

Return of documents used as evidence.

"(2) Within thirty days following the transmission of such report to the Minister the Commissioner shall cause to be delivered into the custody from which they came if not already so delivered, all books, papers, records and other documents in his possession as evidence relating to the investigation, except that if the Commissioner has reported that in his opinion an offence has been committed, he shall retain as evidence for the purpose of prosecution such of the said books, papers, records and other documents for such further time as may be directed in writing by the Attorney General of Canada or by the attorney general of any province within which the offence is reported to have been committed."

9. The said Act is further amended by adding thereto as section thirty the following:

Powers of Exchequer Court in cases of use of patents or trade marks to limit production unduly or to restrain or injure trade.

"**30.** In any case where use has been made of the exclusive rights and privileges conferred by one or more patents for invention or by one or more trade marks so as:

(a) unduly to limit the facilities for transporting, producing, manufacturing, supplying, storing or dealing in any article or commodity which may be a subject of trade or commerce; or

(b) to restrain or injure trade or commerce in relation to any such article or commodity; or

(c) unduly to prevent, limit or lessen the manufacture or production of any such article or commodity or unreasonably to enhance the price thereof; or

(d) unduly to prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation or supply of any such article or commodity;

the Exchequer Court of Canada, on an information exhibited

7. The section to be amended reads:

"**24.** No person shall be excused from attending and giving evidence and producing books, papers, or records, in obedience to the order of the Commissioner, on the ground that the oral evidence or documents required of him may tend to criminate him or subject him to any proceeding or penalty, but no such oral evidence so required shall be used or receivable against such person in any criminal proceedings thereafter instituted against him, other than a prosecution for perjury in giving evidence upon such investigation, inquiry, cause or proceeding; *nor shall any such documents be used or receivable in any criminal proceedings except proceedings under this Act or under section four hundred and ninety-eight of the Criminal Code.*"

8. The subsection to be repealed reads:

"**27.** (2) The Commissioner shall *at the same time deliver* into the custody from whence they came, if not already delivered, all books, papers, records and other documents in his possession as evidence relating to the investigation, *but before doing so the Commissioner may extract from such documents and certify as true copies such relevant parts thereof as he may deem to be necessary for any purpose of this Act, whereafter such parts, so certified shall have and be accorded in all courts the same probative force as the equivalent parts of the originals of which they are copies.*"

9. New. This section authorizes the Exchequer Court of Canada, on application of the Attorney General of Canada and when satisfied that patent or trade mark rights are being used to the detriment of the public in the manner defined in paragraphs *(a)* to *(d)* inclusive, to issue an order designed to assist in preventing such misuse of patent or trade mark rights. Agreement among persons to do such acts defined in those paragraphs constitutes an offence against section 498 of the *Criminal Code.* The order of the Court may, if the Court considers it necessary and proper, cover any or all of the matters covered by paragraphs *(e)* to *(h)* inclusive.

Section 30, c. 26, of R.S.C., 1927, as in effect from 1923 until repealed in 1937, provided a similar procedure under similar circumstances respecting patents, but permitted only revocation of the patent and appeared to conflict with Article V of the International Convention for the Protection of Industrial Property, 1925. Former section 30 read as follows:—

"**30.** If the owner or holder of any patent issued under the *Patent Act* has made use of the exclusive rights and privileges which as such owner or holder he controls, so as

by the Attorney General of Canada, may for the purpose of preventing any use in the manner defined above of the exclusive rights and privileges conferred by any patents or trade marks relating to or affecting the manufacture, use or sale of such article or commodity, make one or more of the following orders:

(e) declaring void, in whole or in part, any agreement, arrangement or licence relating to such use;

(f) restraining any person from carrying out or exercising any or all of the terms or provisions of such agreement, arrangement or licence;

(g) directing the grant of licences under any such patent to such persons and on such terms and conditions as the court may deem proper, or, if such grant and other remedies under this section would appear insufficient to prevent such use, revoking such patent;

(h) directing that the registration of a trade mark in the register of trade marks be expunged or amended; and

(i) directing that such other acts be done or omitted as the Court may deem necessary to prevent any such use:

Proviso.

Provided that no order shall be made under this section which is at variance with any treaty, convention, arrangement or engagement respecting patents or trade marks with any other country to which Canada is a party."

10. Subsection one of section thirty-one of the said Act, as enacted by section twenty-two of chapter fifty-four of the statutes of 1935 and amended by sections four and twelve of chapter twenty-three of the statutes of 1937, and subsection two of the same section as amended by section twelve of chapter twenty-three of the statutes of 1937, are repealed and the following substituted therefor:

Procedure when in opinion of Commissioner an offence committed.

"**31.** (1) Whenever in the opinion of the Commissioner an offence has been committed against any of the provisions of this Act, the Commissioner may remit to the attorney general of any province within which such alleged offence was committed, for such action as such attorney general may be pleased to institute because of the conditions appearing, any records, returns, evidence or report relevant to such alleged offence.

Atty.-Gen. may permit information to be laid.

(2) Whenever in the opinion of the Attorney General of Canada the public interest so requires, he may on the relation of any person who is resident in Canada and of the age of twenty-one years permit an information to be laid against such person as in the opinion of the informant is guilty of an offence against any of the provisions of this Act."

11. Section thirty-two of the said Act, as amended by section twelve of chapter twenty-three of the statutes of 1937, is further amended by adding thereto the following subsections:

(a) unduly to limit the facilities for transporting, producing, manufacturing, supplying, storing or dealing in any article which may be a subject of trade or commerce; or

(b) to restrain or injure trade or commerce in relation to any such article; or

(c) unduly to prevent, limit or lessen the manufacture or production of any article; or

(d) unreasonably to enhance the price of any article; or

(e) unduly to prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation, storage or supply of any article;

such patent shall be liable to be revoked.

2. If the Minister reports that a patent has been so made use of, the Minister of Justice may exhibit an information in the Exchequer Court of Canada praying for a judgment revoking the patent; and the court shall thereupon have jurisdiction to hear and decide the matter and to give judgment revoking the patent, or otherwise, as the evidence before the court may require. 1923, c. 9, s. 24."

10. Section 31 at present reads as follows:

"**31.** (1) Whenever in the opinion of the Commissioner an offence has been committed against any of the provisions of this Act, the Commissioner may remit to the attorney general of any province within which such alleged offence shall have been committed, for such action as such attorney general may be pleased to institute because of the conditions appearing,

(a) any return or returns which may have been made or rendered pursuant to this Act and are in the possession of the Commissioner and relevant to such alleged offence; and

(b) the evidence taken on any investigation by the Commissioner or by any special commissioner and the report of the Commissioner or special commissioner.

(2) If within three months after remission aforesaid, or within such shorter period as the Governor in Council shall decide, no such action shall have been taken by or at the instance of the attorney general of the province as to the Governor in Council the case seems in the public interest to require, the Attorney General of Canada may on the relation of any person who is resident in Canada and of the full age of twenty-one years permit an information to be laid against such person or persons as in the opinion of the Attorney General of Canada shall have been guilty of an offence against any of the provisions of this Act.

(3) The Minister of Justice may instruct counsel to attend on behalf of the Minister at all proceedings consequent on any information being so laid."

11. The new subsection (3) replaces section 28 of the *Combines Investigation Act Amendment Act, 1935*, which section 28 is to be repealed by section 13 of this Bill and is printed opposite that section.

Prohibition of charges under both this Act and Cr. Code, s. 498.

"(3) No person shall be charged with an offence against this Act on the same information or indictment as that on which he is charged with an offence against section four hundred and ninety-eight of the *Criminal Code*.

Civil right of action not affected.

"(4) The provisions of this section which provide for the imposition of penalties shall not be deemed to deprive any person of any civil right of action."

12. Section thirty-nine of the said Act is amended by adding thereto the following subsection:

Cases within exclusive jurisdiction of superior courts of criminal jurisdiction.

"(2) No court mentioned in section five hundred and eighty-two of the *Criminal Code* has power to try any offence against section thirty-two of this Act."

Repeal of s. 42 and of 1935, c. 54, s. 28.

13. Section forty-two of the said Act, as enacted by section fourteen of chapter twenty-three of the statutes of 1937, and section twenty-eight of chapter fifty-four of the statutes of 1935, are repealed.

Section 32 at present reads as follows:

"**32.** (1) Every one is guilty of an indictable offence and liable to a penalty not exceeding ten thousand dollars or to two years imprisonment, or if a corporation to a penalty not exceeding twenty-five thousand dollars, who is a party or privy to or knowingly assists in the formation or operation of a combine within the meaning of this Act.

(2) No prosecution for any offence under this section shall be commenced, otherwise than at the instance of the Attorney General of Canada or of the attorney general of a province."

12. New. The effect of this subsection is to provide that offences against section 32 of the Act must be tried, as related offences under *Criminal Code*, Section 498, must be tried, only by superior courts of criminal jurisdiction.

13. Section 42, which is to be replaced by section 6 of this Bill, at present reads as follows:

"**42.** (1) Notwithstanding anything in this Act, neither the Commissioner nor any special commissioner nor any other person shall have power to compel the attendance of any witness or the production of any book, paper, records or article, or the examination of any person under oath, or have power to exercise for the enforcement of any order made by such Commissioner, special commissioner or person or for punishment on account of disobedience of such order the powers that are exercised by superior courts for the enforcement of subpoenas to witnesses or punishment of disobedience thereof, unless and until on the application of the Minister (which shall be heard and determined ex parte) either the President of the Exchequer Court of Canada or the Chief Commissioner of the Dominion Trade and Industry Commission shall have certified, as either of them may, that it is fit and proper that the action mentioned in the application should be taken: Provided that when any investigation under this Act is proceeding in any province and the Commissioner or special commissioner is desirous of exercising power to commit to prison or otherwise penalize pursuant to this Act any person whether for contempt or otherwise, the application may be made by the Commissioner or special commissioner upon reasonable notice to the person concerned, to a judge of the Supreme or Superior Court of the Province, who shall for the purposes of the application have the powers which by this section are conferred upon the President of the Exchequer Court and the Chief Commissioner of the Dominion Trade and Industry Commission.

(2) The provisions of this section which relate to the Chief Commissioner of the Dominion Trade and Industry Commission shall apply only whilst such Chief Commissioner is a barrister of one of the provinces of Canada of at least ten years' standing.

(3) Such President, Chief Commissioner and judge, respectively, may, before granting such certificate, require the applicant to secure and subsequently produce to him any further evidence or proof of relevant circumstances as he shall deem to be necessary."

Section 28 of the *Combines Investigation Act Amendment Act, 1935*, which is to be replaced by section 11 of this Bill, reads:

"**28.** No person shall be charged with, tried for or convicted of an offence against this Act, by the same information, upon the same evidence or at the same time as he is charged with, tried for or convicted of an offence against section four hundred and ninety-eight of the *Criminal Code*."

14. *The Dominion Trade and Industry Commission Act, 1935*, chapter fifty-nine of the statutes of 1935, is amended as follows:

Repeal of portions of 1935, c. 59, referring to this Act and to Criminal Code, ss. 498 and 498A.

(a) the words "the *Combines Investigation Act*" in line three of paragraph *(h)* of section two are deleted;

(b) the words "415A and 486 to 504, inclusive" in lines seventeen and eighteen of paragraph *(h)* of section two are deleted and the words "415A, 486 to 495, inclusive, and 499 to 504, inclusive," are substituted therefor;

(c) subsection one of section five is amended by deleting the words "and provided further, that a preliminary inquiry under the *Combines Investigation Act* may be conducted by one Commissioner";

(d) sections eight and twenty-six are amended by deleting the words "the *Combines Investigation Act*" wherever they appear in the said sections; and

(e) subsection three of section twenty-seven is repealed.

14. *(a)* and *(b)*. The paragraph to be amended reads:

"**2.** *(h)* 'Laws prohibiting unfair trade practices' means the provisions of the *Agricultural Pests Control Act*, *The Canada Grain Act*, the *Combines Investigation Act*, the *Dairy Industry Act*, the *Electrical Units Act*, *The Electricity Inspection Act*, *1928*, the *Feeding Stuffs Act*, the *Fertilizer Act*, the *Fish Inspection Act*, the *Food and Drugs Act*, *The Fruit, Vegetables and Honey Act*, the *Gas Inspection Act*, the *Inspection and Sale Act*, the *Live Stock and Live Stock Products Act*, *The Maple Sugar Industry Act*, *1930*, the *Meat and Canned Foods Act*, *The Natural Products Marketing Act*, *1934*, *The Patent Act*, *1935*, the *Petroleum and Naphtha Inspection Act*, *The Precious Metals Marking Act*, *1928*, the *Proprietary or Patent Medicine Act*, the *Seeds Act*, the *Trade Mark and Design Act*, *The Unfair Competition Act*, *1932*, the *Water Meters Inspection Act*, the *Weights and Measures Act*, and of sections 404, 405, 406, 415A and 486 to 504, inclusive, of the *Criminal Code*, and of this Act and regulations under the said Acts, which provisions prohibit acts or omissions connected with industry as being fraudulent, misrepresentative or otherwise unfair or detrimental to the public interests;"

(c) The subsection to be amended reads:

"**5.** (1) Two Commissioners, including either the Chief Commissioner or the Assistant Chief Commissioner, shall, except as otherwise provided in this Act, constitute a quorum, provided that in the case of an equal division of opinion as between two Commissioners sitting as a quorum the third Commissioner shall be called on for his opinion; and provided further, that a preliminary inquiry under the *Combines Investigation Act* may be conducted by one Commissioner."

(d) The sections to be amended read:

"**8.** The Commission may make rules not inconsistent with this Act, the *Combines Investigation Act* or the *Inquiries Act*, respecting the sittings of the Commission and the practice and procedure in the case of investigations or other business of the Commission, and the apportionment of duties amongst the Commissioners and respecting the duties and employment of the officers, clerks, and employees of the Commission."

"**26.** All the provisions of the *Inquiries Act*, the *Combines Investigation Act* and of the *Tariff Act*, and of any amendment thereto not repugnant to the provisions of this Act shall apply to any inquiry or investigation under this Act and the Commission shall have all the powers of a commissioner appointed under the *Inquiries Act*, except in so far as any such powers may be inconsistent with the provisions of this Act."

(e) The subsection to be repealed reads:

"**27.** (3) In the case of any agreement or proposed agreement for the control and regulation of prices or production, the Commission shall in such manner as seems desirable make the same public, and shall fix a date at least fifteen days from the date of publication aforesaid for hearing representations by any interested persons whether producers, consumers or others."

The subsection to be repealed applied to proceedings under section 14 of *The Dominion Trade and Industry Commission Act, 1935*, which section 14 was repealed by section 13 of the *Combines Investigation Act Amendment Act, 1937*.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 194.

An Act respecting Canadian National Railways and the Acquisition of the Manitoba Railway.

First reading, June 17, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

63875

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 194.

An Act respecting Canadian National Railways and the Acquisition of the Manitoba Railway.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Assignment of option.

1. The Canadian Northern Railway Company may assign to Canadian National Railway Company, hereinafter called the "Purchaser", the option granted to Canadian Northern Railway Company by section four of chapter fifty-three of the statutes of 1901, and the Purchaser may accept the assignment of the said option and may exercise the same as provided in the said chapter fifty-three.

Purchase and acquisition of the property by C.N. Ry. Coy.

2. (1) When the option mentioned in section one of this Act has been exercised the Purchaser may purchase and acquire from The Manitoba Railway Company, hereinafter called the "Vendor", and the Vendor shall sell and transfer to the Purchaser the whole of the undertaking and railway of the Vendor (a short description whereof is set out in the Schedule hereto) including the main and branch lines of railway and all rights, franchises, powers, property, real and personal, assets and effects of every nature and description without exception, with the appurtenances, the whole being hereinafter referred to as "the property sold", and the provisions of sections five and six of chapter fifty-three of the statutes of 1901 shall apply to the payment and distribution of the purchase price of the property sold.

Acquisition of common stock of the Vendor.

(2) The Purchaser may acquire all the common stock of the Vendor, and Northern Pacific Railway Company shall assign and transfer to the Purchaser, at the request of the Purchaser, all of the said stock owned by it.

Explanatory Notes

The purpose of the Bill is to authorize the Canadian National Railway Company to acquire the railway and undertaking of The Manitoba Railway Company for the sum of Seven Million Dollars ($7,000,000).

Under a Lease dated January 15, 1901, the Northern Pacific and Manitoba Railway Company, the Winnipeg Transfer Railway Company, Limited, the Portage and North-Western Railway Company and the Waskada and North Eastern Railway Company, as lessors, leased to Her Majesty the Queen in right of the Province of Manitoba, as lessee, the properties known as the Manitoba Railway for the term of 999 years at the rental mentioned therein which, after the third ten years of the term, amounts to Three Hundred Thousand Dollars ($300,000) per annum.

This Lease was subsequently assigned by the Government of Manitoba to the Canadian Northern Railway Company which is now the lessee, and was confirmed by Chapter 53 of the Statutes of Canada, 1901. Section 4 of that Act gave the lessee an option to acquire the demised premises and all the franchises, rights and powers of the lessor in the said lease mentioned, free from encumbrances, for the sum of $7,000,000.

Under powers conferred by Chapter 73 of the Statutes of 1901, the Lessors named in the said lease were amalgamated as one Company under the name of The Manitoba Railway Company which is a subsidiary of the Northern Pacific Railway Company. All the lines of railways constructed by the Manitoba companies named in the said lease as lessors were declared to be works for the general advantage of Canada.

The Canadian Northern Railway Company has been in occupation of the properties leased since 1901, and has operated the Manitoba Railway since that time. The Canadian Northern Railway Company is part of the Canadian National Railways, and it is now proposed to take up in the name of the Canadian National Railway Company the option to acquire the railway and undertaking of The Manitoba Railway Company demised under said lease and thereby to effect substantial savings in the annual rental payable thereunder.

A short description of the properties to be acquired is set out in the Schedule to the Bill.

Property to be conveyed free of incumbrances.

3. The property sold shall be conveyed to the Purchaser free from encumbrances affecting the same, under or by virtue of any mortgages, hypothecs, bonds, debentures, debenture stock or other securities whatsoever or any judgments, memorials or otherwise howsoever.

Means of effecting transfer and confirming title.

4. The transfer of the property sold may be effected by one or more transfers of land, deeds or conveyances, containing a general description of the whole of the property sold under this Act, and such documents may, without other registration, be deposited in the office of the Secretary of State of Canada; thereafter for the purpose of confirming the Purchaser's title in detail the registered detail plans of the property sold, or parts or portions thereof, made by or on behalf of the Vendor or its predecessors in title, now of record in the several Land Titles or Land Registry Offices of the Province of Manitoba, if satisfactory to the Purchaser, shall be deemed to be detail plans of the Purchaser made and deposited under the provisions of the *Expropriation Act*, as made applicable to the Purchaser by section seventeen of the *Canadian National Railways Act*, or the Purchaser may, after survey of the property sold or parts or portions thereof, deposit in the said Land Titles or Land Registry Offices, under the provisions of the said Acts, detail plans of the property sold or of parts or portions thereof, thereby, in either event, confirming such title and vesting absolutely in the Purchaser, without further compensation being payable to the Vendor, so much of the property sold and acquired under this Act as is shown on either the plans heretofore or hereafter deposited as aforesaid.

R.S., c. 64.

R.S., c. 192.

SCHEDULE

A line from a point on the international boundary at the town of Emerson to the City of Winnipeg, formerly known as the Red River Valley Railway of the length of 65·94 miles; the Hope Farm Branch, being a branch from said Red River Valley Railway to Hope Farm of the length of 2·86 miles; the Morris-Brandon Branch running from the town of Morris to the city of Brandon of the length of 145·33 miles; the Souris River Branch, being a line running from a point near Belmont on said Morris-Brandon Branch to the town of Hartney of the length of 50·94 miles; the Portage la Prairie Branch running from the city of Winnipeg through the town of Portage la Prairie to Beaver of the length of 72·14 miles; the Lake Branch running from the said town of Portage la Prairie to a point on the south shore of Lake Manitoba, a length of 14·75 miles, of which 5·05 miles of track have been abandoned; the line known as The Winnipeg Transfer Railway, being in the city of Winnipeg and connecting the system of Canadian National Railways with the system of the Canadian Pacific Railway Company in said City of the length of 1·21 miles, making a total of 353·17 miles, besides yard tracks, sidings and spurs of the length of approximately 47·08 miles.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 195.

An Act respecting the Control of the Acquisition and Disposition of Foreign Currency and the Control of Transactions involving Foreign Currency or Non-Residents.

First reading, June 17, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

64730

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 195.

An Act respecting the Control of the Acquisition and Disposition of Foreign Currency and the Control of Transactions involving Foreign Currency or Non-Residents.

Preamble.

WHEREAS it is desirable to control and protect the value of the Canadian monetary unit in relation to foreign currencies; And whereas it is desirable to ensure that Canada's resources in foreign currency shall be made available to meet the needs of Canada as a whole; And whereas it is desirable to ensure that the said resources in foreign currency are used to promote and facilitate trade and other normal current transactions with other countries and are not dissipated through disadvantageous exports of capital from Canada or for other purposes disadvantageous to Canada as a whole; And whereas it is desirable to provide means for achieving orderly exchange arrangements and in general discharging the obligations of Canada as a member of the International Monetary Fund; And whereas for these purposes it is deemed advisable and necessary to maintain a fund which may be used to aid in the control and protection of the value of the Canadian monetary unit in relation to foreign currencies and to supervise and control transactions between residents of Canada and residents of other countries which involve or relate to foreign currency, Canadian currency, goods, securities or other property in Canada or elsewhere and other transactions of a kind capable of affecting Canada's resources in foreign currency or relating to property in Canada of non-residents or property outside of Canada of residents: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short Title.

Short title.

1. This Act may be cited as *The Foreign Exchange Control Act.*

Explanatory Note.

The purpose of this Bill is to make statutory provision for foreign exchange control which is now in force under orders in council passed under the authority of the *War Measures Act*.

Foreign Exchange Control became effective in Canada on September 15, 1939, when an order in council was passed under the *War Measures Act* establishing the Foreign Exchange Control Board with powers of regulating and controlling transactions in foreign exchange and related transactions and continues to be necessary for reasons which are set out in the preamble to the Bill.

INTERPRETATION.

Definitions.

2. (1) In this Act and in any regulation, permit or instruction under this Act, unless the context otherwise requires,

"authorized dealer." *(a)* "authorized dealer" means an authorized dealer appointed by or under section fourteen or sixteen of this Act;

"Board." *(b)* "Board" means the Foreign Exchange Control Board established by this Act;

"Canadian currency" *(c)* "Canadian currency" means lawful money of Canada, excluding any coins of the United Kingdom or the United States, and also any bank note payable in lawful money of Canada;

"Canadian securities." *(d)* "Canadian securities" means securities issued by the Government of Canada or of any province or by any municipal or other public authority of Canada or by any society, syndicate, company or corporation incorporated in Canada or, if unincorporated, whose head office is in Canada;

"currency." *(e)* "currency" includes Canadian currency and foreign currency;

"Customs Officer." *(f)* "Customs Officer" means any Collector of Customs and Excise, any person lawfully deputed, appointed or authorized to perform the duties and exercise the powers of any such Collector and any officer of Customs or Excise;

"deposit." *(g)* "deposit" means any amount of currency credited to an account with any bank, trust company, investment dealer, stockbroker or other like depository in Canada or elsewhere and "to deposit" means to credit or to direct to be credited to any such account any amount of currency;

"to deposit."

"Exchange Fund Account." *(h)* "Exchange Fund Account" means the account in the name of the Minister of Finance mentioned in section five of this Act;

"foreign currency". *(i)* "foreign currency" means any currency other than Canadian currency and any bank note or other note or certificate of any kind intended to circulate as money in any country other than Canada and payable in a currency other than Canadian currency;

"goods". *(j)* "goods" means any property other than real or immovable property, currency, securities, negotiable instruments and choses in action;

"Inspector" *(k)* "Inspector" means an Inspector appointed by or under section forty of this Act;

"Minister." *(l)* "Minister" means the Minister of Finance;

"negotiable instrument." *(m)* "negotiable instrument" includes any cheque, draft, travellers' cheque, bill of exchange, letter of credit, promissory or postal note, money order, matured coupon of a bond, debenture or share warrant and any other similar instrument;

"non-resident." *(n)* "non-resident" means any person other than a resident;

"Officer." *(o)* "Officer" means Customs Officer or any member of the Royal Canadian Mounted Police;

"permit." *(p)* "permit" means a written permission given by or on behalf of the Board to do any act or thing for which a permit is required under this Act;

"postmaster." *(q)* "postmaster" includes any person authorized by the Postmaster General to perform the duties of a postmaster or acting under the authority or direction of a person so authorized and any officer or clerk of the Canada Post Office;

"prohibition." *(r)* "prohibition" means an order of prohibition made under section forty-nine of this Act;

"property." *(s)* "property" means every kind of real or personal, moveable or immoveable property;

"regulation." *(t)* "regulation" means a regulation made under this Act;

"resident." *(u)* "resident" means, subject to subsections four and five of this section and except as otherwise provided by regulation,

(i) a person who on or after the fifteenth day of September, one thousand nine hundred and thirty-nine, was or is ordinarily resident in Canada unless he has, according to a determination made by the Board under the authority of this Act or on appeal from the Board as hereinafter provided, ceased to be a resident and has not subsequent to such determination become ordinarily resident in Canada; and

(ii) without restricting the generality of subparagraph (i) of this paragraph, any company, corporation, partnership, syndicate, society or association incorporated in Canada or, if unincorporated, whose head office is in Canada;

"securities." *(v)* "securities" include stock, shares, bonds, debentures, debenture stock and other obligations and rights, whether registered, inscribed or in bearer form, issued by or on behalf of any government or any municipal or other public authority or any society, syndicate, company or corporation, either in Canada or elsewhere, and regardless of the place of registration, if any, of such securities or the situs of such securities or of any certificates or other instruments representing the same, or the location of the head office of the society, syndicate, company or corporation;

"services." *(w)* "services" include skilled and unskilled labour, professional services, services as an agent or employee, storage and warehousing, freight, transportation, advertising, services to vessels and any other services whether payment for such services is ordinarily made in the form

of wages, salaries, fees, rents, royalties, commissions, profit-sharing, or by payment of a lump sum or otherwise howsoever; and

Interpretation.

(x) words importing the masculine gender include the neuter.

Newfoundland lawful money and securities.

(2) The Board may, by regulation, provide that lawful money of Newfoundland and securities issued by the government of Newfoundland or by any society, syndicate, company or corporation incorporated in Newfoundland or, if unincorporated, whose head office is in Newfoundland, shall be deemed to be "Canadian currency" and "Canadian securities", respectively, for the purposes of this Act.

Property subject to restrictions.

(3) Where any property is under this Act subject to any restriction as to its use or as to dealing therewith or is subject to forfeiture, the said restriction or forfeiture applies in respect of any property into which the said property has been converted or exchanged or any property acquired by such conversion or exchange whether immediately or otherwise.

Where resident deemed a non-resident.

(4) Where any person who is a resident has, outside of Canada, a business or undertaking or a branch or agency of any business or undertaking of any kind whatsoever in which he is engaged, the said person is, unless otherwise provided by regulation or determination of the Board, deemed to be a non-resident with respect to the operation or transactions of the said business or undertaking or the said branch or agency.

Where non-resident deemed a resident.

(5) Where any person who is a non-resident has, in Canada, a business or undertaking or a branch or agency of any business or undertaking of any kind whatsoever in which he is engaged, the said person is, unless otherwise provided by regulation or determination of the Board, deemed to be a resident with respect to the operation or transactions of the said business or undertaking or the said branch or agency.

His Majesty bound.

3. His Majesty is bound by this Act and, for the purposes of this Act, is deemed to be a resident when acting in right of Canada or in right of any province of Canada and a non-resident when acting in any other right.

Responsibilities of the Minister.

Ministerial control and direction.

4. The Minister shall control and direct, for the purposes of this Act and subject to its provisions, the operation of the Exchange Fund Account hereinafter mentioned and the Foreign Exchange Control Board hereinafter established.

Exchange Fund Account.

Exchange Fund Account continued.

5. (1) The special account in the name of the Minister of Finance, known as the Exchange Fund Account, established by the Bank of Canada pursuant to *The Exchange Fund Act*, is continued and all gold, currency, deposits, securities and other investments purchased or acquired with moneys out of the said account by or on behalf of the Minister and held by him or on his behalf for the said account shall continue to be so held.

Minister may purchase gold, currencies, securities, etc.

(2) The Minister may from time to time purchase or acquire or cause to be purchased or acquired, with moneys in the Exchange Fund Account,

(a) gold;

(b) currency of the United States; deposits in currency of the United States with authorized dealers or with banks outside of Canada designated by the Minister; and treasury bills or other obligations of the United States;

(c) within such limits as to amounts as the Governor in Council may authorize from time to time, foreign currencies other than currency of the United States; deposits in foreign currencies, other than currency of the United States, with authorized dealers or with banks outside of Canada designated by the Minister; and treasury bills of the United Kingdom; and

(d) securities of or guaranteed by the Dominion of Canada.

Minister may sell gold, currency, securities, etc.

(3) The Minister may sell or cause to be sold any gold, currency, deposits, securities and other investments purchased or acquired by him or on his behalf at any time with moneys in, or held by or on his behalf for, the Exchange Fund Account and the proceeds of the said sales, together with all earnings and interest from the said gold, currency, deposits, securities and other investments or dealings therein or therewith shall be credited to the Account.

Report to Parliament.

(4) The Minister shall report to Parliament within thirty days after the thirty-first day of March in each year or, if Parliament is not then sitting, within thirty days after the commencement of the next ensuing session thereof, any authorizations of the Governor in Council under paragraph *(c)* of subsection two of this section which were outstanding on the last day of the preceding calendar year.

Increase or decrease in current market price of gold.

6. (1) In the event of any increase or decrease in the current market price of gold, the Bank of Canada shall credit or debit the Exchange Fund Account with the amount of the increase or decrease, as the case may be, in the value of all gold held as reserve by the Bank of Canada.

Current market price of gold.

(2) For the purpose of this section, the current market price of gold means the amount realizable from the sale of gold in London or New York converted into Canadian currency at the current rate of exchange prescribed by the Governor in Council under this Act.

Advances out of C.R.F. to Exchange Fund Account.

7. (1) The Minister may make advances to the Exchange Fund Account out of unappropriated moneys in the Consolidated Revenue Fund on such terms and conditions as the Governor in Council may prescribe.

Report to Parliament.

(2) The Minister shall report to Parliament within thirty days after the thirty-first day of March in each year or, if Parliament is not then sitting, within thirty days after the commencement of the next ensuing session thereof, the amount of advances to the Exchange Fund Account outstanding on the last day of the preceding calendar year.

Earnings paid into C.R.F.

8. The amount of the earnings or interest from gold, currencies, deposits, securities and other investments or dealings therein or therewith credited to the Exchange Fund Account after the commencement of this Act in the calendar year one thousand nine hundred and forty-six and in subsequent calendar years, less any amounts paid out of the Exchange Fund Account pursuant to section seventeen of this Act, shall be paid into the Consolidated Revenue Fund.

C.R. and Audit Act not applicable to Account.

9. (1) The provisions of *The Consolidated Revenue and Audit Act, 1931*, shall not apply to the Exchange Fund Account or operations or transactions in connection therewith.

Annual audit of Account by Auditor General.

(2) An annual audit of the Exchange Fund Account and of the transactions in connection therewith shall be made by the Auditor General in such manner as he thinks proper with a view to ascertaining whether the transactions in connection with the Account have been in accordance with the provisions of this Act and he shall certify to the House of Commons that in his opinion, having regard to such examination, the transactions in connection with the Account have or have not been in accordance with the provisions of this Act and that the records of the Account do or do not show truly and clearly the state of the Account.

Foreign Exchange Control Board.

Constitution and Administration.

Board established.

10. There is hereby established a board to be known as the Foreign Exchange Control Board which shall, subject to the provisions of this Act and the regulations and under the control and direction of the Minister,

(*a*) manage and operate the Exchange Fund Account for and on behalf of the Minister and use or deal with all moneys therein and all gold, currencies, deposits, securities and other investments held therefor, for the purposes of this Act, and

(*b*) have, exercise and perform the rights, powers, duties and functions conferred on it by this Act.

Personnel of Board.

11. (1) The Foreign Exchange Control Board shall consist of the persons who from time to time hold or are acting in the offices of Governor of the Bank of Canada, Deputy Minister of Finance, Under Secretary of State for External Affairs, Deputy Minister of Trade and Commerce, Deputy Postmaster General and Deputy Minister of National Revenue for Customs and Excise.

To serve without remuneration.

(2) A member of the Board shall serve in that capacity without remuneration.

Chairman.

(3) The Governor of the Bank of Canada shall be chairman of the Board.

Alternate members.

(4) Each member of the Board may, with the approval of the Minister, at any time and from time to time appoint an alternate to act in his place and stead and the alternate shall have the same powers when so acting as the member.

Meetings.

(5) The Board shall hold meetings at such time and place as the chairman may decide or as the Minister may require.

Head office Branch offices.

(6) The head office of the Board shall be at Ottawa and the Board may establish at any place in Canada such offices as are required for the discharge of the duties of the Board.

Bank of Canada to act for Board and provide officers, clerks, etc.

12. The Bank of Canada in its capacity as fiscal agent for the Government of Canada shall without charge

(*a*) act as technical adviser, agent and banker of the Board and deal in foreign currencies and transactions relating thereto and otherwise assist or act on behalf of the Board;

(*b*) provide the Board with such officers, clerks and employees, premises and office supplies and equipment as may be required by the Board and pay travelling expenses of the said officers, clerks and employees.

Costs of administration.

13. Except as provided by sections twelve and seventeen of this Act, the costs of administration of this Act shall be paid out of moneys provided by Parliament.

Authorized Dealers and Agents of the Board.

Banks authorized dealers and agents.

14. The Bank of Canada and every bank to which the provisions of the *Bank Act* apply shall, in respect of every office and branch in Canada of any such bank, be an authorized dealer under this Act to deal in foreign currency

as hereinafter provided, and subject to this Act and the regulations and instructions of the Board, to act on behalf of the Board in granting permits.

Customs officers and postmasters as agents.

15. Subject to the provisions of this Act and the regulations and instructions of the Board,

(a) every Customs Officer shall act as agent of the Board to grant permits for, and to control, exports and imports of property; and

(b) every postmaster shall act as agent of the Board to control exports of property by mail and to grant permits for the issue of money orders payable outside of Canada.

Other dealers or agents.

16. The Board may appoint authorized dealers or agents of the Board in addition to those appointed by this Act, for such purposes and with such authority to act on behalf of the Board as it may determine, and may revoke any such appointment.

Remuneration.

17. The Board shall pay out of the Exchange Fund Account such remuneration in connection with the functions and services of authorized dealers pursuant to this Act as the Governor in Council may prescribe.

Rates of Exchange

G. in C. may prescribe rates of exchange.

18. (1) The Governor in Council may prescribe rates of exchange between Canadian currency and foreign currencies or between foreign currencies, either generally or for any specified transactions or classes of transactions.

Board regulations *re* currencies for which no rates prescribed.

(2) Where the Governor in Council has not prescribed a rate of exchange between a currency and any other currency for any transactions or classes of transactions, the Board may, by regulation, prescribe the manner in which and the terms and conditions on which the said currencies may be exchanged in such transactions or classes of transactions.

Transactions to be made at prescribed rates.

(3) No authorized dealer, agent of the Board or other person shall buy, sell or exchange, or agree to buy, sell or exchange, or enter into any other transaction involving the exchange of, currencies, otherwise than at a rate of exchange or in a manner or on terms and conditions prescribed by or under this section applicable to the said purchase, sale, exchange or other transaction.

Foreign Currency Transactions.

Transactions only as permitted by Act.

19. Except as permitted by this Act or by a regulation or permit, no person shall, either absolutely or conditionally or as principal or agent, or otherwise howsoever,

(a) buy, borrow or otherwise acquire or hold, or pay, sell, lend or otherwise dispose of or in any way deal with foreign currency, or cause foreign currency to be bought, borrowed or otherwise acquired or held or paid, sold, lent or otherwise disposed of or in any way dealt with;

(b) draw, issue, make, negotiate, accept, endorse, assign, transfer or otherwise deal with, or cause to be drawn, issued, made, negotiated, accepted, endorsed, assigned, transferred or otherwise dealt with, any negotiable instrument payable in foreign currency, or utilize or cause to be utilized any other means by which payment in foreign currency may be made; or

(c) deposit or cause to be deposited any foreign currency or withdraw or pay out, or cause to be withdrawn or paid out any deposit in foreign currency, or incur, acquire, discharge, assign or transfer or cause to be incurred, acquired, discharged, assigned or transferred any debt owing in foreign currency by reason of a deposit.

Authorized Dealers.

Authorized dealers may deal in foreign exchange.

20. (1) An authorized dealer may deal in foreign currency, negotiable instruments payable in foreign currency, deposits in foreign currency, or debts owing by reason of deposits in foreign currency in such manner and to such extent as may be prescribed by the regulations and instructions of the Board.

Liability to pay to, and right to recover from Exchange Fund Account.

(2) Where, in accordance with this Act and the regulations and instructions of the Board, an authorized dealer

(a) is paid any foreign currency for which a rate of exchange with Canadian currency is prescribed under this Act or acquires a right to payment of any such foreign currency by reason of a deposit to his account, he shall be liable to make payment of an equal amount of the said foreign currency to the Minister for the credit of the Exchange Fund Account on such terms and conditions and at such time and in such manner as may be prescribed by regulation or instruction of the Board; or

(b) makes payment of any such foreign currency either in currency or by withdrawal of a deposit, he shall be entitled to payment from the Minister out of the Exchange Fund Account of an equal amount of the said foreign currency on such terms and conditions and at such time and in such manner as may be prescribed by regulation or instruction of the Board.

Where no rate of exchange prescribed.

(3) Where, in accordance with this Act and the regulations and instructions of the Board, an authorized dealer is paid any foreign currency for which no rate of exchange with Canadian currency is prescribed under this Act, or acquires a right to payment of any such foreign currency by reason

of a deposit, he shall be liable to make an equal amount of the said foreign currency, or an equivalent amount of a foreign currency for which such a rate of exchange is so prescribed, available to the Minister for the credit of the Exchange Fund Account on such terms and conditions and at such time and in such manner as may be prescribed by regulation or instruction of the Board.

Persons other than Authorized Dealers.

Buy and sell foreign currency only from and to authorized dealers.

21. (1) Except as provided by this Act or a regulation, no person other than an authorized dealer shall buy foreign currency from or sell foreign currency to any person who is not an authorized dealer.

Foreign currency bought to be used only as authorized by regulation or permit.

(2) No person who has bought foreign currency under a regulation or a permit shall hold, expend, endorse, assign, transfer or otherwise utilize the foreign currency or any negotiable instrument under which the foreign currency so bought is payable for any purpose other than the purpose, or beyond the time, authorized by the regulation or permit under which he bought the foreign currency.

When foreign currency deemed to have been bought or sold.

(3) For the purposes of this section, if a person,

(a) in consideration of a payment of, or an agreement to pay, Canadian currency by him, procures the drawing, issuing, making, acceptance, endorsement, assignment or transfer of a negotiable instrument payable in foreign currency, either to or in favour of himself or any other person, or otherwise procures the making of any payment in foreign currency, either to himself or to any other person, he is deemed to have bought the foreign currency so payable or paid from the person to whom he paid or agreed to pay the Canadian currency; or

(b) in consideration of a payment of, or an agreement to pay, Canadian currency to him, draws, issues, makes, accepts, endorses, assigns or transfers a negotiable instrument payable in foreign currency, either to or in favour of the person so paying or agreeing to pay, or any other person, or otherwise makes or causes to be made any payment in a foreign currency, either to the said person or to any other person, he is deemed to have sold the foreign currency so payable or paid to the person who paid or agreed to pay the Canadian currency.

Resident required to sell all foreign currency to authorized dealer.

22. (1) Every resident, other than an authorized dealer, who acquires the ownership or possession of foreign currency or becomes entitled to a right to payment of foreign currency under a negotiable instrument payable either on demand or otherwise immediately payable, or by reason of a deposit, shall forthwith declare to an authorized dealer that he owns or possesses the said currency or is entitled to the said right, provided that this subsection shall not apply in respect of foreign currency or any right to payment

thereof acquired or held by a resident under a regulation or permit while it is required by the resident for the purpose, and held within the time, specified by the regulation or permit.

Where rate of exchange is prescribed.

(2) Subject to subsection four of this section, where a resident makes a declaration to an authorized dealer under this section relating to foreign currency or to a right to payment thereof for which a rate of exchange with Canadian currency is prescribed under this Act, he shall, at the time of making the declaration, sell the said currency or agree to sell the currency payable under the said right to the authorized dealer and for such purpose shall at that time assign or transfer the said right, or direct that payment thereunder be made, to the authorized dealer.

Where no rate of exchange is prescribed.

(3) Subject to subsection four of this section, where a resident makes a declaration to an authorized dealer under this section relating to foreign currency, or a right to payment thereof, for which no rate of exchange with Canadian currency is prescribed under this Act, he shall, at the time of making the declaration, empower the authorized dealer to, and the authorized dealer shall thereupon, take such steps on behalf of the resident as may be necessary to exchange the said foreign currency or right for a foreign currency designated by regulation, or a right to payment thereof, for which a rate of exchange with Canadian currency is prescribed under this Act, and the provisions of subsections one and two of this section shall thereupon apply to the last mentioned foreign currency or right.

When authorized dealer may refuse to buy, etc.

(4) An authorized dealer may refuse to buy foreign currency, or to accept an assignment or transfer of, or a direction to receive payment under, a right to payment thereof, or to undertake on behalf of a resident to exchange foreign currency or a right to payment thereof, for any other foreign currency or right to payment thereof if he is not satisfied that the foreign currency or right can be sold, assigned or transferred to him so that the currency or the amount payable under the said right will be deposited with a bank to his account or can be exchanged for a foreign currency designated by regulation, or a right to payment thereof that can be so deposited.

Resident may continue to hold.

(5) Where an authorized dealer refuses to buy foreign currency or to accept an assignment or transfer of, or a direction to receive payment under, a right to payment thereof, or refuses to undertake to exchange foreign currency or a right to payment thereof for another foreign currency or a right to payment thereof as provided in this section, the resident may, notwithstanding subsection two or three of this section, continue to hold the foreign currency or right or may offer to sell, assign or transfer the said currency or right to any other authorized dealer or to empower another authorized dealer to exchange the said currency or right for another foreign currency or

right to payment thereof as provided in this section but shall not make any other use or disposition thereof except as authorized by regulation or permit.

CANADIAN CURRENCY TRANSACTIONS INVOLVING NON-RESIDENTS.

Payments by residents to non-residents.

23. (1) No resident shall, except in accordance with a permit,

(a) pay, lend or otherwise dispose of Canadian currency to a non-resident;

(b) draw, issue, make, accept, endorse, assign or transfer or cause to be drawn, issued, made, accepted, endorsed, assigned or transferred any negotiable instrument payable in Canadian currency to or in favour of a non-resident; or

(c) deposit or cause to be deposited Canadian currency with or to the account of a non-resident or assign or transfer to a non-resident any debt owing in Canadian currency by reason of a deposit.

Board may prohibit or impose conditions on payments between non-residents.

(2) The Board may, by regulation, prohibit or impose conditions upon

(a) payment, lending or other disposition of Canadian currency by non-residents to other non-residents;

(b) drawing, issuing, making, endorsing, assignment or transfer or causing to be drawn, issued, made, endorsed, assigned or transferred by non-residents to or in favour of other non-residents of any negotiable instruments payable in Canadian currency; or

(c) depositing or causing to be deposited by non-residents of Canadian currency with or to the accounts of other non-residents or the assignment or transfer by non-residents to other non-residents of any debts owing in Canadian currency by reason of deposits.

Banks not to make payment to non-resident unless satisfied conditions complied with.

(3) A bank in Canada receiving any negotiable instrument payable in Canadian currency for payment to or for the credit of a non-resident shall not make such payment to or credit the account of a non-resident unless it is satisfied that no permit is required for the payment or that the requisite permit has been obtained, and a bank in Canada shall not make payment of any negotiable instrument payable in Canadian currency issued by or drawn on such bank unless it is satisfied that no permit is required or that the requisite permit has been obtained.

Change of address from Canada of owner of bank account.

(4) No bank in Canada shall, except in accordance with a permit, recognize or record, for the purpose of transactions to which this Act applies, any change of address of the owner of any bank account from an address in Canada to an address outside of Canada.

Board may impose conditions on change of address of non-resident owner of bank account.

(5) The Board may, by regulation, prohibit or impose conditions on a bank recognizing or recording, for the purpose of transactions to which this Act applies, changes of address of non-resident owners of bank accounts from their country of residence to an address elsewhere.

"bank," 1944-45, c. 30, R.S., c. 14.

(6) For the purposes of this section, "bank" means a bank to which the *Bank Act* or the *Quebec Savings Bank Act* applies and includes any other institution, office, corporation or other person, or any Dominion or provincial savings office or executive officers or servants of a provincial Government receiving money on terms that it is to be repaid by honouring the cheque, order or other written instruction of the person from whom or on whose account the money was received.

Transactions Involving Foreign Currency or Non-Residents.

Designation of Currencies.

Designation of currencies by the Board.

24. (1) The Board may, by regulation, designate currencies that may be received or paid or that shall not be received or paid in connection with transactions to which this Act applies, either generally or for any specified transactions or classes of transactions.

Transactions only with designated currencies.

(2) Except as authorized by regulation or permit, no person shall receive or pay, or agree to receive or pay, in connection with any transaction to which this Act applies, any currency other than a currency designated by regulation as a currency that may be received or paid in connection with the said transaction.

Exports.

25. (1) No person shall, except in accordance with a permit,

Property.

(a) export any property from Canada;

Sale by resident of goods to be exported.

(b) being a resident, either in Canada or elsewhere assign, transfer or deliver or agree to assign, transfer or deliver to a non-resident any goods situated in Canada, knowing that such goods are to be exported from Canada, otherwise than pursuant to a sale upon terms providing for payment to the resident by the non-resident, within six months after the goods are exported from Canada, of not less than the fair value thereof in a currency designated by the Board as acceptable for such a transaction; or

Purchase by non-resident of goods to be exported.

(c) being a non-resident, either in Canada or elsewhere acquire or accept delivery or agree to acquire or accept delivery from a resident of goods situated in Canada, with the intention of exporting such goods, otherwise than pursuant to a purchase upon terms providing for payment by the non-resident to the resident within six months after the goods are exported from Canada, of not less than the fair value thereof in a currency designated by the Board as acceptable for such a transaction.

Board not to withhold permit.

(2) The Board shall not withhold a permit for the export of goods from Canada where payment of not less than the fair value of the goods in a currency designated by the Board as acceptable for such a transaction,

(a) has been received by a resident from a non-resident and, in the case of payment in foreign currency, the foreign currency has been sold to an authorized dealer; or

(b) is due to a resident from a non-resident under the terms of sale within six months after the goods are exported from Canada and, in the case where payment is to be made in foreign currency, the Board is satisfied that the foreign currency will be offered for sale to an authorized dealer forthwith upon receipt.

Imports.

26. (1) No person shall, except in accordance with a permit,

Property.

(a) import any property into Canada; or

Purchase by resident of goods to be imported.

(b) being a resident, either in Canada or elsewhere purchase or agree to purchase from a non-resident any goods which are to be imported into Canada on terms providing for payment to a non-resident of a price greater than the fair value thereof or otherwise than in a currency designated by the Board as payable in connection with such a transaction.

Board not to withhold permit.

(2) The Board shall not withhold a permit for the import of goods into Canada in any case where the payment made or to be made therefor to a non-resident does not exceed the fair value thereof and was made or is to be made in a currency designated by the Board as payable in connection with such a transaction.

Securities.

Resident dealings in securities with non-residents.

27. (1) No resident shall, except in accordance with a permit,

(a) either in Canada or elsewhere sell, assign, transfer or deliver any securities or any right, title or interest in or to any securities to or to the account of a non-resident;

(b) purchase outside of Canada any securities from or owned by a non-resident; or

(c) purchase in Canada any securities from or owned by a non-resident or sell in Canada any securities for or owned by a non-resident unless a permit has been granted to the non-resident authorizing the sale of such securities in Canada.

Non-resident dealings in securities in Canada.

(2) No non-resident shall, except in accordance with a permit,

(a) sell any securities in Canada or for delivery in Canada; or

(*b*) purchase, acquire or accept delivery of securities in Canada from a resident unless a permit has been granted to the resident authorizing the sale, transfer, assignment or delivery of such securities to the non-resident.

(3) Nothing contained in this section shall relieve a resident purchasing securities from a non-resident from the requirement of obtaining any permit required under this Act for any payment to the non-resident.

(4) Where a resident who is an agent, broker or dealer sells or purchases securities in Canada for a non-resident, he shall, for the purposes of this section, be deemed to be the resident purchasing or selling the securities, notwithstanding that he is acting as an agent and not as principal in the transaction.

Registration of transfer of securities by resident to non-resident, etc.

28. (1) No person shall, except in accordance with a permit,

(*a*) knowingly register any transfer of Canadian securities from a resident to a non-resident;

(*b*) transfer Canadian securities from a register in Canada to a register elsewhere; or

(*c*) record, for the purpose of transactions to which this Act applies, any change of address of the owner of Canadian securities from an address in Canada to an address elsewhere.

Board may prohibit, or impose conditions on transfers between non-residents.

(2) The Board may by regulation prohibit or impose conditions upon

(*a*) the transfer or registration of any transfer of Canadian securities between non-residents;

(*b*) the transfer of Canadian securities to a register in Canada from a register elsewhere or between registers outside of Canada; or

(*c*) the recording, for the purpose of transactions to which this Act applies, of a change of address of a non-resident owner of Canadian securities from his country of residence to an address elsewhere.

Board may require residents to bring securities into Canada.

29. Every resident who possesses, owns or controls any securities which, or the certificates or instruments representing which, are physically located outside of Canada, shall, if so required by the Board, cause the said securities, certificates or instruments to be brought into Canada.

Governor in Council may require residents to report ownership of foreign securities.

30. The Governor in Council may require residents who possess, own or control foreign securities or are entitled to any right, title or interest in or to foreign securities to report the fact to the Board in such manner and within such time and with such information relating to the said securities as the Governor in Council may prescribe, either generally or with respect to any class of securities.

Other Transfers of Property.

Transfer by resident to non-resident.

31. (1) No resident shall, except in accordance with a permit, in Canada or elsewhere,

(a) place in trust for a non-resident, otherwise than by will, any property of any kind; or

(b) assign, transfer or deliver to a non-resident any property situated in Canada or elsewhere or any right, title or interest therein except where the assignment, transfer or delivery is made pursuant to a sale under the terms of which the resident receives from the non-resident immediate payment of an amount not less than the fair value of the property in a currency designated by the Board as acceptable for such a transaction.

Not applicable to exports, etc.

(2) Paragraph *(b)* of subsection one of this section shall not apply to goods exported or to be exported from Canada, securities, currency or a right to payment of currency under a negotiable instrument or by reason of a deposit.

Services.

Services performed by resident for non-resident.

32. No resident shall, except in accordance with a permit, perform or agree to perform, in Canada or elsewhere, for a non-resident any services of a kind ordinarily performed for remuneration otherwise than on terms that provide for payment within six months of not less than the fair value thereof in a currency designated by the Board as acceptable for such a transaction.

Other Transactions.

Other transactions between residents and non-residents.

33. Without restricting the generality of any other provision of this Act, no resident shall, except in accordance with a permit, either in Canada or elsewhere,

(a) incur, acknowledge, guarantee or give security for a debt payable to a non-resident other than a debt for an amount not greater than the fair value of goods purchased from a non-resident that have been imported or are to be imported into Canada or of services rendered by a non-resident;

(b) pay or contract to pay to a non-resident for any property wherever situated or for any services wherever rendered an amount which is greater than the fair value thereof;

(c) 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;

(d) 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;

(e) assign to a non-resident any claim upon a non-resident or any right, title or interest therein or thereto except pursuant to a sale or assignment thereof on terms whereby the resident receives immediate payment from the assignee in a currency designated by the Board as acceptable for such a transaction of an amount not less than the fair value of the claim or the right, title or interest therein or thereto so assigned;

(f) accept satisfaction of all or any part of any debt, claim or other obligation owing to the resident by a non-resident or of any other claim by a resident upon a non-resident otherwise than in the currency in which such debt, claim or obligation is expressed or was incurred; or

(g) let, lease or otherwise authorize the use of any property by a non-resident, including the granting of rights on a royalty basis, otherwise than on terms which provide for payment within six months after the said use of not less than the fair value thereof in a currency designated by the Board as acceptable for such a transaction.

Obligations of resident owning, etc., company, etc., carrying on business outside of Canada.

34. Where a resident, either directly or indirectly, either by himself or together with any other resident, owns, manages or controls any company, partnership, firm, business or undertaking carrying on business outside of Canada, he shall, if so required by the Board, furnish the Board with information as to the assets, liabilities, income, revenue and earnings of the said company, partnership, firm, business or undertaking and shall, if so required by the Board, do all such acts as may be necessary and are within his power to procure the declaration and payment of dividends or the distribution and payment of income, revenue or earnings by the said company, partnership, firm, business or undertaking to which any resident is or may become entitled.

Powers of the Board.

Regulations.

Board may make regulations.

35. (1) The Board may make regulations

(a) prescribing forms of applications for permits, declarations and permits, including different classes of permits;

(b) prescribing terms and conditions to be inserted in applications and permits;

(c) prescribing the procedure to be followed by applicants for permits or in other applications to the Board under this Act;

(d) prescribing that persons who would otherwise be residents shall be deemed to be non-residents or that

persons who would otherwise be non-residents shall be deemed to be residents for any of the purposes of this Act;

(e) notwithstanding anything to the contrary contained elsewhere in this Act, exempting any person or any class of persons or any transaction or class of transactions from any provision of this Act;

(f) prescribing the manner in which the provisions of this Act shall apply in respect of transactions between branches or agencies of any business or undertaking outside of Canada and branches or agencies of the said business or undertaking in Canada;

(g) providing for any matter which under this Act may be provided for by regulation; and

(h) generally with respect to any matter arising in the course of or connected with or necessarily incidental to the Board's operations, or necessary for the efficient administration or enforcement of this Act and for carrying out its provisions according to their true intent, meaning and spirit and for the better attainment of its objects.

Approval and publication.

(2) No regulation shall be effective until approved by the Governor in Council and published in the *Canada Gazette*.

To be laid before Parliament.

(3) Every regulation shall be laid before Parliament within fifteen days after it is made or, if Parliament is not then sitting, within fifteen days after the commencement of the next ensuing session thereof.

Administration.

Powers of the Board.

36. (1) Subject to the provisions of this Act and the regulations and under the control and direction of the Minister, the Board may

(a) grant, refuse to grant, revoke or vary permits under this Act;

(b) in particular cases or classes of cases, from time to time prescribe terms and conditions for permits additional to those prescribed by regulation or prescribe special forms of permits in cases where none is prescribed by regulation;

(c) subject to an appeal as hereinafter provided, determine for the purposes of this Act or any proceedings under this Act,

(i) whether any person is a resident or non-resident and the time at which any person became or becomes a resident or a non-resident and the country of residence of any non-resident;

(ii) that a person who on or after the fifteenth day of September, one thousand nine hundred and thirty-nine was or is ordinarily resident in Canada has ceased to be a resident; or

(iii) the fair value of any property or of any debt, obligation or claim, or of any services;

(d) issue instructions to authorized dealers and agents of the Board prescribing the terms and conditions upon which they are authorized to grant permits and to buy and sell or deal in foreign currency or negotiable instruments payable in foreign currency or make or accept deposits of foreign currency and enter into transactions in foreign currency or in respect of any other matter under this Act, and revoke or vary such instructions; and

(e) plan the organization of the Board, appoint the officers, clerks and employees furnished to the Board by the Bank of Canada to offices or positions under the Board and authorize such officers, clerks and employees to act on behalf of the Board in the conduct of its operations.

Determining question of residence or fair value in court proceedings.

(2) Subject to subsection three of this section, where in any proceeding before a justice, magistrate or court in respect of any matter under this Act, any question as to whether a person is a resident or non-resident or as to the time he became a resident or non-resident or as to the fair value of any property, debt, obligation, claim or services arises, if the said question has not previously been determined by the Board or on appeal from the Board as hereinafter provided, the justice, magistrate or court before whom or which the proceedings are taken may, in such proceedings, determine the said question.

(3) Where it is established in any proceedings mentioned in subsection two of this section that a person on or after the fifteenth day of September, one thousand nine hundred and thirty-nine, was ordinarily resident in Canada, he shall, except as otherwise provided by regulation, be presumed to be a resident unless it is established in such proceedings that it has been determined by the Board, or on appeal from the Board as hereinafter provided, that he has ceased to be a resident and has not subsequent to such determination become ordinarily resident in Canada.

APPEALS.

Appeal from authorized dealer to Board when application for permit, etc., refused.

37. (1) Where an authorized dealer or other agent of the Board refuses an application by any person for a permit or for any other purpose under this Act, either in whole or in part, the application may be submitted by the said person directly to the Board and the Board may deal with the application in such manner as it deems proper under this Act and the regulations.

Appeal from Board to Minister.

(2) Except as provided in sections thirty-eight, forty-nine and sixty-two, of this Act, where any person is dissatisfied with any determination, decision or ruling of the Board under this Act or under any regulation, he may appeal in writing to the Minister.

Decision by the Minister.

(3) The Minister may on any appeal under this section give such decision as to him appears proper under this Act and the regulations and may instruct the Board to grant,

refuse or vary a permit or otherwise as he deems fit and the decision of the Minister shall be final.

Appeal to the Exchequer Court from determination of fair value.

38. (1) If any person is dissatisfied with a determination of the Board under this Act as to the fair value of any property, debt, obligation, claim or services, he may, within ninety days after the said determination, serve notice of appeal on the Board and file a copy of the notice of appeal in the office of the Registrar of the Exchequer Court of Canada.

To be heard and determined in a summary manner.

(2) An appeal taken under this section shall be heard and determined in a summary manner by the Exchequer Court of Canada and the court shall have power to make all necessary rules for the conduct of appeals under this section.

If no appeal within 90 days determination to be final.

(3) If no appeal is taken under this section from a determination of the Board to which this section applies within ninety days of receiving notice of the said determination, the determination shall be final.

ANNUAL REPORT.

Report to the Minister.

39. (1) The Board shall, within six months after the thirty-first day of December in each year, submit to the Minister a report, in such detail as the Minister may from time to time direct, covering the operations of the Board for the twelve months ending on the said thirty-first day of December.

To be laid before Parliament.

(2) The Minister shall lay before Parliament any such report within thirty days after it is submitted to him or, if Parliament is not then sitting, within thirty days after the commencement of the next ensuing session thereof.

ENFORCEMENT.

Inspectors.

Board may appoint Inspectors.

40. (1) The Board may appoint Inspectors to assist in the enforcement of this Act and every inspector of Customs and Excise shall be an Inspector of the Board.

Inspectors may administer oaths.

(2) Every Inspector appointed pursuant to subsection one of this section may administer or receive any oath, affirmation or statutory declaration in respect of any matter arising in the administration of this Act.

Inquiries.

Board and Inspectors may conduct inquiries.

41. (1) The Board or any Inspector may conduct any inquiry or investigation into matters relating to this Act and may require any person to furnish such information as the Board or such Inspector may deem necessary and may summon and enforce the attendance of any person at any place and time and may examine him and require him to give evidence orally or in writing, on oath or, if he is entitled to affirm, on solemn affirmation, or by statutory declaration, on any matter pertinent to such inquiry or investigation.

May issue subpœna, etc.

(2) Any person authorized to conduct an inquiry or investigation may for the purpose thereof issue a subpoena or other request or summons requiring and commanding any person therein named to appear at the time and place mentioned therein and then and there to testify to all matters within his knowledge relative to the subject matter of the inquiry or investigation and to bring with him and produce any document, book, paper, record or thing which he has in his possession or under his control relative to any such matter as aforesaid; and any such person may be summoned from any part of Canada by virtue of such subpoena, request or summons.

Travelling expenses.

(3) Reasonable travelling expenses shall be paid to any person summoned under subsection two of this section at the time of service of the subpoena, request or summons.

Application of Canada Evidence Act, R.S., c. 59.

(4) The provisions of the *Canada Evidence Act*, except subsections three and four of section twenty-nine thereof, shall apply to any inquiry or investigation under this section.

Offences.

(5) Every person is guilty of an offence who, in connection with an inquiry or investigation under this section,

(a) being required to attend in the manner in this section provided, fails, without lawful excuse, to attend accordingly;

(b) being commanded to produce any document, book, paper, record or thing in his possession or under his control, fails to produce the same;

(c) refuses to be sworn or to affirm or to declare, as the case may be ; or

(d) refuses to answer any proper question put to him by the person authorized to conduct the inquiry or investigation on any matter pertinent to such inquiry or investigation.

Representation by counsel allowed.

(6) The Board or an Inspector may allow a person whose conduct is the subject of an inquiry or investigation under this section, and shall allow any person against whom any charge is made in the course of the inquiry or investigation, to be represented by counsel,

No disclosure without permission of Board.

(7) No disclosure of any exercise or proposed exercise of any power conferred by this section shall, without permission granted by or on behalf of the Board, be made by any authorized dealer or agent of the Board to any person.

Keeping of records and books of account.

42. (1) Every person carrying on business who engages in any transactions to which this Act applies shall keep records and books of account thereof at his place of business in Canada or at such other place as the Board may designate, showing clearly and fully the nature of such transactions.

Records, books and vouchers to be kept for six years.

(2) Every person required by subsection one of this section to keep records and books of account shall, until written permission for their disposal is obtained from the Board,

keep every such record or book of account and every account or voucher necessary to verify the information in any such record or book of account for a period of not less than six years.

To be available.

(3) Every person required by subsection one of this section to keep records and books of account shall at all reasonable times make the records and books of account, and every account and voucher necessary to verify the information therein, available to an Inspector, if required by him to do so, and shall give the Inspector every facility necessary to inspect the records, books, accounts and vouchers.

Records and books may be seized.

(4) Where, during the course of an inspection under this section, it appears to an Inspector that there has been a violation of this Act, the Inspector may seize and take away any record or book or any account or voucher relating to the information contained therein and may retain it until it is produced in any court proceedings but, if no court proceedings are commenced within ninety days after the seizure, the Inspector shall cause the record, book, account or voucher to be restored to the person who had possession thereof at the time of seizure.

Information obtained under I.T.A. may be communicated.

43. The Minister of National Revenue, or any officer of the Department of National Revenue duly authorized by the Minister of National Revenue in that behalf, may

(a) communicate to the Board any information obtained under the provisions of the *Income War Tax Act*, or allow any duly accredited representative of the Board to inspect any return or other written document furnished or obtained thereunder, for the purpose of enabling the Board to ascertain whether or not an offence under this Act has been committed; and

(b) in any legal proceedings under this Act, give evidence as to information obtained under the provisions of the *Income War Tax Act* or produce any return or other written document furnished or obtained thereunder.

Powers of Officers

Authorization to R.C.M.P. members to enter and search.

44. (1) An Inspector may, with the approval of a judge of the Exchequer Court of Canada or of a Superior or a County Court, which approval such judge is hereby empowered to give upon the application of the Inspector made *ex parte*, authorize in writing any member of the Royal Canadian Mounted Police together with any other person named in such writing, to enter and search, if necessary by force, any building, receptacle or place, for property which he has reasonable grounds to believe is liable to forfeiture under this Act and documents, books, records, papers or things which may afford evidence as to the commission of any offence against this Act, and to seize and secure any such

property, and to seize and carry any such documents, books, records, papers or things before the Inspector.

Documents, etc., may be detained.

(2) When any document, book, record, paper or thing is so seized and carried before the Inspector, he may detain it, taking reasonable care to preserve it till the conclusion of the investigation and, if a prosecution for an offence or proceedings for forfeiture under this Act are commenced, he may detain it further for the purpose of evidence on the trial or proceedings for forfeiture.

If no prosecution, documents, etc., to be restored.

(3) If no prosecution or proceedings for forfeiture under this Act is or are commenced within ninety days after seizure of any document, book, record or thing under this section the Inspector shall cause the document, book, record or thing to be restored to the person from whom it was taken, unless he is authorized or required by law to dispose of it otherwise.

When arrest may be made without warrant.

45. Any Officer may arrest without warrant anyone found committing or whom he, on reasonable grounds, suspects of having committed any offence under this Act which may be prosecuted upon indictment.

Duty of Customs Officers and Postmasters.

Permission to export or import by Customs Officer.

46. No Customs Officer shall permit the export or import of any property through any port or place over which he has authority unless he is satisfied that no permit is required for such export or import or that the requisite permit has been obtained.

Permission to export by post of letter, etc., by postmaster.

47. No postmaster shall permit the export by post of any letter, parcel, package or other article which contains or which he suspects contains any property for the export of which a permit is required under this Act unless he is satisfied that the requisite permit has been obtained.

Declaration by Travellers.

Persons about to leave Canada.

48. (1) Every person who is about to leave Canada shall, immediately before leaving Canada, present himself before a Customs Officer and shall truly answer all questions asked of him by the said Officer relating to property which he is taking or proposes to take with him out of Canada, and the said Officer may question him with reference thereto.

Officer may search person and examine property.

(2) If a Customs Officer has reasonable cause to believe that a person who is about to leave Canada has any property concealed about his person or in any other property which the said person is taking or proposes to take with him out of Canada, the Officer may search the said person and examine or search any such property and may seize and detain any property which the said person is taking or proposes to take out of Canada unless the export thereof is permitted by or under the authority of this Act or a regulation or permit.

Prohibition of Dealings.

Board may prohibit dealings.

49. (1) Where, in the opinion of the Board, it is necessary for ensuring the due observance of the provisions of this Act to exercise control over the property of any person, the Board may by order prohibit absolutely or conditionally any disposition of or dealing with the property of such person, including all property which, or any right, title or interest in or to which is owned by such person, or any specified part thereof.

Application to the Court to rescind or vary prohibition.

(2) Any person whose property is the subject of a prohibition may, at any time before such person is adjudged a bankrupt under section fifty-two of this Act, apply to the Court to rescind or vary the prohibition and the Court may, upon being satisfied that no reasonable grounds exist for the making of the prohibition, either in relation to the whole or any part of the property subject to it, vary or rescind the prohibition; costs shall be in the discretion of the Court.

Board may vary or rescind prohibition.

(3) Subject to any order of a Court made under subsection two of this section, the Board may at any time vary or rescind any prohibition.

Where notice has been published.

(4) Where notice of a prohibition has been published in the *Canada Gazette*, a person shall be presumed to have notice of the prohibition until the contrary is proved.

Person having notice prohibited from dealing.

50. (1) No person having notice of a prohibition shall, without the permission of the Board, make, permit, assist, or by any act or omission facilitate, any disposition of or dealing with any property subject thereto, including any removal of such property from the place in which it was situated at the time of such notice.

Dealings to be null and void.

(2) Every disposition of or dealing with any property subject to a prohibition, contrary to the provisions of the prohibition, shall be null and void, except with respect to any interest in such property acquired subsequent to the making of the prohibition by a *bona fide* transferee for value without notice of the prohibition.

Custody or control transferred to custodian.

51. (1) Every person having the custody or control of any property subject to a prohibition shall, if so required by the Board, transfer the said custody or control to any trust company named by the Board, in this Act called the "custodian", which custodian shall hold such property for the benefit of all persons interested therein and may, under the direction of the Board, do and execute all such acts and things as in the opinion of the Board may be necessary for the conservation and protection of the property and, for such purposes, may carry on the business of the person whose property is subject to the prohibition and any expenses

and remuneration of the custodian shall be a first charge on all the said property coming into the possession of the custodian.

Approval of receipts, disbursements and expenses of custodian.

(2) Upon application to the Court by a custodian appointed pursuant to subsection one of this section, the Court may approve the receipts, disbursements and remuneration of the custodian, including legal and accounting expenses, in such manner and for such amount as would be applicable in the case of a trustee appointed under the provisions of the *Bankruptcy Act* or for such additional amount as the Court may deem reasonable having regard to the services actually performed, and the Court may by its order release and discharge the custodian from any liability for any act done or default made in the exercise of its powers and duties as custodian.

Bankruptcy petition may be presented in certain cases.

52. Any individual whose property is the subject of a prohibition and who, with intent to avoid prosecution for an offence against this Act or to avoid testifying in any inquiry or investigation held pursuant to section forty-one of this Act, departs out of Canada or, being out of Canada, remains out of Canada, and any corporation, the property of which is the subject of a prohibition, which makes an assignment of its property to a trustee for the benefit of its creditors generally, commits an act of bankruptcy and, notwithstanding any provision of the *Bankruptcy Act*, the Board or the custodian may present to the Court a bankruptcy petition and the Court may adjudge such individual or corporation a bankrupt under the *Bankruptcy Act* and the provisions of the *Bankruptcy Act* shall apply *mutatis mutandis* in respect of such individual or corporation, but an individual or corporation so adjudged a bankrupt shall not be discharged nor entitled to receive payment of any surplus remaining after payment in full of the creditors so long as the prohibition remains in force

"Court."

53. In sections forty-nine to fifty-two inclusive of this Act "Court" means a court having jurisdiction in bankruptcy under the *Bankruptcy Act*.

Protection of Officers and Others.

No action until one month after notice.

54. (1) No action, suit or proceeding shall be commenced against, nor any process served upon, any member of the Board, Inspector, employee or representative of the Board, Officer, authorized dealer or agent of the Board for anything done or omitted or alleged to have been done or omitted in the exercise of his office or performance of his duties as such member, Inspector, employee, representative, Officer, dealer or agent until one month after notice in

writing has been served upon him stating the alleged cause of action, the name and place of abode of the person who intends to bring the said action and the name and address of his attorney, solicitor or agent, if any.

Nominal damages only, in case of good faith.

(2) If in any action, suit or proceeding to which this section applies the court or judge before whom the trial takes place certifies that the defendant acted upon probable cause or, if the defendant was proceeding under written or verbal instructions of the Board or an Inspector, that the defendant acted in good faith in carrying out such instructions, the plaintiff shall not be entitled to more than nominal damages, nor to any costs of suit, nor, in case of a seizure, shall the person who made the seizure be liable to any civil or criminal proceedings on account thereof.

If no property liable to seizure is found.

55. Where upon search under the authority of this Act by any Officer, Inspector or person in the discharge of the duty of seizing property liable to seizure, detention or forfeiture under this Act, no property liable to seizure, detention or forfeiture is found, if such Officer, Inspector or person had reason to suspect that property liable to seizure, detention or forfeiture would be found, he shall not be liable to any prosecution, action or other legal proceeding on account of any such search or the detention or stoppage of any property detained or stopped in connection therewith.

Offences, Prosecutions and Penalties.

Offences.

56. (1) Every person is guilty of an offence who

(a) in any application or declaration under this Act makes any statement which to his knowledge is false or misleading or which he has not reasonable grounds for believing to be true;

(b) wilfully deceives or misleads the Board or an authorized dealer or any Officer, postmaster or Inspector or any employee or agent of the Board or any other person concerned in the administration of this Act, with reference to any matter affected by this Act;

(c) wilfully obstructs, or refuses or fails without lawful excuse to comply with any lawful requirement of, any person in the exercise of any powers conferred on him by or under this Act;

(d) being the holder of a permit, commits a breach of any of the general or special conditions thereof or fails to comply with any of such conditions or fails to do any act or thing required to be done by him either before or after the granting of the permit as a condition to the permission granted in the permit;

(e) knowingly transports or assists in transporting from Canada any property unless no permit is required for the export of the property or the requisite permit therefor has been obtained;

(f) knowingly removes any imported property from any customs port for delivery in Canada unless no permit is required for the import of the property or the requisite permit therefor has been obtained;

(g) without lawful excuse receives, possesses or in any way deals with any property which has been unlawfully imported into Canada or otherwise unlawfully dealt with contrary to this Act, knowing such property to have been so unlawfully imported or otherwise unlawfully dealt with;

(h) with intent to evade the provisions of this Act, destroys, alters, mutilates, conceals or otherwise disposes of any records or books of account required to be kept by this Act;

(i) violates or fails to comply with any provisions of this Act or any regulation; or

(j) attempts to commit an offence under this Act.

Responsibility of partners, etc.

(2) Every partner, director, officer or employee of any firm, society, syndicate, company or corporation, who assents to or acquiesces in any offence by such firm, society, syndicate or corporation against any provision of this Act, is guilty of such offence personally and cumulatively with the said firm, society, syndicate, company or corporation.

Consent of Attorney General required for prosecution.

57. No prosecution for an offence under this Act shall be commenced without the consent of the Attorney General of Canada or of counsel representing the Attorney General of Canada; provided however, that a person may be arrested for an offence under this Act, that a warrant for any person's arrest for an offence under this Act may be issued and executed, that an information may be laid charging any person with an offence under this Act, and that any person charged with an offence under this Act may be remanded in custody or on bail, notwithstanding that the consent of the Attorney General of Canada or of counsel representing the Attorney General of Canada to the institution of a prosecution for the offence has not been obtained, but no further or other proceedings shall be taken until such consent has been obtained.

Burden of proof on the person that he possessed necessary permit.

58. (1) Where any person is charged with an offence under this Act, if it is established in proof of the offence that the said person did any act or omission for which a permit is required under this Act, it shall not be necessary

to establish in proof of the offence that the person charged did not possess a permit or had not been exempted from the applicable provisions of this Act, and the burden of proof that he possessed the necessary permit or had been exempted from the applicable provisions of the Act shall be upon the person charged.

Burden of proof on person that he declared foreign currency.

(2) Where any person is charged under this Act with failing to declare that he has acquired the ownership or possession of foreign currency, or became entitled to a right to payment of foreign currency, or with failing to sell foreign currency, or to assign or transfer a right to payment of foreign currency, or to direct that payment thereunder be made, to an authorized dealer, if it is established in proof of the offence that foreign currency was or came into the ownership or possession of the person so charged or that he became entitled to the said right, the burden of proof that he so declared, sold, assigned, transferred or directed as aforesaid, as required by this Act, shall be upon the person charged.

Where offence deemed to have been committed.

59. (1) For the purpose of the prosecution of a person for an offence under this Act, the offence shall be deemed to have been committed either at the place where it was actually committed or at any place in Canada in which the offender resides, or is found, or is apprehended, or is in custody.

Complaint under summary conviction procedure may be made within three years.

(2) Any information or complaint with respect to any offence against the provisions of this Act may, where the prosecution, suit or proceeding is instituted under the provisions of the *Criminal Code* relating to summary convictions, be laid or made within three years from the time when the matter of the information or complaint arose.

Penalty—offences relating to property.

60. (1) Every person guilty of any offence under this Act in relation to any property shall be liable, on summary conviction under Part XV of the *Criminal Code*, to a fine not exceeding double the value of the said property or to imprisonment not exceeding twelve months, or to both such fine and imprisonment; but if the value of the said property exceeds one thousand dollars such person may, at the election of the Attorney General of Canada, be prosecuted upon indictment and, if convicted, shall be liable to a fine not exceeding double the value of the said property or to imprisonment not exceeding five years or to both such fine and such imprisonment.

Other offences.

(2) Every person guilty of an offence under this Act for which no penalty is provided under subsection one of this section shall be liable, on summary conviction under Part XV of the *Criminal Code*, to a fine not exceeding two thousand dollars or to imprisonment for a term not exceeding twelve months or to both such fine and such imprisonment.

Seizures and Forfeitures.

Property liable to forfeiture.

61. (1) Any property of any kind which any person exports or attempts to export from Canada or imports or attempts to import into Canada contrary to this Act or the regulations, or which any person buys or sells or in any way deals with or attempts to buy or sell or in any way deal with contrary to this Act or the regulations, or the possession, ownership or control of which any person fails to declare as required by this Act, may, in addition to any other penalty which may have been imposed on any such person, or to which any person may be subject with relation to such unlawful act or omission, and whether any prosecution in relation thereto has been commenced or not, be seized and detained and shall be liable to forfeiture at the instance of the Attorney General of Canada upon proceedings in the Exchequer Court of Canada or in any Superior Court, subject, however, to a right of compensation on the part of any innocent person interested in such property at the time it became liable to forfeiture or who acquired an interest therein subsequent to such time as *bona fide* transferee thereof for value without notice, which right may be enforced in the same manner as any other right against His Majesty.

Burden of proof.

(2) In any proceedings for forfeiture instituted under subsection one of this section the burdens of proof, which under section fifty-eight of this Act rest upon the person charged, shall rest upon the defendant.

Forfeiture of currency, etc.

62. (1) Any currency or negotiable instrument which any person exports or attempts to export from Canada or imports or attempts to import into Canada contrary to this Act or the regulations, or which any person buys or sells or in any way deals with or attempts to buy or sell or in any way deal with contrary to this Act or the regulations, or the ownership or possession of which any person fails to declare as required by this Act, shall, if the value thereof does not exceed one hundred dollars, be forfeited to His Majesty forthwith without any further act or any proceedings and may be seized by any Inspector or Officer.

(2) Where any currency or negotiable instrument has been seized as forfeited under this section, the person seizing the same shall forthwith report the circumstances of the case to the Board.

Notice of the reasons for seizure, etc.

(3) Upon receiving a report under subsection two of this section the Board shall thereupon serve upon the owner or claimant of the currency or negotiable instrument seized, or his agent, notice of the reasons for the seizure and forfeiture and shall call upon him to furnish, within thirty

days from the date of the notice, such evidence in the matter as he desires to furnish, and such evidence may be by affidavit or affirmation made before any Inspector, justice of the peace, Collector of Customs, commissioner of oaths or notary public.

Decision of the Board.

(4) Upon the expiration of thirty days after the service of notice under subsection three of this section, or sooner if any person thereby called upon to furnish evidence so desires, the Board may consider and weigh the circumstances of the case and may thereupon give its decision whether the currency or negotiable instrument seized under this section is forfeited and the Board may authorize the chairman or secretary of the Board to exercise the powers conferred on it by this subsection.

When decision to be final.

(5) If the owner or claimant does not, within thirty days after service of notice of a decision of the Board that any currency or negotiable instrument seized under this section is forfeited, give notice in writing to the Board that he will not accept the decision, the decision shall be final.

If decision not accepted Board to refer matter to a court.

(6) If the owner or claimant, within thirty days after service of notice of a decision of the Board that any currency or negotiable instrument is forfeited, gives notice in writing to the Board that he will not accept the decision, the Board shall, if the owner or claimant so requests, cause the matter to be referred to a court as provided in section sixty-three of this Act.

Service of notice to produce evidence.

(7) Service of notice to produce evidence or of any decision of the Board under this section may be made by sending such notice by mail in a prepaid registered letter addressed to the owner or claimant of the currency or negotiable instrument alleged to be forfeited, or his agent, at his address as stated in the report of the seizure under this section and, in the case of service of notice by mail, notice shall be deemed to have been served on the date of the mailing of such notice in the manner aforesaid.

"Owner."

(8) In this section "owner" includes a person who, but for a forfeiture under this section, would be the owner of any currency or negotiable instrument.

Reference charging currency, etc., as forfeited and praying condemnation thereof.

63. (1) A reference under subsection six of section sixty-two of this Act may be made at the request of the Board by an information in writing in the name of the person making the seizure, or in the name of any other person authorized thereto by the Board, made before the court, charging the currency or negotiable instrument seized as forfeited under section sixty-two of this Act and praying condemnation thereof.

Court to issue general notice.

(2) The court before which an information is made under subsection one of this section shall thereupon issue a general notice to all persons claiming an interest in the currency or negotiable instrument seized under section sixty-two of this Act, to appear at a certain time and place to claim it and answer the information and stating that otherwise it will be condemned.

Service of notice.

(3) A copy of notice given under subsection two of this section shall, at least eight days before the time of appearance, be served upon the person, who but for the forfeiture would be the owner of or the claimant of the currency or negotiable instrument, either personally or by sending such notice by mail in a prepaid registered letter to him at his address as stated in the report of the seizure.

Court to determine matter in summary manner.

(4) If any person appears to answer an information under this section the court shall hear and determine the matter in a summary manner and acquit or condemn the currency or negotiable instrument but, if no person appears, judgment of condemnation shall be given.

Burden of proof.

(5) In any proceedings before the court the burdens of proof which under section fifty-eight of this Act rest upon the person charged, rest upon any person claiming an interest in the currency or negotiable instrument.

"court."

(6) In this section "court" means any two justices of the peace, a police magistrate, stipendiary magistrate or any person having the power or authority of two or more justices of the peace.

Actions to be commenced within three years.

64. (1) All actions, suits or proceedings for any forfeiture under this Act may be commenced at any time within three years after the cause of action arose but not thereafter.

Property to be placed in custody.

(2) Any property seized under the provisions of this Act as liable to forfeiture shall be placed in the custody of the nearest Collector of Customs, member of the Royal Canadian Mounted Police or Inspector, who shall secure such property until the release thereof is directed by the Board or until the determination of any proceedings commenced in accordance with section sixty-one or sixty-two of this Act, but no such property may be detained for a period longer than six months, or, if a prosecution for an offence relating to the said property is commenced within the said period, for a period longer than six months following the completion of the prosecution, unless proceedings for forfeiture of the said property have been commenced.

Delivery of property on deposit of money equal to value.

(3) Any Inspector or any Officer who has custody of any property seized as liable to forfeiture under this Act may deliver the property to the owner or any claimant thereto on the deposit with the Inspector or Officer in money of a sum equal to the full value, as determined by the Board,

of the property seized and the estimated costs of proceedings for forfeiture of the property.

Money to be deposited in bank.

(4) Any sum of money deposited under this section shall be immediately deposited in a chartered bank to the credit of the Receiver General of Canada, there to remain until forfeited in due course of law or released in accordance with subsection two of this section.

Forfeiture.

(5) If any property in respect of which a deposit has been made under this section is condemned as forfeited under this Act, the money so deposited shall be forfeited.

GENERAL.

Disposal of fines, etc.

65. All fines, penalties and forfeitures recovered under this Act shall belong to His Majesty for the public uses of Canada and all property so forfeited shall be disposed of in such manner as the Governor in Council may prescribe.

Bond or other security.

66. (1) The Board may require any applicant or other person to furnish such bond or other security as the Board may deem desirable for the performance of any condition on which any permit is granted to such person or for the performance of any undertaking given by such person in any matter relating to the Board's operations or to the enforcement of this Act.

Recovery.

(2) Any bond or other security furnished under this section shall be valid in law and upon breach of any of the conditions thereof may be sued upon and the amount thereof or secured thereby recovered with costs by the Attorney General of Canada in the Exchequer Court of Canada or in any Superior Court of any province in which the cause of action arose.

Evidence before the court.

67. In any proceedings in any court

(a) any document certified by the chairman or secretary of the Board to be a true copy of the minutes of any meeting of the Board or of any extract therefrom shall be received as conclusive evidence that any transaction, determination or decision therein recorded was made or taken;

(b) any document certified by the chairman or secretary of the Board to be a true copy of any permit or instruction made or issued by or on behalf of or under the authority of the Board shall be received as conclusive evidence that such permit or instruction or other document was so made or issued; and

(c) any document purporting to be signed by the chairman or secretary of the Board shall be received in evidence without proof of the signature or official character of the said chairman or secretary, as the case may be.

Information not to be communicated.

68. No person employed in the service of His Majesty or the Bank of Canada shall communicate to any person not legally entitled thereto under this Act or by direction of the Minister, or allow any such person to have access to,

(a) any information or written statement with respect to the Exchange Fund Account or the operations thereof; or

(b) any information with respect to the business or transactions of any person or any declaration, application or permit obtained, made or granted under the provisions of this Act, except to a department of the Government of Canada requiring the information for the purpose of discharging the duties of that department or in any legal proceedings instituted by or on behalf of His Majesty in right of Canada or of any province or the Attorney General of Canada or of any province.

Permit not deemed a statement as to the value of property.

69. A permit granted by or on behalf of the Board with respect to any property, whether or not the value or purported value of the property is stated therein, shall not be deemed to be a statement by or on behalf of the Board as to the value or fair value of the property.

Bills of exchange.

70. Notwithstanding anything contained in the *Bills of Exchange Act*, no instrument which would otherwise be a bill of exchange or promissory note within the meaning of the said Act shall be prevented from being or cease to be such by reason of any condition or restriction imposed by or pursuant to this Act on the negotiation or payment of such instrument, or by reason of any words or markings thereon indicating or purporting to indicate that any such condition or restriction has been or may be imposed.

Powers of Bank of Canada include powers under this Act.

71. (1) The powers of the Bank of Canada shall be deemed to include the power to do all of the things required to be done by it under the provisions of this Act.

Minimum ratio of gold not required.

(2) Notwithstanding anything contained in section twenty-six of the *Bank of Canada Act*, the Bank of Canada shall not, unless the Governor in Council otherwise provides, be required to maintain a minimum or fixed reserve ratio of gold or foreign exchange to its liabilities.

Form amended.

(3) The form of Schedule C to the *Bank of Canada Act* is, until such time as the Governor in Council otherwise provides, amended by deleting the statement of the ratio of the net reserve to notes and deposit liabilities.

CONTINUATION.

Foreign Exchange Control Board continued.

72. (1) The Foreign Exchange Control Board established by this Act shall be the successor to the Foreign Exchange Control Board established by Order of His Excellency the Governor General in Council of the fifteenth day of September, one thousand nine hundred and thirty-nine, as amended, and continued by Order of His Excellency the Governor General in Council of the thirteenth day of December, one thousand nine hundred and forty, as amended, and the said Orders shall be deemed to have been revoked on the coming into force of this Act, and all acts and things done and matters and proceedings commenced by the last mentioned Foreign Exchange Control Board under the said Orders shall be continued by the Board under this Act.

Regulations, etc., deemed under this Act.

(2) Every regulation, instruction, licence, permit and other act or thing which has been enacted, made, given or done by or on behalf of the Foreign Exchange Control Board under the provisions of the Orders of His Excellency the Governor General in Council referred to in subsection one of this section, shall be deemed to have been enacted, made, given or done by the Board under this Act except to the extent, if any, to which any such regulation, instruction, licence, permit or other act or thing is inconsistent with this Act and until varied or revoked under this Act.

Licences deemed permits under this Act.

(3) Any licence granted under the Orders of His Excellency the Governor General in Council mentioned in subsection one of this section before the commencement of this Act shall be deemed to be a permit for the purpose of this Act.

REPEALS AND COMMENCEMENT.

Repeal. 1935, c. 60.

73. *The Exchange Fund Act* is repealed.

Coming into force.

74. This Act shall come into force on a date to be fixed by proclamation.

198.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 198.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

AS PASSED BY THE HOUSE OF COMMONS, 25th JUNE, 1946.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

67002

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 198.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by message from His Excellency the Honourable Thibaudeau Rinfret, Chief Justice of Canada, Administrator of the Government of Canada, and the Estimates accompanying the said message that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-seven, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

1. This Act may be cited as *The Appropriation Act, No. 4, 1946.*

$136,598,972.86 granted for 1946-47.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole one hundred and thirty-six million, five hundred and ninety-eight thousand, nine hundred and seventy-two dollars and eighty-six cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-twelfth of the amount of each of the several items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-seven, as laid before the House of Commons at the present session of Parliament.

Account to be rendered in detail.

3. A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 199.

An Act to amend the Soldier Settlement Act.

First reading, June 26, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

60530

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 199.

R.S., c. 188; 1928, c. 48; 1930, c. 42; 1931, c. 53; 1932, c. 53; 1932-33, c. 49; 1934, c. 41; 1935, c. 66; 1936, c. 10; 1938, c. 14.

An Act to amend the Soldier Settlement Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. The *Soldier Settlement Act*, chapter one hundred and eighty-eight of the Revised Statutes of Canada, 1927, is amended by adding thereto the following sections:

Reduction of interest rate in case of a settler, veteran of two wars.

"**76.** In any case where

(a) a person is indebted in respect of any agreement made under this Act;

(b) a person has not abandoned his land;

(c) the agreement has not been terminated, rescinded or assigned;

(d) a person at any time during the war that commenced in September, one thousand nine hundred and thirty-nine

(i) was engaged on active service in a naval, military or air force of Canada; or

(ii) was engaged on active service in any of His Majesty's forces and at the time of his enlistment therein was ordinarily domiciled or resident in Canada;

(e) a person either

(i) served in a theatre of actual war as designated by the Governor in Council under the authority of the *Pension Act;* or

RS., c. 157.

(ii) served only in those parts of Canada that are not so designated by the Governor in Council as a theatre of actual war, for a period of not less than twelve months; or

(iii) is by reason of disability incurred as a result of such service in receipt of a pension; and

Explanatory Notes.

Section **76.** This section reduces the interest rate for certain soldier settlers who served in World War II from 5% to 3½% from and after the standard date in 1942 or the date of enlistment, whichever is the earlier. Standard date according to the Act is the first of October in Manitoba and provinces west thereof and the first day of November in the provinces east of Manitoba.

(f) a person has been honourably discharged from the force in which he was so engaged or has been permitted honourably to resign or retire therefrom;

the rate of interest that may be charged in respect of any such agreement after the standard date in the year one thousand nine hundred and forty-two or the date of his enlistment in such force, whichever is the earlier, shall be three and one-half per centum per annum.

Reduction of interest rate in case of other settlers.

"**77.** In any case where a settler has not abandoned his land and his agreement made under this Act has not been terminated, rescinded or assigned, the rate of interest that may be charged in respect of any such agreement after the standard date in the year one thousand nine hundred and forty-four shall be three and one-half per centum per annum."

Section **77.** Interest rate reduced from 5% to 3½% for soldier settlers even though they did not serve in the forces in World War II, but the reduction takes effect from and after the standard date in 1944. See Order in Council P.C. 8346 of March 28th, 1945.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 200.

An Act respecting benefits for persons who served in the Women's Royal Naval Services and the South African Military Nursing Service.

First reading, June 26, 1946

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

60612

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 200.

An Act respecting benefits for persons who served in the Women's Royal Naval Services and the South African Military Nursing Service.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Women's Royal Naval Services and the South African Military Nursing Service (Benefits) Act.*

Definition. "member" W.R.N.S.

2. In this Act, unless the context otherwise requires, "member" in relation to the Women's Royal Naval Services means a person who

(i) enrolled in the Women's Royal Naval Service;

(ii) enrolled in Queen Alexandra's Royal Naval Nursing Service or the reserve therefor;

(iii) enrolled as a medical or dental practitioner employed with the Medical Branch or Dental Branch of The Royal Navy with naval status for general service.

Persons of Canadian domicile who were members of W.R.N.S. and S.A.M.N.S.

3. Every person domiciled and resident in Canada who since the tenth day of September, one thousand nine hundred and thirty-nine, served as a member of the Women's Royal Naval Services or as a member of the South African Military Nursing Service outside Canada and who, at the time that such person became a member of either of such services was domiciled in Canada, shall on termination of such service be deemed to be

As "veterans" entitled under certain Acts. 1942, c. 33. 1944, c. 49.

(a) a "veteran" as defined in

(i) paragraph *(d)* of section two of *The Veterans' Land Act, 1942;*

(ii) paragraph *(k)* of section two of *The Veterans Insurance Act;*

Explanatory Notes.

The purpose of this Bill is to embody in statutory form the provisions of Order in Council P.C. 6938 of the 15th of November, 1945, cited as The South African Nursing Services (Benefits) Order and at the same time provide similar rights to certain Canadian women who became members of the Women's Royal Naval Services. As the women who served in the Women's Royal Naval Services were not members of the armed forces of the Crown, it is necessary to include them in a Bill in order that they may secure the same benefits as other Canadians serving in His Majesty's forces other than the Canadian forces.

3. All provisions respecting the members of the Women's Royal Naval Service are new. This proposed Bill extends the field of entitlement of benefits beyond that granted in the said Order in Council respecting South African Military Nursing Services. In the Order in Council residence and domicile in Canada at time of becoming a member was necessary for entitlement. This Bill only requires Canadian domicile at time of joining the said Service. This is consistent with requirements for entitlement in other Acts affecting Canadians who served in the forces of His Majesty other than Canadian forces.

(iii) subparagraph (ii) of paragraph *(m)* of section two of *The Veterans Rehabilitation Act;* and

1935, c. 35.

(iv) paragraph *(d)* of section four of *The War Veterans' Allowance Act, 1946;*

and as such entitled to all rights, privileges and benefits under those Acts respectively, subject to all conditions as are in such Acts respectively contained;

(b) a person who

(i) "served in the naval, military or air forces of His Majesty" as that expression is used in section five of *The Department of Veterans Affairs Act;*

1944, c. 19.

(ii) served "on active service in any of the naval, military or air forces of His Majesty other than those raised in Canada" as that expression is used in section seventeen of *The War Service Grants Act, 1944;*

1944-45 c. 51.

(iii) has "served in the naval, military or air forces of the United Kingdom" as that expression is used in section forty-six A of the *Pension Act* or has "served in the naval, military or air forces of any of the said members of the British Commonwealth of Nations" as that expression is used in section forty-six B of the *Pension Act;*

R.S., c. 157.

R.S., c. 157.

(iv) "has been on active service overseas in the military forces or has served on the high seas on a sea-going ship of war in the naval forces of His Majesty" as that expression is used in section twenty-nine of the *Civil Service Act;*

R.S., c. 22.

(v) had "service on active service in the present war in the naval, military or air force of His Majesty" as that expression is used in subparagraph (i) of paragraph *(a)* of section two of *The Reinstatement in Civil Employment Act, 1942;*

1942-43, c. 31.

(vi) falls within the class described as "members of the Canadian naval, military and air forces while in the Canadian Active Service Forces" as that expression is used in paragraph *(t)* of section four of the *Income War Tax Act;*

R.S., c. 97.

and as such entitled to all rights, privileges and benefits under those Acts respectively, subject to all conditions as are in such Acts respectively contained.

Rules and regulations.

4. The Governor in Council may make such rules and regulations as may be necessary or advisable to give effect to the provisions of this Act.

P.C. 6938 revoked.

5. Order in Council P.C. 6938 dated the fifteenth day of November, 1945, is revoked.

5. Order in Council P.C. 6938 made provisions for benefits to women who at the time of becoming members of the South African Military Nursing Service were domiciled and resident in Canada and who are now domiciled and resident in Canada.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 243.

An Act to amend The Unemployment Insurance Act, 1940.

First reading, July 3, 1946.

THE MINISTER OF LABOUR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
67004 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 243.

An Act to amend The Unemployment Insurance Act, 1940.

1940, c. 44; 1943-44, c. 31.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. (1) Paragraph *(h)* of subsection one of section two of *The Unemployment Insurance Act, 1940*, chapter forty-four of the statutes of 1940, is repealed and the following substituted therefor:

"working week."

"*(h)* 'working week', means the number of hours, the number of days or the number of shifts which constitute the full week's work for any grade or class or shift in an occupation or at a factory, workshop or other premises of an employer."

(2) Paragraph *(a)* of subsection two of section two of the said Act is repealed and the following substituted therefor:

"*(a)* 'benefit year', section thirty-six;"

Division into parts.

2. Section three of the said Act is repealed and the following substituted therefor:—

"**3.** The remainder of this Act may be referred to as follows:—

Part I, sections four to twelve, inclusive, relating to The Unemployment Insurance Commission;

Part II, sections thirteen to eighty-seven, inclusive, relating to Unemployment Insurance;

Part III, sections eighty-eight to ninety-one, inclusive, relating to Employment Service;

Part IV, sections ninety-two to ninety-six, inclusive, relating to Veterans;

Part V, sections ninety-seven to one hundred and nine, inclusive, Regulations and General.

Explanatory Notes.

Many of the clauses in this amending Bill are matters of clarification, re-arrangement, and changes in sections dealing with legal proceedings and coverage, which administrative experience has shown to be desirable.

The more substantive clauses include a widening of the interpretation of dependent; an increase of subsidiary earnings permitted from $1.00 to $1.50 per day; the calculation of the daily rate of benefit to the nearest five cents; requiring the Advisory Committee to report in respect of the same period as the Commission; making the Employment Service more directly responsible to the Minister; requiring employers to notify the engaging of employees and persons seeking employment to notify the Employment Service; and the transfer of sections of the Veterans Rehabilitation Act dealing with unemployment insurance to this Act.

1. The present paragraph *(h)* of subsection one of section two reads as follows:

> "*(h)* 'working week', means the number of days or the number of shifts which constitute the full week's work for any grade or class or shift in an occupation or at a factory, workshop or other premises of an employer."

The change is necessary because the working week is sometimes expressed as a number of hours, rather than a number of days or shifts.

The present paragraph *(a)* of subsection two of section two reads as follows:

> "*(a)* 'benefit year', section forty;"

Change in reference only.

3. The said Act is further amended by inserting the following section immediately after section fourteen thereof:—

Persons not employed under a contract of service.

"**14A.** The Commission may, by special order, declare that the terms and conditions of service of, and the nature of the work performed by a person or group or class of persons who are not employed under a contract of service are so similar to the terms and conditions of service of, and the nature of the work performed by, a person or group or class of persons who are employed under a contract of service as to result in anomalies or injustices in the operation of the Act, and thereupon the person or group or class of persons in respect of whom the declaration is made shall be deemed to be employed under a contract of service for the purposes of this Act."

4. Subsection one of section sixteen of the said Act is repealed and the following substituted therefor:

Exempted persons.

"**16.** (1) Where an employed person establishes to the satisfaction of the Commission that he is either

(a) a person who is employed in an industry that is seasonal and that does not ordinarily extend over more than twenty weeks in any year and who is not ordinarily employed in any other insurable employment; or

(b) a person who habitually works for less than the ordinary working day;

(c) a person employed on a ship or vessel under circumstances prescribed in paragraph *(c)* of Part I of the First Schedule entitling him to exemption;

Certificate of exemption.

the Commission shall grant him a certificate exempting him from liability to contribute under this Act and the holder of such a certificate shall not be insured under this Act."

Recovery of contributions made on behalf of employee.

5. Subsection one of section nineteen of the said Act is repealed and the following substituted therefor:

"**19.** (1) Except in cases to which subsection three or four of this section applies, where an employed person receives wages or other pecuniary remuneration in respect of his employment, an amount equal to any contribution paid or payable on behalf of the employed person by the employer or by any other person may, notwithstanding any Act or contract to the contrary, be recovered by deduction from the wages or other pecuniary remuneration and not otherwise; but no deduction may be made under this subsection

Proviso.

(a) from any wages or pecuniary remuneration other than such as are paid in respect of the period or part of the period for which the contribution is payable; or

(b) in excess of the contribution paid or payable on behalf of the employed person for the period in respect of which the wages or pecuniary remuneration is paid."

3. It is becoming an increasingly common practice for persons who are normally employees to enter into a contract with a person who would normally be an employer, the contract being in such form as to purport not to establish the relationship of employer and employee but rather to make the workman an independent contractor. This practice is followed not only for the purpose of avoiding contributions under the Unemployment Insurance Act but also to avoid minimum wage and workmen's compensation legislation.

It is considered that these men who are actually in just the same position in practically every respect as employees, should be protected under the Act against unemployment. The amendment would give the Commission the power to declare any such contracts to be contracts of service for the purposes of the Unemployment Insurance Act.

4. The present subsection one of section sixteen reads as follows:

"(1) Where any employed person proves to the satisfaction of the Commission that he is either:

(a) a person who is employed in an occupation which is seasonal and which does not ordinarily extend over more than twenty weeks in any year and who is not ordinarily employed in any other occupation which is insurable employment; or

(b) a person who habitually works for less than the ordinary working day;

the Commission shall grant him a certificate exempting him from liability to contribute under this Act and the holder of such certificate shall not be insured under this Act."

It has been found that exemption is sought by persons who, although engaged in occupations which are not seasonal, are nevertheless employed in industries which are seasonal.

Paragraph *(c)* is new and is necessary because of the proposed action to insure seamen. (See clauses 29 and 30). There may be some classes of seamen whom it is not desired to insure, for example those who are neither domiciled nor resident in Canada. Power to except such classes is already contained in Section 14, and power of exemption is sought in this section.

5. Subsections one and two of section nineteen read as follows:

"(1) Where the employed person receives any wages or other pecuniary remuneration from the employer, the amount of any contribution paid by the employer on behalf of the employed person shall, notwithstanding the provisions of any Act or any contract to the contrary, be recoverable by means of deductions from the wages of that person or from any other pecuniary remuneration due from or payable by the employer to that person and not otherwise:

Provided that no such deduction may be made

(a) from any wages or pecuniary remuneration other than such as are paid in respect of the period or part of the period for which the contribution is payable; or

(b) in excess of the sum which represents the amount of the contributions for the period in respect of which the wages or other remuneration is paid.

(2) Where the employed person does not receive any wages or other pecuniary remuneration from the employer but receives such remuneration from some other person, the amount of any contribution paid by the employer on behalf of the employed person shall (without prejudice to any other means of recovery) be recoverable as a civil debt from such other person, if proceedings for recovery are instituted within three months from the date on which the contribution was payable."

It will be noted that subsection two provides a means whereby the real employer may recover from the person who is actually paying the remuneration to the employee the amount of contribution paid by the employer on behalf of the employed person, but, the present subsection one does not provide to the person actually paying the wages a right of recovery of the employee's share from the employee. As amended, the section gives to the person actually paying the wages the right to deduct from the wages the amount of the employee's share of contributions. For example: the manager of a chain store is operating under an arrangement whereby he pays the wages of his staff. He must also make the contributions required under this Act. He can recover from his principal the employer's share of contribution but as the section presently stands does not have the legal right to deduct the employee' share of contribution from the employee's wages.

6. Subsection two of section twenty-three of the said Act is repealed.

7. Sections twenty-seven to forty-nine, inclusive, and the heading thereto, of the said Act and sections six to nine inclusive of chapter thirty-one of the statutes of 1943-44 are repealed, and the following substituted therefor:

"Insurance Benefit.

Right of insured person to insurance benefit.

"**27.** (1) Every person who, being insured under this Act, proves that he is

(a) unemployed,

(b) capable of and available for work; and

(c) unable to obtain suitable employment,

and in whose case the conditions laid down by this Act are fulfilled, shall, subject to the provisions of this Act, be entitled to receive payments (in this Act referred to as 'insurance benefit' or 'benefit') at weekly or other prescribed intervals at such rates as are authorized by section thirty-one of this Act, so long as those conditions continue to be fulfilled and so long as he is not disqualified under this Act from the receipt of benefit.

Payment of benefit where applicant a juvenile, a person of unsound mind, or deceased.

(2) Notwithstanding subsection one of this section or any other law, the Commission may make regulations providing that, in the case of a deceased person or a person of unsound mind, benefit may be paid to any person who, in the opinion of the Commission, is equitably entitled thereto or that, in the case of a juvenile under eighteen years of age, benefit may be paid to a person by whom such juvenile is mainly or wholly maintained.

Statutory conditions.

"**28.** (1) The right of an insured person to receive insurance benefit shall be subject to the following conditions (in this Act referred to as 'statutory conditions'), namely:

(a) that contributions have been paid in respect of him while employed in insurable employment

(i) in the case of each benefit year for not less than one hundred and eighty days during the two years immediately preceding the day on which the benefit year commences; and

(ii) in the case of each benefit year except his first, for not less than sixty days since the commencement of his immediately preceding benefit year;

(b) that, of the contributions made in respect of him while employed in insurable employment during the year immediately preceding the day on which the benefit year commences not more than half were made at the lowest rate of contribution specified in the Second Schedule;

6. The present subsection 2 of section twenty-three reads as follows:

(2) In the event of the bankruptcy of the employer the Commission shall in respect of any unpaid contributions be entitled to the same priority as is accorded wage-earners with respect to wages under the *Bankruptcy Act*.

A Bill to amend the Bankruptcy Act is now before Parliament. Section 126 (1) *(h)* of that Bill provides for preference for indebtedness under the *Unemployment Insurance Act*. It is proposed that this Clause should be effective at such time as the Bill to amend the *Bankruptcy Act* becomes law.

7. An examination of the provisions of the Act dealing with benefit-entitlement, disqualifications, rate and duration, claim procedure, etc.—reveals the complexity of the task of handling claims for benefit. The extent of our country, the sparseness of the population in many areas and the consequent distance between Local Offices make the training of staff, and more particularly, personal consultation between Local Office staff and insurance office staff, somewhat difficult. It is essential, therefore, that the arrangements of the sections of the Act be such as to assist the staff in appreciating how one provision dovetails with another. They are then in a better position to answer questions raised by claimants about the Act.

7. *New Section 27.*

Re-arrangement of other sections of the Act.

The requirements that the claimant prove that he is unemployed and that he is capable of and available for work and unable to obtain suitable employment are the basic conditions precedent to the payment of benefit, and it is considered that they belong more properly in this particular section. Further, these are continuing requirements which the claimant must always satisfy and in this respect are distinct from certain other conditions such as the statutory conditions which the claimant is required to prove only once in respect of each benefit year.

Provision is already made for the payment of benefit to another person in the case of a juvenile and it is equally necessary to have authority to pay benefit to another person where the applicant is deceased or of unsound mind.

7. *New Section 28.*

The present section twenty-eight reads as follows:

"**28.** The receipt of insurance benefit by an insured person shall be subject to the following statutory conditions, namely,—

(i) that contributions have been paid in respect of him while employed in insurable employment for not less than one hundred and eighty days during the two years immediately preceding the date on which a claim for benefit is made;

(ii) That he has made application for insurance benefit in the prescribed manner, and proves that he was unemployed on each day on which he claims to have been unemployed;

(iii) that he is capable of and available for work but unable to obtain suitable employment; and

(iv) that he proves either that he duly attended, or that he had good cause for not attending, any course of instruction or training approved by the Commission which he may have been directed to attend by the Commission for the purpose of becoming or keeping fit for entry into or return to employment."

(*c*) that he has made a claim for benefit in the prescribed manner; and

(*d*) that he is at least sixteen years of age.

Contributions recognized.

(2) For the purposes of the statutory conditions, account shall be taken only of contributions paid in respect of the insured person for periods during which he was *bona fide* employed in insurable employment and was not exempt from the provisions of this Act.

Period of two years increased.

(3) If an insured person proves in the prescribed manner that he was, during any period falling within the two years specified in the first statutory condition,

(*a*) incapacitated for work by reason of some specific disease or bodily or mental disablement; or

(*b*) employed in excepted employment; or

(*c*) engaged in business on his own account; or

(*d*) employed in insurable employment in respect of which contributions were not payable; or

(*e*) employed outside of Canada or partly outside of Canada, in an employment in respect of which contributions were not payable; or

(*f*) employed in an employment not described by Part I of the First Schedule to this Act,

the first statutory condition and section thirty-one of this Act shall have effect as if, for the period of two years therein referred to, there were substituted a period of two years increased by such periods of incapacity or of such employment or business engagement but so as not to exceed in any case four years.

Re-arrangement of other sections of the Act.

Experience in the adjudication of claims makes it abundantly clear that the work of the insurance officers in the adjudication of claims and the Local Office staff in explaining to the claimants the effects of the insurance officer's decision would be facilitated by a re-arrangement of the statutory conditions. It is felt that the statutory conditions should be those which determine whether or not a benefit year is set up. The old section twenty-eight contained only one of the conditions which determined whether a benefit year would be established; other conditions were found in the definition of benefit year (old section forty); others were included as disqualifications (old section forty-three). The new section twenty-eight is an attempt to bring together in one section all those conditions which should properly be regarded as conditions precedent to the establishment of a benefit year.

The new section twenty-eight contains provisions formerly appearing in sections twenty-eight, forty (1) *(b)* and twenty-nine. The old section twenty-eight contained the four statutory conditions. The first statutory condition in the new section twenty-eight (1) contains the old first statutory condition and a portion of the old section forty (1) *(b)*. The new second statutory condition is the old forty-three *(f)*. The new third statutory condition is the first part of what was previously the second statutory condition. The new fourth statutory condition is the old section forty-three *(d)*.

What was formerly the third statutory condition is now part of section twenty-seven. It is not felt that it properly appears as a statutory condition as it is a condition which may change from day to day. The same comments are applicable in regard to the old fourth statutory condition which now appears as subsection (2) of the new section twenty-nine.

The new subsection two of section twenty-eight contains the provisions formerly appearing as subsection one of twenty-nine without any change in effect and the new subsection three contains the provisions formerly appearing in subsection two of section twenty-nine.

Item *(d)* of subsection three has been added to deal with employments which are not insurable, but which cannot be described as "excepted employments".

Item *(e)* of subsection three has been added to protect the worker who works outside of Canada for short periods.

Item *(f)* of subsection three has been added to permit extension of the two-year period to persons outside the scope of the Act.

Periods not counted in computing unemployment: While in receipt of wages or compensation substantially equivalent to wages.

"**29.** (1) An insured person shall be deemed not to be unemployed

(a) during any period for which notwithstanding that his employment has terminated, he continues to receive

(i) remuneration, or

(ii) compensation for loss of, and substantially equivalent to, the remuneration he would have received if his employment had not terminated;

While following any occupation for remuneration unless outside ordinary working hours.

(b) on any day on which, notwithstanding that his employment has terminated, he is following an occupation from which he derives remuneration or profit unless

(i) that occupation could ordinarily be followed by him in addition to, and outside the ordinary working hours of, his usual employment, and

(ii) the remuneration or profit received therefrom for that day does not exceed one dollar and fifty cents or, where the remuneration or profit is payable or is earned in respect of a period longer than a day, the daily average of the remuneration or profit does not exceed that amount;

Holidays.

(c) on any day that is recognized as a holiday for his grade, class or shift in the occupation or at the factory, workshop or other premises at which he is employed unless otherwise prescribed;

Full working week.

(d) on any day of any calendar week during which he works the full working week;

Sundays.

(e) on any Sunday; or

Prior to claim.

(f) subject to the provisions of subsection six of section thirty-six, on any day prior to the day on which he makes a claim for benefit.

(2) An insured person shall be deemed not to have failed to prove that he is available for work on any day on which he is or was attending a course of instruction or training that the Commission has directed him to attend.

Period in respect of which benefit is payable.

"**30.** (1) The number of days in respect of which benefit may be paid to an insured person in a benefit year is the difference between

(a) one-fifth of the number of days for which contributions have been paid in respect of him in the prescribed period of five years preceding the benefit year for which the computation is made; and

(b) one-third of the number of days, if any, for which benefit has been paid to him in the prescribed period of three years preceding the benefit year.

7. *New Section 29.*

Subsection one of the new section contains all of the provisions formerly appearing in section thirty-three of the Act with the addition of a new paragraph, *(e)*, and paragraph *(f)* moved from section thirty. Further, there is one small change in paragraph *(a)* of the new subsection one.

The old section thirty-three *(a)* provided that the claimant would not be deemed to be unemployed for the purposes of the Act while he continued to receive compensation for loss of wages. The principle, apparently, is that a person is not in need of and should not be paid unemployment insurance benefit while, for all practical purposes, he is continuing to receive after termination of employment an amount substantially equivalent to his wages. As the paragraph now stands it covers only the case where monies paid are really liquidated damages or wages in lieu of notice. It does not cover the case where the employer continues to pay wages for a limited period as, for example, where wages are paid for holidays earned but not taken prior to the termination of employment. It is considered that the principle is the same in both cases and that in neither case should benefit be paid. The new paragraph *(e)* providing that benefit may not be paid for Sundays is simply to clear up some doubts which have, on occasion, been expressed. It was obviously not the intent to pay benefit for Sundays. Paragraph *(f)* is to make it clear that a person is not unemployed for benefit purposes prior to making his claim, unless his claim is antedated under section thirty-six. This formerly appeared in section thirty.

Subparagraph *(b)* (ii) gives the person in receipt of benefit a little more leeway on part-time employment allowing him to earn up to one dollar and fifty cents a day rather than the former limit of one dollar without prejudicing his benefit rights.

The new subsection two contains the provisions formerly appearing in paragraph *(a)* of section thirty-one. There is no change in substance—the only changes being those made necessary by re-arrangement of the section.

7. *New Section 30.*

The new section thirty is the old section thirty-four renumbered and re-drafted for clarification, but without any change in effect.

(2) For the purposes of this section

(a) fractions of a day less than one-half shall be disregarded and a fraction of a day equal to or greater than one-half shall be taken as a full day; and

(b) the Commission may, by regulation, prescribe that the dates of termination of the five-year and three-year periods aforesaid shall be determined otherwise than by reference to the commencement of the benefit year.

Daily rate of benefit.

"**31.** (1) Except in the cases referred to in subsection two of this section, the daily rate of benefit for a benefit year shall be thirty-four times the average daily contribution paid by the employed person while in employment during the two years immediately preceding the commencement day of the benefit year.

Rate for persons with dependents.

(2) Where the employed person is a person with a dependent, that is to say

(a) a man whose wife is being maintained wholly or mainly by him; or

(b) a married woman who has a husband dependent on her; or

(c) a person who maintains wholly or mainly one or more children under the age of sixteen years; or

(d) a person who maintains a self-contained domestic establishment and supports therein a wholly dependent person connected by blood relationship, marriage or adoption;

the daily rate of benefit shall be forty times the average daily contribution paid by the insured person during the two years immediately preceding the initial claim for benefit in the benefit year.

Variations in rate.

(3) Notwithstanding subsection one or two of this section, if the daily rate of benefit, computed as therein provided, is not a multiple of five, the daily rate of benefit shall be the nearest multiple of five.

Weekly rate.

(4) The weekly rate of benefit shall be six times the daily rate.

"child."

(5) For the purposes of this section, 'child' means a child of the insured person and includes his stepchild, adopted child or illegitimate child.

7. *New Section 31.*

The new section thirty-one contains the provisions formerly appearing in paragraphs one and two of the Third Schedule to the Act. It is considered that these are substantive provisions which should appear in the body of the Act rather than in a Schedule.

Paragraphs one and two of the Third Schedule read as follows:

> "(1) The weekly rate of benefit for the benefit year shall be thirty-four times the average weekly contribution paid by an employed person while in employment during the two years immediately preceding the claim for benefit:
> Except that where the employed person is either—
> (i) a man whose wife is being maintained wholly or mainly by him; or
> (ii) a married woman who has a husband dependent on her; or
> (iii) a married person, widow or widower, who maintains wholly or mainly one or more children under the age of 16 years;
> the weekly benefit rate shall be forty times the average weekly contribution paid by an employed person during the two years immediately preceding the claim for benefit and the expression 'child' includes any child of the employed person, a stepchild, adopted child, or illegitimate child.
> (2) The daily rate of benefit for the benefit year shall be computed in the same manner as the weekly rate of benefit as provided by section one of this Schedule using the prescribed average daily contribution instead of the average weekly contribution."

All through the amended subsection one references are made to the daily rate of benefit rather than to the weekly rate as previously. In actual practice it is necessary to compute the daily rate and then to extend this by multiplying to the weekly rate as indicated in the new subsection four.

In addition to bringing the Third Schedule into the body of the Act, a new subparagraph *(c)* is substituted, and a new subparagraph *(d)* is added.

There has been a slight change in subsection two to show that where benefit is payable at the higher rate to an insured person, he is a "person with a dependent" as defined.

The only change in what was previously subparagraph (iii) is to refer to "a person" rather than to "a married person, widow or widower". In other words, benefit at the dependency rate is payable to any person who maintains a child (as defined).

Subparagraph *(d)* is entirely new. It is felt that the payment of the dependency rate is justified quite as much in the case where a person maintains a self-contained domestic establishment and supports a wholly dependent relative as in the case of maintenance of a child. There seems little difference in principle and the need would appear to be as great, or greater.

Subsection three is new and has the effect of setting the daily benefit rate at the nearest five cents which will cut down to a very considerable extent the mathematical calculations involved in determining the rate of benefit. This should expedite the payment of benefit and cannot affect the amount of benefit paid by more than a few cents.

(6) Where the contributions paid in respect of an employed person during the two years immediately preceding the claim for benefit average the amounts in columns (1) and (2) below, the rates of benefit shall be the amounts set out in columns (3) to (6) inclusive below.

Average Employee Contribution		Rate of Benefit			
		Person without a Dependent		Person with a Dependent	
Daily	Weekly	Daily	Weekly	Daily	Weekly
(1) Cents	(2) Cents	(3) $ Cents	(4) $ Cents	(5) $ Cents	(6) $ Cents
.02	.12	.70	4.20	.80	4.80
.02½	.15	.85	5.10	1.00	6.00
.03	.18	1.00	6.00	1.20	7.20
.03½	.21	1.20	7.20	1.40	8.40
.04	.24	1.35	8.10	1.60	9.60
.04½	.27	1.55	9.30	1.80	10.80
.05	.30	1.70	10.20	2.00	12.00
.05½	.33	1.85	11.10	2.20	13.20
.06	.36	2.05	12.30	2.40	14.40

Only periods of bona fide employment to count in computing benefits.

"**32.** In computing benefit rights, account shall be taken only of contributions paid in respect of an insured person for periods during which he was *bona fide* employed in insurable employment and was not exempt from the provisions of this Act.

Adjustment of benefit on account of contributions or benefits paid in error.

"**33.** The Commission may prescribe the circumstances in which and the extent to which

(a) contributions paid in error and sums paid to a person by way of benefit while he was not entitled thereto are to be taken into account in determining his benefit rights, notwithstanding section thirty-two;

(b) sums paid to a person by way of benefit while he was not entitled thereto may be ratified; and

(c) sums due and owing to the Fund by a person who has failed or neglected to pay such sums may be considered no longer due and owing to the Fund.

Weekly rates for unemployment for a week.

Daily rates for less than a week.

"**34.** Where an insured person has been unemployed for six full days in a calendar week or for the full number of days constituting the normal week at the plant, factory, workshop or other place of usual employment, benefit shall be paid at the weekly rate prescribed in section thirty-one and where he has been unemployed for

Subsection six formerly appeared as paragraph three of the Third Schedule. It has been expanded somewhat as a better illustration.

7. *New Section 32.*

The new section thirty-two is the old section thirty-eight without any change in effect.

7. *New Section 33.*

Subsection one of the new section thirty-three is the old section thirty-nine without any change in effect.

Subsections two and three permit errors to be cleared from the books.

7. *New Section 34.*

The new section thirty-four is the old section thirty-five with the changes made necessary by the re-arrangement of sections and some alterations in wording to clarify the section.

a portion of a calendar week, benefit shall be paid at the daily rate therein prescribed.

Waiting days not counted for benefit.

"**35.** (1) An insured person shall not be entitled to benefit

(a) for the first nine days of unemployment in any benefit year; nor

(b) for the first day of unemployment in any claim week,

(i) unless the insured person is unemployed for the whole of that week, or

(ii) unless the first day of unemployment in that week immediately follows a period of continuous unemployment of not less than one full week;

and any day of unemployment excluded under this paragraph shall be in addition to the days, if any, excluded under paragraph *(a)* of this subsection.

"claim week".

(2) For the purpose of this Act 'claim week' means a period of six consecutive days exclusive of Sunday beginning on a day to be determined in a manner prescribed by the Commission.

Benefit year defined.

"**36.** (1) Subject to subsection two of this section, 'benefit year' means, in relation to an insured person who, upon making a claim for benefit, proves that the statutory conditions are fulfilled in his case, a period of twelve months commencing on the day he makes that claim, the day following the last day worked or the day following the last day for which a contribution has been paid as required by this Act, whichever is the latest.

Termination of benefit year by exhaustion of rights.

(2) If an insured person exhausts his benefit rights in a benefit year, that benefit year shall thereupon be deemed to be terminated.

Commencement of new benefit year.

(3) A benefit year cannot commence until the previous benefit year if any, has terminated.

Proof not required on subsequent application.

(4) An insured person shall prove fulfilment of the statutory conditions only once in a benefit year.

Benefit year erroneously established.

(5) In any case where, by reason of an erroneous decision, a benefit year has been deemed to have been established although one or more of the statutory conditions have not been fulfilled, a benefit year shall nevertheless be deemed to have commenced; but the insured person concerned shall not be entitled to benefit during that benefit year from the time when it is ascertained that such decision was made erroneously until he proves fulfilment of the statutory conditions.

Commencement of benefit year and period of unemployment.

(6) Where an insured person shows good cause for delay in making a claim for benefit the Commission may authorize

7. *New Section 35.*

The new section thirty-five is the old section thirty-six re-numbered. In paragraph *(b)* of subsection (1) "calendar week" has been changed to "claim week" and a "claim week" is defined in subsection (2). Claims do not generally coincide with the calendar week and it is necessary to work on an individual claim week for each benefit claimant.

7. *New Section 36.*

The new section thirty-six is a combination of the old sections, thirty, thirty-seven and forty. The old subsection one of section forty in defining the benefit year referred only to fulfilment of the first statutory condition. The new subsection one of section thirty-six refers to all of the statutory conditions. The benefit year is not set up if the claimant is unable to fulfil any one of the statutory conditions which appear in section twenty-eight.

The establishment of a benefit year sometimes proves to be a hardship because of the additional contributions required before a subsequent benefit year can commence. Subsection seven gives the Commission power to cancel a benefit year for example where no benefit has become payable.

(i) the commencement of a benefit year on a day earlier than that specified in subsection one of this section, and

(ii) in respect of a period of unemployment, a day of commencement earlier than the day he makes his claim for benefit.

(7) Where an insured person has not proved entitlement to benefit or where benefit has not been paid to him, the Commission may determine that a benefit year is deemed not to have commenced.

Benefits inalienable.

"**37.** Subject to the provisions of this Act, every assignment of, or charge on, and every agreement to assign, or charge, any of the benefits conferred by this Act shall be void, and, on an assignment for the benefit of creditors being made by any person entitled to any such benefit, the benefit shall not pass to any trustee or other person acting on behalf of his creditors.

Regulations in respect of special classes.

"**38.** (1) Where it appears to the Commission that the application of the provisions of this Act in the determination of benefits for classes of persons

Casual workers.

(a) who habitually work for less than a full working week;

Seasonal.

(b) who work for portions of the year only, and who during those portions of the year work wholly or partly in industries which in the opinion of the Commission are seasonal; or

Workers paid on a basis other than time.

(c) who by custom of their occupation, trade or industry or pursuant to their agreement with an employer are paid, in whole or in part, by the piece or on a basis other than that of time;

would result in anomalies having regard for the benefits of other classes of insured persons, the Commission may make regulations in relation to the said classes of persons

(i) imposing additional conditions and terms with respect to contributions and the payment thereof and with respect to the receipt of benefit,

(ii) restricting the amount or period of benefit, and

(iii) making modifications in the provisions of this Act relating to the determination of claims for benefit,

as may appear necessary to remove or substantially remove the anomalies.

Notice of intention to make regulations.

(2) The Commission shall give such public notice as it considers sufficient of its intention to make regulations under this section and shall receive any representations which may be made to it with respect thereto.

Regulations may apply generally or otherwise.

(3) Regulations made under this section may be applicable

(a) either generally or in a specified area; and

7. *New Section 37.*

The new section thirty-seven is the old section forty-one re-numbered without any change.

7. *New Section 38.*

The new section thirty-eight contains the substance of the old section forty-two. Paragraph *(b)* of subsection one has been redrafted to make the intention quite clear. The phrase "occupations which are seasonal" has been changed to "industries which in the opinion of the Commission are seasonal".

(b) to all classes to which subsection one applies or one or more of them, to a particular class or a portion of a class or to an industry or a portion of an industry."

"Disqualification for Benefit.

Disqualification through loss of work due to labour dispute.

"**39.** (1) An insured person shall be disqualified from receiving benefit if he has lost his employment by reason of a stoppage of work due to a labour dispute at the factory, workshop or other premises at which he was employed unless he has, during the stoppage of work, become *bona fide* employed elsewhere in the occupation which he usually follows, or has become regularly engaged in some other occupation; but this disqualification shall last only so long as the stoppage of work continues.

(2) An insured person shall not be disqualified under this section if he proves

(a) that he is not participating in, or financing or directly interested in the labour dispute which caused the stoppage of work; and

(b) that he does not belong to a grade or class of workers of which immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage is taking place any of whom are participating in, financing or directly interested in the dispute.

(3) Where separate branches of work which are commonly carried on as separate businesses in separate premises are carried on in separate departments on the same premises, each department shall, for the purpose of this section, be deemed to be a separate factory or workshop.

Disqualification for neglecting opportunity to work or failure to attend course of instruction.

"**40.** (1) An insured person shall be disqualified from receiving benefit if he,

(a) after an officer of the Commission or a recognized agency or an employer has notified him that a situation in suitable employment is vacant or about to become vacant, has without good cause refused or failed to apply for such situation or failed to accept such situation when offered to him;

(b) has neglected to avail himself of an opportunity of suitable employment;

(c) has without good cause failed to carry out any written direction given to him by an officer of the Commission with a view to assisting him to find suitable employment (being a direction which was reasonable having regard both to his circumstances and to the usual means of obtaining that employment); or

(d) has without good cause failed to attend a course of instruction or training that the Commission directed

7. *New Section 39.*

The new section thirty-nine is the old section forty-three *(a)* unchanged in effect but the section is set up in such a way as to be somewhat clearer, for example, what was the latter part of subparagraph (ii) of paragraph *(a)* now appears as a separate subsection.

7. *New Section 40.*

The new section forty is a combination of the old sections forty-three *(b)*, twenty-eight (iv) and thirty-one *(b)*. The new section forty (1) *(a)*, *(b)*, and *(c)* contains the provisions formerly appearing in section forty-three *(b)* and there are no changes from the old provisions. The new section forty (1) *(d)* contains the provisions formerly appearing in section twenty-eight (iv). There is no change in substance but the wording has been rearranged for sake of clarity.

him to attend for the purpose of becoming or keeping fit for entry into or return to employment.

No disqualification where offer of employment arises out of labour dispute or where offer of less favourable employment.

(2) For the purposes of this section, employment shall be deemed not to be suitable employment for a claimant if it is

(a) employment arising in consequence of a stoppage of work due to a labour dispute;

(b) employment in his usual occupation at a lower rate of wages, or on conditions less favourable, than those observed by agreement between employers and employees, or failing any such agreement, than those recognized by good employers; or

(c) employment of a kind other than employment in his usual occupation at a lower rate of wages, or on conditions less favourable, than those which he might reasonably expect to obtain, having regard to those which he habitually obtained in his usual occupation, or would have obtained had he continued to be so employed.

Offer of employment of other kind at lower wages after reasonable time.

(3) Notwithstanding paragraph *(c)* of subsection two of this section after a lapse of such an interval from the date on which an insured person becomes unemployed as, in the circumstances of the case, is reasonable, employment shall not be deemed to be not suitable by reason only that it is employment of a kind other than employment in the usual occupation of the insured person, if it is employment at a rate of wages not lower and on conditions not less favourable than those observed by agreement between employees and employers or, failing any such agreement, than those recognized by good employers.

Disqualification through loss of employment due to misconduct.

"**41.** (1) An insured person shall be disqualified from receiving benefit if he has lost his employment by reason of his own misconduct or if he voluntarily leaves his employment without just cause.

Discharged for membership in union, etc., not deemed loss for misconduct.

(2) An insured person shall be deemed not to have lost his employment by reason of his own misconduct if he has lost his employment on account of membership in, or of lawful activity connected with, any association, organization or union of workers.

Disqualification while inmate of prison or other institution or non-resident of Canada.

"**42.** An insured person shall be disqualified from receiving benefit while he is an inmate of any prison or an institution supported wholly or partly out of public funds or, unless otherwise prescribed, while he is resident, whether temporarily or permanently, out of Canada.

Subsections two and three of the new section contain the provisions of the old section thirty-one *(b)* and the only change is that in paragraphs *(b)* and *(c)* of subsection two and in subsection three of the new section, there is a reference to "a lower rate of wages" in place of the former reference in the old section to "wages lower". In determining suitability of employment it is impossible to know in advance what the actual wages received in the future will be. It is possible only to know the rate of wages offered. The new subsection three formerly appeared as a proviso to paragraph *(b)* of the old section thirty-one but it is now set up as a substantive provision which it is.

7. *New Section 41.*

This section is a combination of the old section forty-three *(c)* and the old section forty-four. The old forty-three *(c)* becomes forty-one (1) and the old forty-four becomes forty-one (2). The section now refers to a person who has "lost his employment, rather than discharged from his employment". The change is proposed because persons sometimes leave because of their actions, rather than wait to be discharged.

7. *New Section 42.*

There is no change in substance in this section which is the old section forty-three *(e)* re-numbered.

Right to membership in organizations of workers preserved.

"**43.** Notwithstanding anything contained in this Act, no insured person shall be disqualified from receipt of benefit by reason only of his refusal to accept employment if by acceptance thereof he would lose the right

(a) to become a member of; or

(b) to continue to be a member and to observe the lawful rules of; or

(c) to refrain from becoming a member of any association, organization or union of workers.

Period of disqualification.

"**44.** (1) Where an insured person is disqualified from receiving benefit under section forty or section forty-one of this Act, the period of disqualification shall be for such period, not exceeding six weeks, and shall begin on such day, as may be determined by the insurance officer, court of referees or umpire, as the case may be.

(2) Where an insured person makes application for benefit knowing that he is not unemployed, not capable of work, not available for work, or not unable to obtain suitable employment, he may be disqualified for such period not exceeding six weeks, beginning on such day, as may be determined by the insurance officer, court of referees or umpire, as the case may be, in addition to any period for which he is disqualified under subsection two of section fifty-five.

"Determination of Questions.

Determination of questions concerning the rights of persons.

"**45.** If any question arises as to

(a) whether any employment or any class of employment is or will be such employment as to make the person engaged therein an insured person or whether a person is or was an insured person;

(b) who is or was the employer of any employed person;

(c) the rate of contribution payable under this Act by or in respect of any person or class of persons or as to the rates of contribution payable in respect of any insured person by the employer and that person respectively; or

(d) whether a person was or was not employed in any excepted employment or any insurable employment in respect of which contributions were not payable, or engaged in business on his own account, or employed outside of Canada or partly outside of Canada in an employment in respect of which contributions were

7. *New Section 43.*

There is no change in this section which is the old section thirty-two re-numbered.

7. *New Section 44.*

In substance the new section forty-four contains the same provisions as the old section forty-five which reads as follows:

> "**45.** Where a claim for benefit by an insured person is disallowed by the court of referees or the umpire, on the ground
> *(a)* that the third statutory condition is not fulfilled in his case; or
> *(b)* that he is disqualified for receiving benefit under paragraphs *(b)* or *(c)* of section forty-three of this Act,
> the court of referees or the umpire shall declare the insured person to be disqualified from receiving benefit for a period not exceeding six weeks beginning from such date as may be determined by the court of referees or the umpire, as the case may be."

The only change is that the provisions in paragraph *(a)* in the old section forty-five are not carried forward into the new section. The old forty-five *(a)* provided for a fixed period of disqualification where the claimant was, for example, unable to show that he was presently capable of entering employment. It is equally unsound to attempt to determine in advance what the period of physical incapacity will be and it could work out quite unfairly where, for instance, the person at the time of making his claim was unfit for employment and a six weeks' disqualification imposed. It might very well be that the physical incapacity would clear up in two weeks and the disqualification should be effective only until such time as the claimant can show that he is no longer incapacitated.

It is proposed to retain a provision (subsection two) permitting disqualification where it is clear there has been misrepresentation of unemployment, capability or availability.

7. *New Section 45.*

The new section forty-five is the old section forty-six re-numbered.

Paragraph *(d)* has been amended to include all the questions of coverage specified in section 28 (3).

not payable, or employed in an employment not described by Part I of the First Schedule to this Act, during any period falling within the period of two years specified in the first statutory condition;

the question shall, subject to the provisions of this Act, be decided by the Commission.

Appeal to the umpire.

"**46.** (1) Any person aggrieved by any decision of the Commission made in pursuance of section forty-five, may appeal from that decision to the umpire within six months from the date on which the decision of the Commission is communicated to him or within such longer period as the umpire may allow.

Decision of the umpire final.

(2) The decision of the umpire on any such appeal shall be final and not subject to appeal to any Court.

Commission or umpire may revise decision.

"**47.** The Commission or the umpire may, on new facts being brought to its or his notice, rescind or amend any decision given by it or him, as the case may be, under this Act.

Commission may refer question to an umpire.

"**48.** The Commission may, if it thinks fit, refer any question mentioned in section forty-five to the umpire for decision.

Question arising during court proceedings.

"**49.** If a question specified in section forty-five of this Act arises in any legal proceedings, the justice or justices of the peace, magistrate, judge or court before whom it arises shall, if the question has not been decided by the Commission, refer the question to the Commission and defer further proceedings until the Commission's decision is received, and upon receipt of the Commission's decision, shall proceed with the hearing and judgment of the legal proceedings, and where an appeal or reference to the umpire has been made, shall nevertheless proceed with the hearing but defer judgment until the umpire's decision is received."

8. Section fifty-five of the said Act, section fifty-six of the said Act as amended by section two of chapter thirty-one of the statutes of 1943-44, and section fifty-seven of the said Act are repealed and the following substituted therefor:

Consideration of claims by insurance officer.

"**55.** (1) The insurance officer shall take into consideration any claim submitted to him for examination under section fifty-four, and

(a) if he is of opinion that the statutory conditions have been fulfilled, he shall declare that a benefit year has been established; or

(b) if he is of opinion that the statutory conditions have not been fulfilled, he shall

7. *New Section 46.*

Subsection one is the old section forty-seven re-numbered but with an additional provision. The section as it now stands provides no time limit on appeals and for that reason a case is never to be considered closed. The amendment would provide six months within which an appeal may be lodged and this would seem to provide an ample opportunity to the interested parties to enter an appeal if they so desire.

Subsection two is new. In providing for the appointment of an umpire, Section fifty-two (3) provides that the umpire must be either a Judge of the Exchequer Court of Canada or of one of the Superior Courts of the Provinces of Canada. In providing for the appointment of a Superior Court Judge it seems evident that the purpose was that his decision would be final. The position would be anomalous if the decision of the umpire, a Superior Court Judge, were subject to appeal by a Magistrate or district or county Court Judge.

The real purpose of appointment of an umpire to deal with the special problems of coverage and benefit under the Act would appear to be that there be uniformity across the country in decisions on such questions.

The provisions of the Act in regard to decisions by a court of referees on questions of benefit and decision by the Commission on questions of coverage with an appeal to the umpire in either case, would appear to be quite meaningless if the decision of the umpire is not final. Little or nothing would be gained by going through this procedure if the decision of the umpire were subject to review, for example, of a subsequent action in Magistrate's Court. The proposed new subsection will remove any existing doubt on the point.

7. *New Section 47.*

The only change in this section, which is the old section forty-eight, is the reference to a decision given under this Act.

7. *New Section 48.*

There is no change in this section which is the old section forty-nine re-numbered, with a change of reference.

7. *New Section 49.*

This section is entirely new. Under section forty-five (the old forty-six) of the Act the Commission or the umpire has jurisdiction to decide questions arising under the Act.

The new section provides procedure for cases where such a question arises during the course of court proceedings.

8. *New Section 55.*

The new section fifty-five is the old sections fifty-five and fifty-six amended.

The old sections fifty-five and fifty-six are in the following terms:

(i) declare that a benefit year has not been established on the ground that one or more of the statutory conditions is not fulfilled, or

(ii) refer the claim, if practicable, within fourteen days from the day on which the claim was submitted to him for examination, to the court of referees for its decision.

Further action by insurance officer.

(2) Notwithstanding, that a benefit year has been established, if the insurance officer is not satisfied that the claimant has fulfilled all the other conditions of entitlement to benefit or if he is of the opinion that the claimant is disqualified from receiving benefit, he shall

(a) refer the claim, if practicable, within fourteen days from the day on which the claim was submitted to him for examination, to the court of referees for its decision; or

(b) declare the claimant to be disqualified from receiving benefit from such day as he may determine, on the ground that

(i) the claimant has not proved fulfilment of the conditions contained in section twenty-seven;

(ii) the claimant does not fulfil one or more of the additional conditions or terms for the receipt of benefit imposed by regulation; or

(iii) the claimant is disqualified under sections thirty-nine to forty-two inclusive of this Act.

Appeals of claimant to court of referees.

"**56.** Where the insurance officer declares that a benefit year has not been established or declares a claimant to be disqualified from receiving benefit, the claimant may at any time within twenty-one days from the date on which the decision of the officer is communicated to him, or within such further time as the Commission may in any particular case for special reasons allow, appeal in the prescribed manner to the court of referees."

9. Sections fifty-eight to sixty-one inclusive of the said Act are repealed and the following substituted therefor:

Appeal to umpire.

"**57.** Subject to the provisions of section fifty-eight an appeal shall lie to the umpire from any decision of a court of referees as follows:

(a) at the instance of an insurance officer in any case;

(b) at the instance of an association of employed persons of which the claimant is a member, in any case;

(c) at the instance of the claimant

(i) without leave in any case in which the decision of the court of referees is not unanimous; and

(ii) with the leave of the chairman of the court of referees in any other case; so, however, that where leave to appeal is not granted when the decision of the court of referees is given, an application for such leave may be made by the claimant in

"**55.** The insurance officer shall take into consideration any claim submitted to him for examination under section fifty-four and if he is of opinion that the claim ought to be allowed, he may himself allow the claim."

"**56.** (1) If the insurance officer is not satisfied that a claim ought to be allowed he may either refer the claim (so far as practicable, within fourteen days from the date on which the claim was submitted to him for examination) to the court of referees for their decision, or subject to the provisions of this section, himself disallow the claim:

Provided that the officer shall not himself disallow a claim on any of the following grounds, namely—

(a) that the third statutory condition is not fulfilled; or

(b) that the claimant is disqualified by reason of his having been discharged from his employment by reason of his own misconduct or having voluntarily left his employment without just cause, or by reason of the provisions of paragraph *(b)* of section forty-three of this Act; or

(c) that the claimant does not fulfil one or more of the additional conditions or terms for the receipt of benefit imposed by regulations made under this Act, or is subject to restrictions on the amount or period of benefit imposed by such regulations; or

(d) that the fourth statutory condition is not fulfilled.

(2) Notwithstanding the proviso to subsection one of this section, the insurance officer may, pursuant to regulations made by the Commission, declare the claimant to be disqualified from receiving benefit for a period not exceeding six weeks, on any of the grounds set out in paragraph *(a)* and *(b)* of the said proviso or disallow a claim on any of the grounds set out in paragraphs *(c)* and *(d)* of the said proviso."

In the new section fifty-five it is proposed to clarify and simplify the functions of the insurance officer when adjudicating upon claims where not all of the benefit provisions of the Act are satisfied. For example, the claimant may not have the required number of contributions in the preceding two years (a statutory condition); he may not be sixteen years of age; he may have left his employment voluntarily without just cause, or he may not be capable of work. There has been some confusion in determining in which cases a benefit year should be established and the claimant disqualified, whether disallowance referred only to non-fulfilment of the statutory conditions, etc.

The new section fifty-five, while not altering in any way the powers of the insurance officer, sets out the circumstances in which a claim is allowed, disallowed, or a period of disqualification imposed, and should eliminate doubts resulting from the terminology of the old section fifty-six.

8. *New Section 56.*

The present section fifty-seven reads as follows:

"**57.** Where a claim is disallowed by the insurance officer the claimant may at any time within twenty-one days of the date on which the decision of the officer is communicated to him, or within such further time as the Commission may in any particular case for special reasons allow, appeal in the prescribed manner to the court of referees."

There is no change in the appeal right given in the present section fifty-seven but changes in the wording are made necessary by the new section fifty-five.

9. The only changes in these sections, which are the old fifty-eight to sixty-one re-numbered, are the changes in reference resulting from the re-numbering.

such form, and within such time after the date of the decision, as shall be prescribed, and any application for leave to appeal shall be granted by the chairman if it appears to him that there is a principle of importance involved in the case or any other special circumstances by reason of which leave to appeal ought to be given.

Associations which may appeal on behalf of a claimant member.

"**58.** For the purposes of paragraph *(b)* of section fifty-seven a claimant for benefit shall not, in relation to any appeal be deemed to be a member of any association of employed persons unless he was a member thereof on the last day on which he was employed before the claim which is the subject of the appeal was made, and has continued to be a member thereof until the date when the appeal is made: and the question whether any association is or is not an association of employed persons for the purpose of this section shall be for the decision of the umpire.

Records of courts of referees.

"**59.** (1) The decisions of a court of referees shall be recorded in writing and shall include a statement of its findings on questions of fact material to the decision.

Record where leave to appeal.

(2) Where the chairman of a court of referees grants leave of appeal to the umpire from the decision of the court, the chairman shall record in writing a statement of the grounds on which leave to appeal is granted.

Appeal within six months.

"**60.** An appeal must be brought within six months of the date of the decision of the court of referees or such longer period as the umpire may in any case for special reasons allow."

10. The said Act is further amended by adding the following as section sixty-one:

Rehearing on direction of umpire.

"**61.** On an appeal from a decision of a court of referees or a decision of the Commission, the umpire may direct the court of referees or the Commission, as the case may be, to reconsider or rehear the case either generally or on any particular issue, and may withhold his decision pending the decision of the court of referees or the Commission."

11. Section sixty-two of the said Act is repealed and the following substituted therefor:

Decision of umpire final.

"**62.** The decision of the umpire on any appeal from the court of referees shall be final and not subject to appeal to any Court."

12. Section sixty-five of the said Act is repealed and the following substituted therefor:

Decision of court of referees to have effect pending appeal to umpire.

"**65.** Where a claim for benefit is allowed by a court of referees, benefit shall be payable in accordance with the decision of the court notwithstanding that an appeal to the umpire is pending, unless the appeal has been brought on the ground that the claimant ought to be disqualified under the provisions of section thirty-nine of this Act

10. This section is entirely new. On occasion cases come to the umpire on appeal and the record is not sufficiently complete to enable the umpire to satisfactorily deal with the question for decision. The practical course of action is for the umpire to refer the case back to the court of referees or the Commission for reconsideration on the particular point. This would be similar to the practices of civil appeal courts.

11. The present section sixty-two reads as follows:

> "**62.** The decision of the Umpire on any appeal from the court of referees shall be final."

The words underlined in the amended section are intended to make this section consistent with the new subsection two of section forty-six, so that there will be the same finality on benefit cases as on the types of cases specified in section forty-six.

12. The only change in this section is in the reference to paragraph *(a)* of section forty-three which is now section thirty-nine.

and within twenty-one days of the date on which the decision of the court of referees was given, and any benefit paid in pursuance of the provisions of this section shall be treated, notwithstanding that the final determination of the question is adverse to the claimant, as having been duly paid and shall not be recoverable from the claimant."

13. Subsection two of section sixty-six of the said Act as enacted by section eleven of chapter thirty-one of the statutes of 1943-44, is repealed and the following substituted therefor:

Insurability decided by Commission.

"(2) If any question specified in section forty-five arises, that question shall be decided by the Commission under the provisions of section forty-five of this Act."

14. Section sixty-seven and the heading thereto of the said Act is repealed and the following substituted therefor:

"Legal Proceedings.

Penalty for false representation.

"**67.** (1) If, for the purpose of obtaining any benefit or payment under this Act, either for himself or for any other person, or for the purpose of avoiding any payment to be made by himself under this Act, or enabling any other person to avoid any such payment, any person makes a false statement or misrepresentation to the Commission or to any person concerned in the administration of this Act, he shall be guilty of an offence and liable on summary conviction to imprisonment for a term not exceeding three months, with or without hard labour, without option of a fine.

Additional penalty.

(2) There shall be imposed on every person convicted of an offence under subsection one of this section who has not already repaid the payment obtained or made the payment avoided, in addition to the penalty provided for therein, a further penalty equal to the amount of benefit or payment obtained or payment avoided, and the additional penalty shall be paid to the Unemployment Insurance Fund to be applied, where the payment avoided was in respect of contributions, in payment thereof."

15. Section sixty-eight of the said Act, as enacted by section twelve of chapter thirty-one of the statutes of 1943-44, is repealed and the following substituted therefor:

Penalty for contravention or non-compliance.

"**68.** (1) If any person is guilty of any contravention of or non-compliance with any of the requirements of this Act or the regulations made thereunder, or if any employer deducts or attempts to deduct from the wages or other remuneration of an employed person the whole or any part of the em-

13. The changes in this subsection are changes in reference necessary because of the re-arrangement of sections, and more specific reference to the questions to be dealt with.

14. The present section sixty-seven is in the following terms:

> "If for the purposes of obtaining any benefit or payment under this Part of this Act, either for himself or for any other person, or for the purpose of avoiding any payment to be made by himself under this Part of this Act, or enabling any other person to avoid any such payment, any person knowingly makes any false statement or false representation, he shall be guilty of an offence against this Act and liable on summary conviction to imprisonment for a term not exceeding three months, with or without hard labour."

The section sixty-seven is re-enacted as subsection one of the new section and the words "to the Commission or to any person concerned in the administration of this Act," are added in order to link subsection one with the new subsection two. The phrase added at the end of subsection one, "without option of a fine" is to make it entirely clear that the penalty imposed must be imprisonment. The purpose of the new subsection two is to see that the person convicted of obtaining benefit by false pretences is not permitted to retain the benefit of his false pretences and is directed to reimburse the Unemployment Insurance Fund to the extent of the overpayment.

15. The present section sixty-eight reads as follows:

> "**68.** (1) If any employer or employed person or any other person is guilty of any contravention of or non-compliance with any of the requirements of this Act or the regulations made thereunder in respect of which no penalty is provided, or if any employer deducts or attempts to deduct from the wages or other remuneration of an employed person the whole or any part of the employer's contribution, or fails or neglects to pay any contribution for which he is liable under this Part of this Act, he shall be guilty of an offence against this Act and for each offence, be liable on summary conviction, to a fine not exceeding two hundred and fifty dollars, or to imprisonment for a period not exceeding three months, or to both fine and imprisonment.
>
> Provided that in any case where an employer is convicted of the offence of failing or neglecting to pay a contribution there shall be imposed on him, in addition to the aforesaid penalty, a further penalty equal to the amount of the contribution which he has failed or neglected to pay, which additional penalty shall be paid over to the Unemployment Insurance Fund and applied in payment of the contributions in arrears in respect of which the conviction is made.
>
> (2) In any case where an employer is convicted of the offence of failing or neglecting to pay a contribution and the employed person fails to pay a contribution which he is liable under this Part of this Act to pay, such contribution shall not be recoverable by the employer from the employed person.

ployer's contribution, or fails or neglects to pay any contribution for which he is liable under this Act, he shall be guilty of an offence against this Act and for each offence, in respect of which no penalty is provided, be liable on summary conviction, to a fine not exceeding two hundred and fifty dollars, or to imprisonment for a period not exceeding three months, or to both fine and imprisonment.

Additional penalty.

Provided that in any case where an employer is convicted of the offence of failing or neglecting to pay a contribution there shall be imposed on him, in addition to the aforesaid penalty, a further penalty equal to the amount of the contribution which he has failed or neglected to pay, which additional penalty shall be paid over to the Unemployment Insurance Fund and applied in payment of the contributions in arrears in respect of which the conviction is made.

Form of information where one or more offences.

(2) In any proceedings for offences against the provisions of this Act or regulations made thereunder, any information may include more than one offence committed by the same person, and all such offences may be tried concurrently and no information, warrant, conviction or other proceedings for such offences shall be deemed objectionable or insufficient on the ground that it relates to two or more offences, and one conviction for any or all such offences may be made, which conviction may but need not provide a separate penalty for each such offence, except in the case of additional penalties imposed under subsection two of section sixty-seven or the proviso to subsection one of this section, where separate additional penalties shall be imposed for each such offence.

Jurisdiction of court.

(3) Notwithstanding Part XV of the *Criminal Code*, a justice may hear, try, determine and adjudge the complaint or information in respect of any offence against this Act or regulations made thereunder if the accused is summoned, found, apprehended or is in custody in his territorial jurisdiction although the matter of the complaint or information did not arise within his territorial jurisdiction."

16. Section seventy of the said Act is repealed and the following substituted therefor:

Power to take and conduct proceedings.

"**70.** (1) Proceedings for an offence under this Act shall not be instituted except with the consent in writing of the Commission or an officer appointed under this Act and authorized in that behalf by special or general directions of the Commission.

Proceedings may be commenced within twelve months of evidence of offence.

(2) Proceedings for an offence under this Act or regulations made thereunder may be commenced at any time within twelve months from the day on which evidence, sufficient in the opinion of the Commission to justify prosecution for the offence, comes to its knowledge.

(3) An information for failing or neglecting to pay contributions under this Act may be for one or more offences and no information, warrant, conviction or other proceeding for failing or neglecting to pay contributions under this Act shall be deemed objectionable or insufficient on the ground that it relates to two or more offences."

There is no change in substance in subsection one of section sixty-eight.

The present subsection two is not re-enacted as it is not necessary. The situation is amply taken care of by subsection one of section nineteen.

The present subsection three is revised and now becomes subsection two. The present subsection three provides for the inclusion in one information in prosecution proceedings any cases of failure to pay contributions of more than one offence. The same problem exists in cases of obtaining benefit by false pretences and under the revised subsection in such cases it will also be possible to include more than one charge in the same information.

This will be a means of saving costs not only to the Crown but also to the accused.

The new subsection three is intended to save unnecessary costs to persons accused of offences under the Act. For example, a person may have committed an offence within the territorial jurisdiction of one court but at the time of prosecution he has moved and is resident within the territorial jurisdiction of another court. It is considered only fair that the accused might be tried by the court within the jurisdiction of which the accused now resides.

16. The present section seventy reads as follows:

"**70.** (1) Proceedings for an offence under this Part of this Act shall not be instituted except with the consent in writing of the Commission or by an inspector or other officer appointed under this Act and authorized in that behalf by special or general directions of the Commission.

(2) Proceedings for an offence under this Part of this Act may be commenced at any time within three months from the date on which evidence, sufficient in the opinion of the Commission to justify a prosecution for the offence, comes to its knowledge, or within twelve months after the offence, whichever period is the longer.

(3) For the purpose of subsection two of this section, a certificate issued by the Commission as to the date on which such evidence came to its knowledge shall be conclusive evidence thereof."

In the revised subsection one there is only one small change. "This part of this Act" is changed to read simply "this Act". Offences arose not only under Part II but also under Part IV.

There are three changes in the revised subsection two. The present section provides that proceedings may be commenced within three months from the date on which evidence comes to the Commission's knowledge or within twelve months after the offence. The three-month period is extended to twelve months. It has been found that the three-month period is too short in view of the fact that it is not possible for the Auditors to complete regular inspections of all employers at frequent intervals. Again, as in subsection one, "under this Part of this Act" in the first line is changed to read "under this Act". The subsection

Certificate evidence of date.

(3) For the purposes of subsection two of this section, a certificate issued by the Commission certifying as to the date on which the evidence referred to in subsection two of this section came to the knowledge of the Commission, shall be received as conclusive evidence thereof."

17. Section seventy-one of the said Act is repealed and the following substituted therefor:

Sums due recoverable as Crown or civil debts.

"**71.** (1) Any sum due and owing to the Unemployment Insurance Fund or to the Commission under this Act shall be recoverable as a debt due to the Crown and, without prejudice to any other remedy, may be recovered by the Commission as a civil debt.

Proceedings may be commenced within twelve months of evidence of debt.

(2) Proceedings for the recovery of any sum due and owing to the Unemployment Insurance Fund or to the Commission may be commenced at any time within twelve months from the day on which evidence sufficient in the opinion of the Commission to justify such proceedings, comes to its knowledge.

Certificate evidence of date.

(3) For the purposes of subsection two of this section, a certificate issued by the Commission certifying as to the date on which the evidence referred to in subsection two of this section came to the knowledge of the Commission, shall be received as conclusive evidence thereof."

18. Section seventy-two of the said Act is repealed and the following substituted therefor:

The Commission may pay benefit to insured person where contributions not paid.

"**72.** (1) Where an employer fails or neglects to pay a contribution which under this Act he is liable to pay in respect of any insured person in his employment, or fails or neglects to comply with the requirements of any regulation relating to the payment or collection of contributions in respect of the insured person, and by reason thereof that person loses the right to claim in whole or in part the insurance benefit to which he would otherwise have been entitled under this Act, the Commission may nevertheless pay the benefit and the employer shall be, unless the failure to pay contributions was the result of an erroneous opinion or ruling given in writing by an officer of the Commission, liable to pay to the Unemployment Insurance Fund a sum equal to the amount of the insurance benefit so lost.

provides for proceedings for offences against the regulations, in addition to offences against the Act.

Subsection three has been re-drafted in greater detail but without any change in substance.

17. The present section seventy-one reads as follows:

"71. Any sum due and owing to the Unemployment Insurance Fund under this Act shall be recoverable as a debt due to the Crown and, without prejudice to any other remedy, may be recovered by the Commission as a civil debt;

Provided, however, that proceedings for the recovery of the same shall not be brought except within three years from the time when the same shall have become due and owing."

The first part of the present section seventy-one is now made subsection one. There is a reference to sums owing to the Commission. This is necessary for debts arising under section ninety-one of the Act.

What now appears as a proviso to section seventy-one is incorporated in the new subsection two. Again, as in the new subsection one, there are references to the Commission and for the same reason.

In view of the fact that a man's benefit rights are based on the contributions made during a period of five years preceding his claim, there may be cases where the failure of the employer to make the required contributions will not come to the Commission's attention until some time after the three-year limitation period presently appearing in section seventy-one. It is necessary to be in a position to collect all of the contributions owing in respect of the benefit applicant so that his benefit right will not be prejudiced.

Subsection three is entirely new and is made necessary by the addition to subsection two relating to the matter of commencing action within twelve months of the date on which information came to the knowledge of the Commission.

18. Section seventy-two presently reads as follows:

"72. (1) Where an employer fails or neglects to pay any contributions which under this Part of this Act he is liable to pay in respect of any insured person in his employment, or fails or neglects to comply, in relation to any such person, with the requirements of any regulations relating to the payment and collection of contributions, and by reason thereof that person loses in whole or in part the insurance benefit to which he would have been entitled under this Part of this Act, the Commission may pay to such person the benefit so lost and shall be entitled to recover from the employer as a civil debt a sum equal to the amount of the insurance benefit so lost and on recovery shall, unless payment already has been made, pay the same to such person.

(2) If it is found at any time that any person, by reason of the non-disclosure or misrepresentation by him of a material fact (whether the non-disclosure or misrepresentation was or was not fraudulent) has received any sum by way of benefit while the statutory conditions or any other conditions for the receipt of benefit imposed by this Part of this Act were not fulfilled in his case, or while he was disqualified for receiving benefit, he shall be liable to repay to the Unemployment Insurance Fund a sum equal to the amount so received by him.

(3) Proceedings may be taken under this section notwithstanding that proceedings have been taken under any other provision of this Part of this Act in respect of the same failure or neglect.

(4) Proceedings under this section may be brought at any time within one year after the date on which the insured person, but for the failure or neglect of the employer, would have been entitled to receive benefit which he has lost."

The only important change in subsection one of the new section is to make it possible for the Commission to pay

Payment upon recovery.

(2) Upon recovery of an amount from an employer under subsection one of this section, the Commission shall pay the benefit if it has not already done so.

Recovery of benefit erroneously obtained.

(3) If it is found at any time that a person has received a sum by way of benefit while the statutory conditions or any other conditions for the receipt of benefit imposed by or pursuant to this Act were not fulfilled, or while the insured person was disqualified from receiving benefit, he shall be liable to repay to the Unemployment Insurance Fund a sum equal to the amount so received by him.

Proceedings under this section.

(4) Proceedings may be taken under this section notwithstanding that proceedings have been taken under any other provision of this Act in respect of the same failure or neglect."

19. Subsection one of section seventy-seven and the heading thereto of the said Act is repealed and the following substituted therefor:

"Unemployment Insurance Fund.

Unemployment Insurance Fund.

"77. (1) There shall be a special account in the Consolidated Revenue Fund called the Unemployment Insurance Fund (in this Act referred to as 'the Fund'), to which the Minister of Finance shall from time to time credit all moneys received from the sale of unemployment insurance stamps and all contributions paid otherwise than by means of such stamps under the provisions of this Act."

20. Subsection one of section seventy-eight of the said Act is repealed and the following substituted therefor:

Payments out of the Fund.

1931, c. 27.

"78. (1) Notwithstanding *The Consolidated Revenue and Audit Act, 1931*, the Minister of Finance may, subject to the provisions of this Act, on the requisition of the Commission or its authorized officers, pay out of the Fund insurance benefits and refunds of contributions as provided by this Act and expenses in connection with the pledging of securities or advances to the Fund pursuant to section seventy-nine of this Act but no other payment shall be made a charge on the Fund: Provided that credits in the Fund not currently required for the purposes of this Act shall, as provided in this section, be invested by the Commission in obligations of, or guaranteed by, the Government of Canada, and investments so made may be sold or exchanged for other like securities and all interest received on the investments shall be credited to the Fund."

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benefit to a person in respect of whom contributions have not been made by reason of an erroneous ruling given by an officer of the Commission. In such circumstances, unlike the other cases provided for in the subsection, there would be no recovery from the employer. The new subsection two formerly was part of subsection one.

There is no change in substance in the remainder of the section, present subsection three being renumbered (4).

Subsection (4) is deleted as the limitation of civil actions is taken care of in section 71 (2).

19. The present subsection one of section seventy-seven reads as follows:

"77. (1) There shall be a special account in the Consolidated Revenue Fund called the Unemployment Insurance Fund (in this Act referred to as 'the Fund'), to which the Minister of Finance shall from time to time credit all moneys received from the sale of unemployment insurance stamps and all contributions paid otherwise than by means of such stamps (including penalties payable to the Fund) under the provisions of this Act."

The effect of the amendment is to delete the words "including penalties payable to the Fund" which appear in brackets. The inclusion of these words created some doubt in regard to calculating the Government's one-fifth share of contributions to the Fund. Clearly it was not intended that the Government's contribution include a percentage of fines, etc.

20. Subsection one of section seventy-eight presently reads as follows:

"78. (1) Notwithstanding the provisions of The Consolidated Revenue and Audit Act, 1931, the Minister of Finance may, subject to the provisions of this Act, on the requisition of the Commission or its authorized officers, pay out of the Fund claims for insurance benefits and refunds of contributions as provided for by this Act but no other payments shall be made a charge on the Fund;

Provided that credits in the Fund not currently required for the purposes of this Act shall, as provided in this section, be invested by the Commission in obligations of, or guaranteed by, the Government of Canada, and investments so made may be sold or exchanged for other like securities and all interest received on the investments shall be credited to the Fund."

This subsection limits payments out of the Fund to two purposes, namely, payment of benefit and refund of contributions, but section seventy-nine of the Act authorized arrangements for temporary advances to cover the cost of benefit. While there has been no action as yet where the Commission has had to obtain a temporary advance to meet an unexpectedly heavy load of benefit claims, that situation is always possible and it is equally possible or probable that there will be interest costs involved in any such temporary advance. The amendment to subsection one of section seventy-eight would authorize the payment of such expenses out of the Fund.

21. Subsection one of section eighty-four of the said Act is repealed and the following substituted therefor:

Annual and other reports on condition of Fund, and recommendations.

"**84.** (1) The Committee shall, not later than the end of July, in each year, make a report to the Governor in Council on the financial condition of the Unemployment Insurance Fund as of the thirty-first day of March last preceding, and shall also make a report to the Governor in Council on the financial condition of the Fund whenever the Committee considers that the Fund is or is likely to become, and is likely to continue to be, insufficient to discharge its liabilities, and may make a report on the financial condition of the Fund at such other times as the Committee may think fit."

22. Subsection two of section eighty-six of the said Act as enacted by section thirteen of chapter thirty-one of the statutes of 1943-44, is repealed and the following substituted therefor:

G. in C. may extend provisions of Part II.

"(2) On the recommendation of the Committee and the Commission, the Governor in Council may extend the provisions of this Act to any of the employments specified as excepted employments in Part II of the First Schedule to this Act or any part of any such excepted employment, with such modifications, if any, as may be found necessary, or by special or supplementary schemes.

Lumbering and logging.

(3) No contributions shall be payable or paid in respect of employment in lumbering and logging, in any area, until a day prescribed by the Commission for that area unless, prior to the coming into force of this subsection, a day has already been prescribed for that area.

Application of Part II on day prescribed.

(4) Where the provisions of Part II of this Act are extended to any employment under this section, no contributions shall be payable or paid in respect of that employment, in any area, until a day prescribed by the Commission for that area."

21. Subsection one of section eighty-four presently reads as follows:

"(1). The Committee shall, not later than the end of February in each year, make a report to the Governor in Council on the financial condition of the Unemployment Insurance Fund as of the thirty-first day of December last preceding, and shall also make a report to the Governor in Council on the financial condition of the Fund whenever the Committee considers that the Fund is or is likely to become, and is likely to continue to be, insufficient to discharge its liabilities, and may make a report on the financial condition of the Fund at such other times as the Committee may think fit."

Under the subsection as it now stands the Committee is required to make a report on the Fund as of the end of December last preceding whereas under section ninety-four the Commission is required to make a report as of the end of the fiscal year March thirty-first. Some difficulty and a little confusion is caused by these two requirements requiring reports on the Fund as of different periods. It is considered that it will facilitate the work of all concerned if the reporting periods of the Commission and of the Committee are uniform.

22. The present subsection two of section eighty-six now reads as follows:

"**86.** (2) On the recommendation of the Committee and the Commission, the Governor in Council may extend the provisions of Part II of this Act to any of the employments specified as excepted employments in Part II of the First Schedule to this Act with such modifications, if any, as may be found necessary, or by special or supplementary schemes."

It is not clear on reading the present subsection two that the extension of coverage might apply to only one part of an employment now excepted. For example, agriculture is an excepted employment. It might be desired to bring under the Act a certain type of market gardening without extending coverage to all phases of agricultural employment.

Subsection three is new and has the effect of bringing into the Act an amendment which was previously made under authority of the War Measures Act by Order in Council P.C. 3569. In planning the extension of coverage to lumbering and logging it was found not administratively feasible to extend coverage throughout the country at one time and it is necessary to proceed on a gradual basis and with varying seasonal regulations for the various parts of the country. The new subsection three makes this possible.

Subsection four applies the principles of subsection three to other possible extensions.

23. Section eighty-eight of the said Act is repealed and the following substituted therefor:

Organization and maintenance of employment service.

"**88.** (1) The Commission shall organize and maintain an employment service for Canada and in respect of the administration of that service shall be responsible to the Minister.

Duty of Commission to collect information, etc.

(2) It shall be the duty of the Commission in organizing and maintaining such employment service, to collect information concerning employment for workers and workers seeking employment and, to the extent the Commission considers it necessary, to make such information available at the employment offices, with a view to assisting workers to obtain employment for which they are fitted and assisting employers to obtain workers most suitable to their needs.

Duties of employment service.

(3) The employment service shall in relation to unemployment insurance, perform such duties under this Act as may be prescribed by the Commission, and undertake such other services in the interests of workers and employers as the Commission in the exercise of its powers may prescribe.

Additional duties of the Commission.

(4) The Commission shall assume and carry out such other duties and responsibilities as the Governor in Council, on the recommendation of the Minister, may require from time to time and, in respect of such other duties and responsibilities, shall be responsible to the Minister."

23. Section eighty-eight presently reads as follows:

"88. (1) The Commission shall organize and maintain an employment service for Canada in manner provided in this Act.

(2) It shall be the duty of the Commission in organizing and maintaining such employment service, to collect information concerning employment for workers and workers seeking employment and, to the extent the Commission considers it necessary, to make such information available at the employment offices, with a view to assisting workers to obtain employment for which they are fitted and assisting employers to obtain workers most suitable to their needs.

(3) The employment service shall in relation to unemployment insurance, perform such duties under this Act as may be prescribed by the Commission, and undertake such other services in the interests of workers and employers as the Commission in the exercise of its powers may prescribe."

The change in subsection one makes the administration of the employment service a responsibility of the Minister, acting through the Commission. The policy which will be followed will be one of leaving the Unemployment Insurance Commission free to deal with payments out of the Unemployment Insurance Fund and generally to administer unemployment insurance. Experience has shown that the field offices of the National Employment Service can be used for the administration of matters which are not strictly within the formal functions of an employment service. During the war the facilities of the employment service were used quite extensively in connection with the mobilization of manpower for industry and the armed forces. The staff is rendering assistance in connection with reinstatement in Civil Employment, auditing payroll records for purposes of enforcement of the Wartime Wages Control Order, 1943, and in finding opportunities for various phases of vocational training, particularly "On-the-Job" training. Numerous other functions which the employment service can carry out might be mentioned. It would be absolutely unfair and unjustifiable to ask the members of the Commission to carry out the responsibility without ministerial direction for any of these functions. On the other hand, the use of offices so strategically located as the employment offices for field work in connection with certain activities of the Department of Labour will obviously avoid duplication and extra expense. In voting money for the administration of the National Employment Service Parliament has recognized that approximately sixty per cent of the money is used to carry out activities which are not specifically covered by the Act (see Estimates 1945-46, page 100; 1946-47, page 128).

There is no change in subsections two and three.

Subsection four is new. The Government of Canada should have authority to make practical use of the National Employment Service offices where such use will provide good practical administration of the matters which the Government may require. Indeed in many instances it may be found that expense and duplication may be avoided by such a policy. On the other hand arrangements for the use of the offices will require to be worked out as between the Minister and the Commission.

24. The said Act is further amended by inserting the following heading and Part immediately after section ninety-one thereof:

"PART IV.

"VETERANS.

Definitions "discharge"

"**92.** In this Part

(a) "discharge" means any honourable termination of service from the forces since the thirtieth day of June, 1941;

"period of service".

(b) "period of service" means time served on active service in the forces, excluding therefrom any period of absence without leave or leave of absence without pay, or time served while undergoing sentence of penal servitude, imprisonment or detention, or period of service in respect of which pay is forfeited;

"veteran".

(c) "veteran" means a person

(i) who has been on active service in the Canadian forces or in receipt of active service rates of pay from such forces during the war, including a person who has served in the Canadian Women's Army Corps since the thirteenth day of August, nineteen hundred and forty-one, and who has been discharged from such forces, or

(ii) resident in Canada who served in the forces of His Majesty other than Canadian forces, was domiciled in Canada at the time he joined such forces for the purposes of the war and who has been discharged from such forces, or

(iii) domiciled and resident in Canada, who served in the armed forces of any of the nations allied with His Majesty in active operations against the enemy in the war and was domiciled in Canada at the time he joined any such forces for the purposes of the war, and who returned to Canada within two years of the date of his discharge from such forces, or of the eighth day of May, 1945;

"war".

(d) "war" means the war which commenced on the tenth day of September, 1939.

Qualification period.

"**93.** A veteran who completes fifteen weeks in insurable employment within any period of twelve months, whether continuous employment or not, shall for the purposes of this Act be deemed to have been in insurable employment immediately prior to the commencement of the said fifteen weeks for a period equal to his period of service after the thirtieth day of June, nineteen hundred and forty-one, and the said insurable employment shall be deemed to have been continuous as nearly as may be without being contemporaneous with any period during which the veteran actually was in insurable employment prior to the said fifteen weeks.

24. Part IV—Sections 92 to 95—is entirely new. This new Part simply carries forward into statutory form provisions which in the first instance appeared in the Post Discharge Order and now appear in The Veterans Rehabilitation Act as extended to veterans of allied nations and to certain merchant seamen. In view of the fact that this particular part of the rehabilitation programme is an integral part of the Unemployment Insurance scheme, it is considered desirable that these provisions should appear in The Unemployment Insurance Act.

Contributions in respect of veterans.

"**94.** As soon as may be after the Commission ascertains that a veteran has completed fifteen weeks as aforesaid in insurable employment, there shall be credited to the Fund out of moneys appropriated by Parliament for the purpose, the amount of the combined contributions of the employer and the employed person under this Act, for a period equal to the period of service of the veteran after the thirtieth day of June, nineteen hundred and forty-one, and the rate at which the said combined contributions shall be computed is the average of the contributions shown by the unemployment insurance records of the veteran to have been paid by him and on his behalf for the said fifteen weeks; and for the purposes of this Act the veteran shall be deemed to have been *bona fide* employed in insurable employment during the said period of service and all contributions shall be deemed to have been paid under this Act in respect of the veteran during the said period of service.

Report on Fund.

"**95.** If, on making any report on the financial condition of the Fund, the Unemployment Insurance Advisory Committee finds that the said Fund has been adversely affected by reason of the provisions of this Part, the Committee shall, in its report under section eighty-four of this Act, state the amount and the manner in which the said Fund has been adversely affected as aforesaid, and the Governor in Council may, on receipt of the said report, take into consideration immediate measures to remedy any depletion of the said Fund due to the operation of this Part, which depletions shall have been established by the aforesaid report of the Committee."

"Veteran" to include certain merchant seamen.

"**96.** For the purposes of this Part "veteran" shall include merchant seamen to whom a Special Bonus or a War Service Bonus was payable and "period of service" of merchant seamen shall be such part of the time served which counted for such bonuses as may be prescribed by the Governor in Council."

25. The heading "Part IV" immediately preceeding section ninety-two of the said Act is renumbered "Part V" and the said section ninety-two, as amended by section fifteen of chapter thirty-one of the statutes of 1943-44, is repealed and the following substituted therefor as section ninety-seven:—

Regulations concerning persons under same employer partly in insurable employment and partly in another employment.

"**97.** In addition to the authority elsewhere in this Act conferred upon the Commission to make regulations, the Commission may also make regulations:—

(a) for permitting persons who are engaged under the same employer, partly in insurable employment and partly in some other employment to be treated with the consent of the employer, for the purposes of this Act, as if they were wholly engaged in insurable employment;

25. There is no change in the paragraphs *(a)* to *(h)* inclusive.

Prescribing evidence required.

(b) for prescribing the evidence to be required as to the fulfilment of the conditions and the absence of the disqualifications for receiving or continuing to receive insurance benefit, and for that purpose requiring the attendance of employed persons at such offices or places and at such time as may be required, and requiring employers to answer inquiries relating to any matters on which the fulfilment of the aforesaid conditions or the absence of the aforesaid disqualifications depends;

Procedure on claims for benefit.

(c) for prescribing the manner in which claims for benefit may be made and the procedure to be followed for the consideration and examination of claims and questions to be considered by the Commission, insurance officers, courts of referees, and umpire, and the mode in which any question may be raised as to the continuance, in the case of a person in receipt of insurance benefit, of the benefit;

Payment of benefits and contributions pending determination of questions.

(d) with respect to the payment of contributions and benefits during any period intervening between any application for the determination of any question or any claim for benefit and the final determination of the question or claim;

Reference of questions to Committees.

(e) governing the reference, for consideration and advice of questions bearing upon the administration of this Act to the Committees provided for in Part III of this Act;

Persons employed on night work.

(f) for prescribing, either generally or with respect to any special class of cases, that where a period of employment begun on one day extends over midnight into another day, the person employed shall be treated as having been employed on such one of those two days as the regulations may direct;

Payment of benefits through Post Office in certain places.

(g) to provide, with the concurrence of the Postmaster General, for enabling claimants of benefit in certain places to make their claims for benefit through the Post Office, and for the payment of benefit of such claimants through the Post Office;

Penalties.

Limitation.

(h) for prescribing penalties for the violation of any regulation, including maximum and minimum fines: Provided, however, that a fine prescribed shall not exceed two hundred and fifty dollars and a term of imprisonment shall not exceed three months;

Determination of earnings.

(i) for determining the earnings of employed persons for the purpose of this Act and without limiting the generality of the foregoing for determining the earnings of employed persons who are paid a single amount for personal services and expenses, or whose remuneration is not pecuniary, is only partly pecuniary, or is not fixed at a pecuniary amount payable only for personal services;

The revised paragraph *(i)* is a re-arrangement which it is thought will bring out more clearly the real meaning of the paragraph.

Commencement of periods.

(j) for prescribing the commencement of the two years specified in the first statutory condition, the one year specified in the second statutory condition or the two years specified in subsection one of section thirty-one of this Act otherwise than by reference to the commencement day of the benefit year;

Possession of insurance records.

(k) for regulating the possession, custody or control of insurance cards, insurance books, unemployment insurance stamps or other documents or things used in the administration of this Act;

Determination of contributions payable.

(l) for determining the amount of contributions payable under this Act in respect of one or more employees of any employer by reference to a percentage of the total remuneration that has been paid or become payable by an employer who, in the opinion of the Commission, has failed to keep books, records or accounts adequate for the purpose;

Determination of total remuneration.

(m) for determining the total remuneration paid or payable in respect of one or more employees of any employer who, in the opinion of the Commission, has failed to keep books, records or accounts adequate for the purpose;

Variation of Part II—special schemes.

(n) varying the provisions of, or creating a scheme supplementing or to be substituted for, Part II of this Act in relation to employments specified in paragraph *(c)* of Part I of the First Schedule to this Act either generally or with reference to any class or area;

Employment records.

(o) requiring every person who has engaged an employee, who ascertains that he requires or will require to engage an employee or who ascertains that an employee has left or will be leaving his employment, subject to prescribed conditions, to notify the employment service organized under Part III of this Act, of such fact and to supply prescribed incidental information in such manner and within such time as may be prescribed;

Registration of unemployed.

(p) requiring every person seeking employment to notify the employment service of such fact and to supply prescribed incidental information in such manner and within such time as may be prescribed;

(q) notwithstanding subsection one of section twenty-nine, prescribing the conditions under which contributions and benefit shall be paid in respect of Sundays and holidays;

(r) for prescribing anything that, under this Act, may be prescribed; and

(s) for predetermining or determining whether or not the earnings of employed persons exceed or will exceed in value two thousand four hundred dollars a year, or whether or not a rate or aggregate rates of remuneration is or are such that the earnings of an employed

Regarding the new paragraph *(j)*, it is frequently difficult to calculate the contributions in a period determined by reference to the date on which a claim is made, as this most frequently falls in the middle of a contribution period. The amendment would permit of regulations being made which could vary the beginning and ending date of the specified period without decreasing that period.

The new paragraph *(k)* is self-explanatory.

Paragraphs *(l)* and *(m)* are necessary to provide the regulation-making power in order to determine the amount of contributions payable under the Act where the employer's books and records are inadequate. These formerly appeared as subsection two of section ninety-seven.

(n) This regulation-making power is necessary to carry out the effect of the amendment to paragraph *(c)* of Part I of the First Schedule to the Act.

Paragraphs *(o)* and *(p)* are entirely new. Part III of the Act requires the Commission to establish and maintain an employment service. In order to operate an efficient employment service it is necessary that the Commission have at all times a reasonably complete picture of labour supply and demand. This regulation-making power is necessary to carry out the duty imposed upon the Commission in subsection two of section eighty-eight in which the Commission is required to collect information concerning employment for workers and workers seeking employment.

Paragraph *(q)* is necessary to meet special problems arising out of the normal idle day in a week.

Regarding the new paragraph *(r)* in the definition section of the Act (section two) "prescribed" is defined as meaning "prescribed by regulation of the Commission", but there is no express authority in the Act to make regulations regarding the things that may be prescribed other than the implication arising out of the definition.

Paragraph *(s)* is necessary in view of amendments to paragraph *(n)* of Part II of the First Schedule.

person thereunder exceed or will exceed in value two thousand four hundred dollars a year;

(t) generally for carrying this Act into effect."

Sections renumbered.

26. Sections ninety-three, ninety-four, ninety-five and ninety-six of the said Act, as enacted by chapter forty-four of the statutes of 1940, are respectively renumbered ninety-eight, ninety-nine, one hundred and one hundred and one.

27. Section ninety-seven of the said Act, as enacted by section eighteen of chapter thirty-one of the statutes of 1943-44, is renumbered as section one hundred and two and subsection two thereof is repealed and the following substituted therefor:

Mutilation of records.

"(2) No person shall, with intent to evade any of the provisions of this Act, destroy, alter, mutilate or secrete any records or books of account or make or counsel or procure the making of any false or fraudulent entries in those records or books, or omit or concur in omitting to enter any material particular in records or books of account."

Sections renumbered.

28. Sections ninety-eight and ninety-nine of the said Act are renumbered as sections one hundred and three and one hundred and four.

29. The said Act is further amended by inserting therein the following section:

Secrecy of records.

"**105.** Information, written or verbal, obtained by the Commission from any person pursuant to the provisions of this Act or any regulations made thereunder shall be made available only to the employees of the Commission in the course of their employment and such other persons as the Commission may deem advisable, and neither the Commission nor any of its employees shall be compelled to answer any question concerning such information or to produce any records or other documents containing such information as evidence in any proceedings not directly concerned with the enforcement or interpretation of this Act or any regulation made thereunder."

30. The said Act is further amended by inserting therein the following section:

Execution of documents.

"**106.** A consent or certificate of the Commission, or a copy of a consent or certificate, resolution, regulation, special order, record, document, other proceeding of the Commission or other proceeding under this Act, purporting to be signed or certified under the hand of any Commissioner or the Secretary of the Commission, shall be receivable in evidence without proof of the signature or the official character of the person or persons appearing to have signed the same and without further proof thereof."

Paragraph *(i)* is the old paragraph *(j)* re-lettered.

27. The old subsection two of section ninety-seven now appears in paragraphs (*l*) and *(m)* of section ninety-seven (see clause 25). The new subsection two is self-explanatory.

29. The Commission through its local and regional offices and Head Office receives numerous and persistent requests for information obtained under the Act and regulations, but in most cases the reason for the request for information available on our records has nothing to do with unemployment insurance. For example, there are requests from collection agencies, wives seeking husbands, etc. The policy of the Commisson is, generally speaking, not to divulge such information. Both employees and employers provide information required for the proper administration of the Act on the understanding that the information is solely for use of the local office in the administration of the Act and on the understanding that the information is regarded as confidential. It is considered that there would be great difficulty in obtaining necessary information from employers and employees if they cannot be assured that the information so given will be treated in entire confidence. The proposed new section will remove any possibility of doubt as to the authority of the Commission to refuse to disclose information except in such circumstances as it deems advisable.

30. This new section is to facilitate the proof in Court of documents of the Commission.

Sections renumbered.

31. Sections one hundred, one hundred and one, one hundred and two and one hundred and three of the said Act are renumbered as sections one hundred and seven, one hundred and eight, one hundred and nine and one hundred and ten, respectively.

Repeal 1945 (2 Sess.), c. 35.

32. Sections twenty-one to twenty-four inclusive of the *Veterans Rehabilitation Act* are repealed.

Part I of First Schedule.

33. Paragraph *(c)* of Part I of the First Schedule to the said Act is repealed and the following substituted therefor:

"*(c)* If prescribed for the purposes of this Schedule, employment outside of Canada or partly outside of Canada, being employment which if it were employment in Canada, would make the person employed therein an insured person."

Part II of First Schedule.

34. Paragraphs *(e)* and *(f)* of Part II of the First Schedule to the said Act are repealed and the following substituted therefor:

"*(e)* Employment in stevedoring.

"*(f)* Employment in domestic service except where the employed person is employed in a trade or business carried on for purpose of gain or is employed in a club."

33. The present paragraph *(c)* of Part I of the First Schedule reads as follows:

> "*(c)* Employment outside of Canada, or partly outside of Canada, for the purpose of the execution of some particular work, by persons who were insured persons immediately before leaving Canada, for an employer resident or having a place of business in Canada, being employment which if it were employment in Canada, would make the persons employed therein insured persons within the meaning of this Act; subject however, to any prescribed conditions, modifications or exceptions."

The Commission has made investigations regarding the extension of the provisions of the Act to employment in transportation by water, and an amendment is included in this bill to provide for the extension of the Act to such employment. (See Clause 34.) In order to insure seamen on deep sea vessels an amendment is necessary to Paragraph *(c)* which at present restricts the insurability of employment outside of Canada to such a degree as to make the Act inapplicable to employment outside Canadian territorial waters, notwithstanding action to remove the present exception contained in Paragraph *(e)* of Part II of the First Schedule to the Act (Clause 34).

The proposed amendment is suggested, therefore, as a necessary step in order to make it possible to extend coverage to employment in transportation by water at an early date.

Reference might also be made to the explanatory notes appearing opposite clause 25, paragraph *(n)*.

34. Paragraphs *(e)* and *(f)* of Part II of the First Schedule presently read as follows:

> "*(e)* Employment in transportation by water or by air and stevedoring.
> *(f)* Employment in domestic service, except where the employed person is employed in a club or in any trade or business carried on for the purpose of gain."

(e) Coverage has been extended to transportation by air under authority of section eighty-six (2) of the Act and it is therefore not necessary to re-enact the former extension of coverage to transportation by air. The Commission having made investigations, it is now proposed that employment in transportation by water be insured.

(f) The amendment makes no change in intent or effect of the paragraph but by a re-arrangement of the words it is hoped that the intention will be clearer. As the paragraph now stands it is not clear whether the employees of clubs are insured only if the club is carried on for the purpose of gain. The intention quite clearly was that employees of clubs be insured whether the club carried on for purpose of gain or not.

Part II of First Schedule.

35. Paragraphs *(j)* and *(n)* of Part II of the First Schedule to the said Act are repealed and the following substituted therefor:

"*(j)* Employment as a member of His Majesty's Canadian naval, military or air forces and the Royal Canadian Mounted Police."

"*(n)* Employment under one or more contracts of service, whether concurrent or not, whether for full-time service or for part-time service, at a rate or aggregate rates of remuneration under which the earnings of the employed person exceed in value two thousand four hundred dollars a year:

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Provided however, that any such employment, the rate of remuneration thereof is an hourly rate, a daily rate, a weekly rate, a piece rate including a mileage or other rate being a sum of money per unit of physical measurement of work accomplished or service rendered, or any of such rates in combination with other rates, shall, notwithstanding that earnings thereunder exceed in value two thousand four hundred dollars a year, be insured, unless otherwise excepted;

Proviso.

And provided further that, notwithstanding anything contained in this paragraph, any person in respect of whom contributions have been paid or payable as an insured person, for two hundred weeks within the period of five years immediately prior to the date on which his employment became excepted by reason of this paragraph may, within six months after becoming so excepted, elect in the prescribed manner to remain an insured person from the date of his election."

Part II of First Schedule.

36. Part II of the First Schedule to the said Act is amended by adding the following:

"*(u)* Employment by a corporation, of a person

(i) who is the *bona fide* registered owner of more than half of the shares of the corporation which carry voting rights; or

(ii) who is the *bona fide* registered owner of more than the number of shares of the corporation required for his qualification as a director and who has been duly elected a director and appointed to the position of an officer of the corporation, upon certification by the directors, as recorded in the minutes of the corporation, that such person actually performs the functions and duties of the said position; and for the purposes of this subparagraph 'officer' shall mean the president, vice-

35. Paragraph *(j)* of Part II of the First Schedule presently reads as follows:

> "*(j)* Employment in the Permanent Active Militia, the Royal Canadian Navy, the Royal Canadian Air Force and the Royal Canadian Mounted Police."

The descriptions of the various services in that paragraph are not exact in reference to the services as presently constituted. Without changing the purpose of the paragraph in any way the new description will fit current conditions.

Paragraph *(n)* is a clarification of the present paragraph with one change in the second proviso, namely a reduction from 260 weeks' contributions, to 200 weeks' contributions within five years, as the period after which a person may elect to remain insured. The proviso referred to is becoming effective for the first time, now that almost five years have elapsed since the commencement of contributions. As worded at present, it would be possible for a person who had say 260 contributions in twenty years to elect to remain insured. The change is proposed in order that contribution records will not have to be maintained for a longer period than six years.

36. Paragraph *(u)* is added so that persons who are virtually employers are treated as such.

president, secretary, treasurer, secretary-treasurer, chairman of the executive committee, general manager or managing director of the corporation."

Repeal.

37. The Third Schedule to the said Act as amended by section twenty-six of chapter thirty-one of the statutes of 1943-44 is repealed.

Coming into force.

38. This Act shall come into force in whole or in part on such day or days as may be fixed by the Governor in Council, and due notice thereof shall be published in the *Canada Gazette*.

37. The provisions formerly set out in the Third Schedule now appear as substantive provisions in section thirty-one of the Act. Reference might be made to the explanatory notes appearing opposite the new section thirty-one.

38. An indeterminate period will necessarily elapse between the passing of this Act and the date of its enforcement to permit of due notice being given to those affected by its provisions and for the preparation and distribution of necessary forms.

It may be that certain sections could be made effective before there has been time for the necessary preparations and due notice to be given to all those affected by the whole Act; for example, it is hoped that contributions may be commenced in respect of seamen within a very short period, since arrangements are now almost completed.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 245.

An Act to amend the Public Printing and Stationery Act. (Advances to the King's Printer).

First reading, July 4, 1946.

THE SECRETARY OF STATE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

66628

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 245.

An Act to amend the Public Printing and Stationery Act. (Advances to the King's Printer).

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

R.S., c. 162; 1928, c. 5.

1. Section thirty-eight of the *Public Printing and Stationery Act*, chapter one hundred and sixty-two of the Revised Statutes, 1927, as enacted by section one of chapter five of the statutes of 1928, is repealed and the following substituted therefor:—

How expenses shall be met.

"**38.** For the purpose of carrying out the provisions of this Act, the Minister of Finance may from time to time authorize the advance to the King's Printer, out of the Consolidated Revenue Fund of Canada, of such sums of money as the King's Printer may require to enable him to purchase material for the execution of orders given or requisitions made under the provisions of the Act, and to pay the wages of workmen engaged in the execution of such orders or requisitions. All expenditures made under such

Accounting.

advances shall be accounted for in like manner as other moneys expended for the public service. Any moneys received by the King's Printer from the Houses of Parliament or from any of the departments of the Government, for work executed or for supplies furnished under the provisions of this Act shall be remitted by him to the Minister of

Repayment of advances.

Finance in repayment of such advances. The amount of

Amount of outstanding advances.

outstanding advances to the King's Printer, after deducting therefrom all amounts due to him by either House of Parliament or by the several departments shall at no time exceed the sum of two million dollars."

Explanatory Note.

The only change in the repealed section is to increase the amount of the outstanding advances to the King's Printer from seven hundred thousand dollars ($700,000) to two million dollars ($2,000,000), as the former amount, which was authorized in the year 1928 has become insufficient to carry out the provisions of the *Public Printing and Stationery Act*. By Order in Council P.C. 124/7590 of October 1, 1943 the aforesaid increase of one million, three hundred thousand dollars ($1,300,000) was authorized under and by virtue of the *War Measures Act* and the *War Appropriation Act, 1943*. By the amendment it is proposed to replace this authority by legislation in Parliament. The amount of two million dollars is considered requisite to meet adequately normal expenses incurred in advance for the printing and stationery requirements of Parliament and the departments of the Government.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 249.

An Act to amend the Exchequer Court Act.

First reading, July 5, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

67193

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 249.

An Act to amend the Exchequer Court Act.

R.S., c. 34; 1928, c. 23; 1930, c. 17; 1932-33, c. 13; 1938, c. 28; 1943-44, c. 25; 1944-45, c. 3.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection one of section four of the *Exchequer Court Act*, chapter thirty-four of the Revised Statutes of Canada, 1927, as enacted by section one of chapter three of the statutes of 1944-45, is repealed and the following substituted therefor:—

Constitution of Court.

"**4.** (1) The Exchequer Court shall consist of the President and three Puisne Judges, who shall be appointed by the Governor in Council by letters patent under the Great Seal."

Explanatory Notes.

The purpose of this Bill is to increase the number of puisne judges of the Exchequer Court of Canada from two to three. Provision for the salary of the additional judge will be made by an amendment to the Judges Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 250.

An Act respecting Judges of Dominion and Provincial Courts.

First reading, July 5, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

67205

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 250.

An Act respecting Judges of Dominion and Provincial Courts.

Short Title.

Short title.

1. This Act may be cited as *The Judges Act, 1946.*

Interpretation.

Definitions.

2. In this Act, unless the context otherwise requires,

"county."

(a) "county" includes district;

"judge."

(b) "judge" includes a chief justice, president, senior judge, chief judge and junior judge;

"superior court."

(c) "superior court" includes the Supreme Court of Canada and the Exchequer Court of Canada.

Eligibility.

Persons who may be appointed.

3. No person is eligible to be appointed a judge of a superior, circuit or county court in any province unless, in additon to other requirements prescribed by law, he is a barrister or advocate of at least ten years' standing at the bar of any province.

Salaries.

Salaries of judges of Supreme Court of Canada.

4. The salaries of the judges of the Supreme Court of Canada are as follows:—

	Per annum
(a) The Chief Justice of Canada	$20,000.00
(b) Six puisne judges, each	16,000.00

Explanatory Notes.

2. A revision of section 2. The reference to "chief judge" refers to the chief judges of the district court of Alberta, established by recent provincial legislation. The definition of "superior court" has been added for convenience.

3. A re-arrangement of section 4. Section 3 of the present Act has been deleted. This section reads:—

"**3.** Nothing in this Act shall be interpreted to authorize the payment of salary to any judge in excess of the salary which he was receiving immediately before the coming into force of the revised statutes of which this chapter forms a part."

In 1920 provision was made for increase in the salaries of judges. The increase was optional and if the judges accepted the increase they became liable for income tax. Some judges did not accept the increase and it was necessary to insert this provision in the 1927 revision. No judges are now in office who did not accept the increase.

4. Section 5 of the present Act. Salaries are increased by one-third.

Salaries of judges of Exchequer Court.

5. The salaries of the judges of the Exchequer Court of Canada are as follows:—

	Per annum
(a) The President of the Exchequer Court of Canada	$13,333.33
(b) Three puisne judges, each	12,000.00

Salaries of District judges in Admiralty of Exchequer Court.

6. The salaries of the District judges in Admiralty of the Exchequer Court, as such judges, are as follows:—

	Per annum
The District Judge of the Admiralty District of Quebec	$ 1,000.00
The District Judge of the Admiralty District of Nova Scotia	1,000.00
The District Judge of the Admiralty District of New Brunswick	1,000.00
The District Judge of the Admiralty District of Prince Edward Island	800.00
The District Judge of the Admiralty District of British Columbia	1,000.00
The District Judge of the Ontario Admiralty District	600.00

Salaries of judges of Supreme Court of Ontario.

7. The salaries of the judges of the Supreme Court of Ontario are as follows:

	Per annum
(a) The Chief Justice of Ontario	$13,333.33
(b) Seven Justices of Appeal, each	12,000.00
(c) The Chief Justice of the High Court	13,333.33
(d) Twelve other Judges of the High Court, each	12,000.00

Residence of judges of Supreme Court of Ontario.

8. The judges of the Supreme Court of Ontario shall reside at the city of Toronto or within five miles thereof, but leave to reside elsewhere in the province for any specified time may be granted from time to time by the Governor in Council.

Salaries of judges of Court of King's Bench and of Superior Court of Quebec.

9. The salaries of the judges of the Court of King's Bench and of the Superior Court in and for the province of Quebec are as follows:

	Per annum
(a) The Chief Justice of the Court of King's Bench	$13,333.33
(b) Eleven puisne judges of the Court of King's Bench, each	12,000.00
(c) The Chief Justice of the Superior Court.	13,333.33
(d) The puisne judge of the Superior Court who is appointed by the Governor in Council to perform the duties of Chief Justice	

5. Section 6 of the present Act. Salaries are increased by one-third and provision is made for a third puisne judge. The *Exchequer Court Act* is to be amended accordingly.

6. Section 7 of the present Act. The names of the offices were changed by *The Admiralty Act, 1934*, chapter 31.

7. Section 8 of the present Act, revised. This section as amended by 1936, chapter 39, reads as follows:—

"**8.** (1) The salaries of the judges of the Supreme Court of Ontario shall be as follows:—

	Per annum
(a) The Chief Justice of Ontario	$10,000.00
(b) The Chief Justice in Appeal	10,000.00
(c) Six Justices of Appeal, each	9,000.00
(d) The Chief Justice of the High Court	10,000.00
(e) Twelve Judges of the High Court, each	9,000.00

(2) Upon a vacancy occurring in the office of Chief Justice in Appeal, the salary of such Chief Justice shall cease and the number of salaries for the Judges of the Court of Appeal shall be increased to seven and after the said office has become vacant the salaries of the Judges of the Court of Appeal shall be as follows:—

	Per annum
(a) The Chief Justice of Ontario	$10,000.00
(b) Seven Justices of Appeal, each	9,000.00"

The vacancy referred to in subsection two has occurred and the section is amended accordingly. Provision is also made for a one-third increase in salaries.

8. Section 9 of the present Act. No change.

9. Section 10 of the present Act, amended by providing for a one-third increase in salaries and deleting the residence provisions. At one time different salaries were provided for various Superior Court Judges and it was necessary to describe them according to residence. They now receive the same salary and reference to residence is no longer necessary.

The proviso has been deleted. It reads as follows:—

"Provided, however, that a judge of the Superior Court shall not be entitled to receive any addition to the salary he received immediately before the first day of July, one thousand nine hundred and twenty, unless he is actually residing at or in the immediate vicinity of

in the district as constituted for the Court of King's Bench sitting in appeal within which the Chief Justice does not reside, Montreal or Quebec, as the case may be... 13,333.33

(e) Thirty-five puisne judges of the Superior Court, each..... 12,000.00

Salaries of judges of Supreme Court of Nova Scotia.

10. The salaries of the judges of the Supreme Court of Nova Scotia are as follows:

	Per annum
(a) The Chief Justice of the Court.....	$13,333.33
(b) The Judge in Equity.....	12,000.00
(c) Five other judges of the Court, each.....	12,000.00
(d) The judge of the Court of Divorce and Matrimonial Causes.....	500.00

Salaries of judges of Supreme Court of New Brunswick.

11. The salaries of the judges of the Supreme Court of New Brunswick are as follows:—

	Per annum
(a) The Chief Justice of New Brunswick....	$13,333.33
(b) Two other judges of the Appeal Division, each.....	12,000.00
(c) The Chief Justice of the King's Bench Division.....	13,333.33
(d) Three other judges of the King's Bench Division, each.....	12,000.00
(e) The judge of the Court of Divorce and Matrimonial Causes.....	500.00

Salaries of judges of Court of Appeal and Court of King's Bench for Manitoba.

12. The salaries of the judges of the Court of Appeal for Manitoba and of His Majesty's Court of King's Bench for Manitoba are as follows:—

	Per annum
(a) The Chief Justice of Manitoba.....	$13,333.33
(b) Four Judges of Appeal, each.....	12,000.00
(c) The Chief Justice of the Court of King's Bench.....	13,333.33
(d) Five puisne judges of the Court of King's Bench, each.....	12,000.00

Salaries of judges of Court of Appeal and Supreme Court of British Columbia.

13. The salaries of the judges of the Court of Appeal for British Columbia and of the Supreme Court of British Columbia are as follows:—

	Per annum
(a) The Chief Justice of British Columbia...	$13,333.33
(b) Four Justices of Appeal, each.....	12,000.00
(c) The Chief Justice of the Supreme Court	13,333.33
(d) Five Judges of the Supreme Court, each	12,000.00

the city of Montreal, Quebec, Sherbrooke or Three Rivers, as the case may be, as required by article three thousand and seventy-six of the Revised Statutes, 1909, of the province of Quebec, as enacted by section forty-one of chapter seventy-nine of the statutes of 1920 of the said province."

This proviso was enacted to meet a situation existing in 1920 when salaries were increased. Judges were required to comply with provincial residence requirements in order to obtain the increase. There are now only four judges in Montreal and one in Quebec to whom the proviso could apply, but having complied with provincial residence requirements for at least 26 years there is little object in carrying this proviso forward.

10. Section 11 of the present Act with a one-third increase in salary and revised to conform to provincial legislation. No increase in salary for the judge of the Divorce Court.

11. Section 12 of the present Act with a one-third increase in salary and revised to conform to provincial legislation. No increase in salary for the judge of the Divorce Court.

12. Section 13 of the present Act with a one-third increase in salary and revised to conform to provincial legislation.

13. Section 14 of the present Act with a one-third increase in salary and revised to conform to provincial legislation.

Salaries of judges of Supreme Court of Prince Edward Island.

14. The salaries of the judges of the Supreme Court of Judicature of Prince Edward Island are as follows:

	Per annum
(a) The Chief Justice of the Court	$13,333.33
(b) One judge of the Court, being also Master of the Rolls of the Court of Chancery	12,000.00
(c) One judge of the Court, being also Vice-Chancellor	12,000.00

Salaries of judges of Court of Appeal and King's Bench for Saskatchewan.

15. The salaries of the judges of the Court of Appeal for Saskatchewan and of His Majesty's Court of King's Bench for Saskatchewan are as follows:

	Per annum
(a) The Chief Justice of Saskatchewan	$13,333.33
(b) Four Judges of Appeal, each	12,000.00
(c) The Chief Justice of the Court of King's Bench	13,333.33
(d) Six other judges of the Court of King's Bench, each	12,000.00

Salaries of judges of Supreme Court of Alberta.

16. The salaries of the judges of the Supreme Court of Alberta are as follows:

	Per annum
(a) The Chief Justice of Alberta	$13,333.33
(b) Four Justices of Appeal, each	12,000.00
(c) The Chief Justice of the Trial Division	13,333.33
(d) Five Justices of the Supreme Court of Alberta, each	12,000.00

Salary of judge of Territorial Court of Yukon Territory.

17. The salary of the judge of the Territorial Court of the Yukon Territory is twelve thousand dollars per annum.

Salaries of judges of county and district courts.

18. The salaries of the judges of the county and district courts are as follows:

	Per annum
Ontario	
(a) Sixty-two judges and junior judges of the County and District Courts, each	$6,666.66
Nova Scotia	
(b) Seven County Court judges, each	6,666.66

14. Section 15 of the present Act with a one-third increase in salary and revised to conform to provincial legislation.

15. Section 16 of the present Act with a one-third increase in salary and revised to conform to provincial legislation.

16. Section 17 of the present Act with a one-third increase in salary and revised to conform to provincial legislation.

17. A revision of section 18 of the present Act. Subsection two has been deleted because there is now no judge in office. The functions of the judge are being exercised by a stipendiary magistrate appointed pursuant to the *Yukon Act*, R.S.C. 1927, chapter 215, as amended by 1941, chapter 30. The subsection deleted reads:—

"(2) The increase of salary hereby granted shall not entitle the judge to any increase in the annuity which may be granted him on retirement in excess of six thousand dollars."

The salary provision is being retained in case a judge should again be appointed.

18. This is section 19 of the present Act, slightly amended. Provision is made for 62 judges for Ontario instead of 75 as at present. Under provincial law there are now only 62 offices. In the case of Alberta provision is made for the salaries of the chief judges although there is no change in the total number of judges. All salaries are increased by one-third.

New Brunswick

(c) Six County Court judges, each..... 6,666.66

Manitoba

(d) Ten judges and junior judges of the County Courts, each..... 6,666.66

British Columbia

(e) Fourteen judges and junior judges of the County Courts, each..... 6,666.66

Prince Edward Island

(f) Three County Court judges, each..... 6,666.66

Saskatchewan

(g) Eighteen District Court judges, each..... 6,666.66

Alberta

(h) Twelve chief judges and judges of the District Courts, each..... 6,666.66

Salaries of judges of Circuit Court of District of Montreal.

19. The salaries of the two judges of the Circuit Court of the District of Montreal are seven thousand dollars per annum.

TRAVELLING ALLOWANCES.

Travelling allowances.

20. (1) Subject as in this section provided, a judge of a superior or county court or a District Judge in Admiralty of the Exchequer Court who attends as such judge in court or chambers at any place other than that at which or in the immediate vicinity of which he is by law obliged to reside is entitled to be paid as a travelling allowance—

(a) his moving or transportation expenses, and

(b) for each necessary day of travel going and returning and each day during which he so attends—

(i) the sum of ten dollars if that place is a city;

(ii) the sum of six dollars if that place is not a city;

(iii) the sum of ten dollars if during the time he so attends he is accommodated at a city and the Minister of Justice is satisfied that suitable accommodation is not available at the place at which he attends;

19. This is an amendment of the present section 20. The jurisdiction of the Circuit Court has been transferred to the Superior Court and no future appointments are necessary. There is no Senior Judge in office, but there are two other judges and salaries are being provided only for them. The present section reads:—

"**20.** The salaries of the judges of the Circuit Court of the District of Montreal shall be as follows:—

The Senior judge of the said Court, $8,000 per annum; and three other judges of the said Court, each $7,000 per annum."

20. This is a revision and re-arrangement of the present section 21. The following changes in substance have been made:—

(1) *(b)* (iii) Under the present Act a judge receives a living allowance of ten dollars a day for attending at cities and six dollars a day for attending at other places. In some cases a judge attends at a town but cannot obtain suitable accommodation except at a nearby city. For example, such a situation exists at Battleford, Saskatchewan. This is the judicial centre and is not a city but judges

(iv) the sum of ten dollars if he attends at a place where, in the opinion of the Minister of Justice, suitable accommodation is not available for six dollars a day.

Place not deemed to be a city.

(2) For the purposes of this section a place having a population of less than five thousand according to the latest census taken pursuant to the *Statistics Act* shall be deemed not to be a city.

R.S., c. 190.

Where no allowance.

(3) No judge is entitled to be paid travelling allowance for attending in court or chambers at or in the immediate vicinity of the place where he resides.

No allowance to county court judge when in attendance at his county town.

(4) No judge of a county court is entitled to be paid travelling allowance for attending in court or chambers at the county town of the county or union of counties for which he is appointed or at the judicial centre or district town of the judicial district for which he is appointed.

No allowance to county court judge for attendance outside his county unless approved by provincial attorney general.

(5) No judge of a county court is entitled to be paid travelling allowance for attending in court or chambers at a place not within the county for which he is appointed unless the holding of such court is approved by the Attorney-General of the province and it appears to the satisfaction of the Minister of Justice that the attendance was duly authorized and necessary.

Travelling allowance to judge in Quebec only on certificate of Chief Justice.

(6) In the province of Quebec no travelling allowance shall be paid to a judge unless the Chief Justice or the judge performing the duties of Chief Justice in the district where the court is held certifies that the attendance was, in his opinion, necessary.

(7) No travelling allowance shall be paid—

No allowance. Nova Scotia.

(a) to a judge of the Supreme Court of Nova Scotia for attending in court or chambers at the city of Halifax;

New Brunswick.

(b) to a judge of the Supreme Court of New Brunswick for attending in court or chambers at either one of the cities of Fredericton or Saint John unless he resides at the other of the said cities or in the immediate vicinity thereof or unless he is the judge who under the authority of the laws of the province resides at the city of Moncton;

Prince Edward Island.

(c) to a judge of the Supreme Court of Judicature of Prince Edward Island for attending in court or chambers at the city of Charlottetown;

Manitoba.

(d) to a judge of the Court of Appeal for Manitoba or of His Majesty's Court of King's Bench for Manitoba for attending in court or chambers at the city of Winnipeg;

Saskatchewan.

(e) to a judge of the Court of Appeal for Saskatchewan or of His Majesty's Court of King's Bench for

are obliged to obtain accommodation at the city of North Battleford, a few miles distant. Under the proposed amendment the Minister of Justice has discretion to allow payment at the ten dollar rate.

(1) *(b)* (iv) There are towns in Canada where the cost of living is as high as in cities. Under clause 29 (1) *(b)* (iv) the Minister of Justice will have authority to allow the ten dollar rate in such cases.

(2) There are many incorporated cities in Canada with populations ranging from less than one thousand to five thousand. Judges attending there have an advantage over judges attending at towns of the same population. Subsection (2) of section 20 of the Bill would rule out cities with a population less than five thousand.

(4) Difficulties arise in the application of paragraph *(c)* of subsection one of section 21 of the present Act. This paragraph reads as follows:—

"*(c)* no judge of a county court shall receive any travelling allowance for courts or chambers held at the county town of the county, or union of counties, within which he resides;"

There are no counties in Alberta, Saskatchewan or Manitoba. In Alberta there are two District Court Districts with one court for each. In Saskatchewan the province is divided into judicial districts for general judicial purposes and there is one district court for each district. In Manitoba, which is also divided into judicial districts, there are many county court districts for each judicial district. There is a distinct county court for each county court district; one judge is appointed for a judicial district and he is the judge of all the county courts in that judicial district.

The present section is being amended so as to make it clear that the same rule applies to district and county judges in these Western provinces as in other provinces.

(7) *(g)* Under paragraph *(b)* of section 21 (1) of the present Act no judge of the Supreme Court of British Columbia is entitled to receive travelling allowance for attending at either Victoria or Vancouver unless he resides at the other of the said cities. The judges of the Court of Appeal are not included in this rule. In all the other provinces a similar rule applies to the appeal courts as well as the trial courts. The section is therefore being amended so as to place the superior court judges for British Columbia in the same position as the superior court judges for the other provinces.

Saskatchewan for attending in court or chambers at the city of Regina;

Alberta.

(f) to a judge of the Supreme Court of Alberta for attending in court or chambers at either one of the cities of Edmonton or Calgary unless he resides at the other of the said cities or in the immediate vicinity thereof;

British Columbia.

(g) to a judge of the Court of Appeal for British Columbia or of the Supreme Court of British Columbia for attending in court or chambers at either one of the cities of Victoria or Vancouver unless he resides at the other of the said cities or in the immediate vicinity thereof.

Where place of residence fixed by Order in Council.

(8) Nothing in subsection seven of this section affects the right of a judge to be paid travelling allowance under subsection one of this section if he resides at a place at which he is by order of the Governor in Council required to reside.

No travelling allowance from outside to within assigned district.

(9) A judge who is appointed or assigned to a district for the exercise of his ordinary jurisdiction therein, and required by law at the time of his appointment to reside within that district, is not entitled to be paid travelling allowance incurred or made necessary by reason of his residing at any place outside of the district to which he is so appointed or assigned, unless his residence at that place is authorized or approved by the Governor in Council.

Ontario district court judge allowance of $500 per annum.

(10) No judge of a district court in Ontario is entitled to be paid any travelling allowance under subsection one of this section for attending in court or chambers at a place within the district for which he was appointed but every such judge is entitled to be paid a travelling allowance of five hundred dollars per annum for such attendance.

Yukon Territory travelling allowance.

(11) In the Yukon Territory the judge of the Territorial Court shall be paid such travelling allowance as the Governor in Council determines.

Certificate required with application for allowance.

(12) Every application for payment of travelling allowance shall be accompanied by a certificate of the judge applying for it showing the number of days for which travelling allowance is claimed.

Attendance at Judicial Committee of the Privy Council.

21. The Governor in Council may, in each fiscal year, pay for expenses of travelling and living while in attendance at a sitting of the Judicial Committee of the Privy Council, a sum not exceeding three thousand dollars, to a member of His Majesty's Privy Council who is eligible to be a member of the said Judicial Committee in respect of holding or having held judicial office in Canada, and who attends a sitting of the said Judicial Committee as a member thereof.

(10) Subsection (4) of the present section 21 authorizes payment of a travelling allowance of $500 per annum to judges of the District Courts in Ontario. Frequently, owing to a temporary vacancy or absence, a judge of one district is required to attend in another district. Experience has shown that this $500 allowance is not sufficient to cover travel in the judge's own district and, in addition, in an adjoining district. The subsection is being amended so as to permit claim for travelling allowances under subsection one where the judge attends in another district.

21. Section 22 of the present Act. No change.

ANNUITIES.

Annuity on resignation after fifteen years in office or through permanent infirmity.

22. (1) His Majesty may, by letters patent under the Great Seal of Canada, grant to a judge of a superior court who has continued in office as such for at least fifteen years or is afflicted with some permanent infirmity disabling him from the due execution of his office, if he resigns his office, an annuity not exceeding two-thirds of the salary annexed to the office held by him at the time of his resignation, to commence immediately after his resignation and to continue thenceforth during his natural life.

Local judges in Admiralty of Exchequer Court eligible for annuity.

(2) Local judges in Admiralty of the Exchequer Court shall be deemed to be judges of a superior court, within the meaning of subsection one of this section.

Annuity upon retirement at age of 75 years, Supreme Court of Canada and Exchequer Court judges.

23. (1) His Majesty may, by letters patent under the Great Seal of Canada, grant to a person who has continued in office as a judge of

(a) the Supreme Court of Canada or the Exchequer Court of Canada for at least ten years, or

(b) the Supreme Court of Canada or the Exchequer Court of Canada and a superior court in a province in the aggregate of at least ten years,

and who ceases to hold office as a judge of the Supreme Court of Canada or the Exchequer Court of Canada by reason of his having attained the age of seventy-five years, an annuity not exceeding two-thirds of the salary annexed to the office held by him at the time he so ceases to hold office, to commence at that time and to continue thenceforth during his natural life.

Annuity to Supreme Court of Canada judges holding office on March 31, 1927, and on attaining 75 years of age.

(2) His Majesty may, by letters patent under the Great Seal of Canada, grant to a person who held office as a judge of the Supreme Court of Canada on the thirty-first day of March, one thousand nine hundred and twenty-seven, and who continues in office until he attains the age of seventy-five years, an annuity not exceeding three-fourths of the salary annexed to the office held by him at the time he ceases to hold office, to commence at that time and to continue thenceforth during his natural life.

22. A revision of section 23 of the present Act. The reference to Courts of Vice-Admiralty in the present 23 (2) is deleted because there have been no such courts in Canada since 1891 when the *Admiralty Act* was enacted (54-55 Vict., chapter 29). Section 23 (3) of the present Act now appears as section 29.

23. (1) This is a revision of the present 24 (3) as enacted by 1930, chapter 27.

23. (2) This is a revision of the present 24 (2), but is restricted to the Supreme Court of Canada. None of the present judges of the Exchequer Court held office on March 31, 1927. Instead of full salary the annuity is to be three-fourths. Three-fourths of the new salary equals the present salary. Subsection (1) of the present section 24 has been deleted. This reads:—

"**24.** If any judge of the Supreme Court of Canada, or of the Exchequer Court of Canada, or of any superior court in Canada, appointed before the first day of July, one thousand nine hundred and twenty, resigns his office, His Majesty may by letters patent under the Great Seal of Canada, reciting such judge's age and period of service, grant to him an annuity equal to the salary which was immediately before the said first day of July, one thousand nine hundred and twenty, attached to the judicial office then held by him, to commence immediately after his resignation and to continue thenceforth during his natural life, if such judge has

(a) attained the age of seventy-five years and continued in office as judge of one or more of the said courts, for twenty years and upwards; or

(b) attained the age of seventy years, and continued in office as judge of one or more of the said courts for twenty-five years or upwards; or

(c) continued in office as judge of one or more of the said courts for thirty years or upwards."

There are 12 judges to whom this could apply. The highest salary received by any immediately prior to July 1, 1920, was $8,000 per annum. However, with the increases in salary under the new Act, the minimum annuity for

Annuity to judges of county court or Circuit Court of District of Montreal.

24. His Majesty may, by letters patent under the Great Seal of Canada, grant to a judge of a county court or the Circuit Court of the District of Montreal who has continued in office as such for at least twenty-five years or is afflicted with some permanent infirmity disabling him from the due execution of his office, if he resigns his office, an annuity not exceeding two-thirds of the salary annexed to the office held by him at the time of his resignation, to commence immediately after his resignation and to continue thenceforth during his natural life.

Compulsory retirement of judges of county court and Circuit Court of District of Montreal.

25. (1) A judge of a county court or the Circuit Court of the District of Montreal who has attained the age of seventy-five years shall be compulsorily retired.

(2) His Majesty may, by letters patent under the Great Seal of Canada, grant to a judge of a county court or the Circuit Court of the District of Montreal

(a) who is compulsorily retired pursuant to subsection one of this section, or

(b) who has continued in office as such for at least thirty years, if he resigns his office,

Annuity.

an annuity not exceeding three-fourths of the salary in the case of a judge of a county court and not exceeding the salary in the case of a judge of the Circuit Court of the District of Montreal, annexed to the office held by him at the time of his retirement or resignation, to commence immediately after his retirement or resignation and to continue thenceforth during his natural life.

Annuity in lieu of other provisions.

26. (1) His Majesty may, in lieu of an annuity authorized by any other section of this Act, by letters patent under the Great Seal of Canada, grant to a judge

(a) who elects in writing within ninety days of his first appointment as a judge to accept an annuity authorized by this section, or

(b) who, on or before the first day of November, one thousand nine hundred and forty-four, or within ninety days of his first appointment as a judge, elected in writing to accept an annuity authorized by section twenty-six A of the *Judges Act*

an annuity not exceeding two-thirds of the annuity that His Majesty might, but for the election, have granted to him pursuant to the provision of this Act other than this section.

which such judge is eligible under section 22 of the new Act is $8,000 per annum and it is therefore not necessary to retain this section.

24. This is a revision of section 25 of the present Act. Subsection one of the present section reads as follows:—

"**25.** If any judge of a county court or of the Circuit Court of the District of Montreal becomes afflicted with some permanent infirmity disabling him from the due execution of his office, and resigns his office, or if a judge of either of the said courts, not having attained the age of seventy-five years, resigns his office after having continued therein for a period of at least twenty-five years, His Majesty may, by letters patent under the Great Seal of Canada, grant to him a pension equal to two-thirds of the annual salary of which he was in receipt at the time of his resignation, to commence immediately after his resignation and to continue thenceforth during his natural life. Provided that if such judge has only continued in office as such judge for a period of less than five years, the pension which may be so granted to him shall not, unless the judge has attained the age of seventy-five years, exceed one-third of the annual salary of which he was in receipt at the time of his resignation."

If the judge has less than five years' service, his annuity is only one-third of salary. Superior Court judges on the other hand would receive two-thirds. The proviso is therefore deleted.

25. This is a revision of the present section 26. The annuity in the case of county court judges will be three-fourths of salary instead of full salary ; three-fourths of the increased salary will be the same as the present salary. Salaries of the Montreal Circuit Court judges are not being increased, so the annuity remains at full salary.

26. This incorporates section 26A of the present Act, as enacted by 1944, chapter 45.

Annuity to wife of judge.

(2) His Majesty may grant to the wife of a judge to whom an annuity is granted under subsection one of this section an annuity not exceeding one-half of the annuity granted to the judge to commence with the first payment of the annuity to the judge and to continue thenceforth during her natural life.

Annuity to widow of judge who made election.

(3) When a judge who has made an election mentioned in subsection one of this section dies while holding office, His Majesty may, by letters patent under the Great Seal of Canada, grant to the widow of such judge an annuity not exceeding two-ninths of the salary of the judge at the date of his death, to commence immediately after the death of the judge and to continue thenceforth during her natural life.

Election irrevocable.

(4) An election made pursuant to this section is irrevocable.

Annuity to wife or widow to cease on re-marriage.

(5) An annuity granted to the wife or widow of a judge pursuant to this section shall cease on the re-marriage of the annuitant.

Annuity provision in respect to judge taking public office.

27. When a person who holds a public office under His Majesty in respect of His Government of Canada ceases to hold that public office, His Majesty may, if that person was a judge at the time of his appointment to the public office, by letters patent under the Great Seal of Canada, grant to him and to his wife or to his widow annuities not exceeding the annuities that His Majesty might have granted to them respectively had that person continued in office as such judge until the day he ceases to hold that public office and had then resigned.

Salary of judge holding public office reducible by amount of pension or annuity.

28. If any person who was granted a pension or an annuity under the *Judges Act*, or who is granted an annuity under this Act becomes entitled to any salary in respect of any public office under His Majesty in respect of His Government of Canada, such salary shall be reduced by the amount of such pension or annuity.

No annuity in certain cases unless resignation deemed in public interest.

29. No annuity shall be granted under subsection one of section twenty-two or under section twenty-four of this Act unless the Governor in Council is of opinion that it is in the public interest that such judge should resign his office.

Retirement and Removal of Judges.

Judge found incapacitated or disabled.

30. (1) A judge who is found by the Governor in Council, upon report of the Minister of Justice, to have become incapacitated or disabled from the due execution of his office by reason of age or infirmity shall, notwithstanding anything in this Act, cease to be paid or to receive or to be entitled to receive any further salary, if the facts respect-

27. This extends the present 27 (2), which reads as follows:—

"(2) If any judge of a Superior Court of Canada or of any province of Canada is or has been since the first day of January, 1931, appointed Chief Commissioner or Assistant Chief Commissioner of the Board of Railway Commissioners for Canada, and ceases to hold such office, His Majesty may, by letters patent under the Great Seal of Canada, grant to him an annuity equal to that, if any, which he would have received if he had continued in office as such judge, and had vacated the said office of judge on the date upon which he ceased to hold the said office of Chief Commissioner or Assistant Chief Commissioner."

The section is being amended so as to apply to all public offices under the Government of Canada.

28. This is the present 27 (1), revised as to form.

29. This combines the present 23 (3) and 25 (3).

30, **31** and **32.** These sections are a revision of the present sections 28 and 31. No change in substance is made except that reports concerning superior court judges, as well as county court judges, are to be laid before Parliament.

ing the incapacity or disability are first made the subject of inquiry and report as provided in section thirty-two of this Act, and the judge is given reasonable notice of the time and place appointed for the inquiry and is afforded an opportunity by himself or his counsel of being heard thereat and of cross-examining witnesses and adducing evidence on his own behalf.

Annuity if judge resigned.

(2) His Majesty may, by letters patent under the Great Seal of Canada, grant to any judge found, pursuant to subsection one of this section, to be incapacitated or disabled, if he resigns his office, the annuity which His Majesty might have granted him if he had resigned at the time when he ceased to be entitled to receive any further salary.

Leave of absence with salary.

(3) Notwithstanding anything in this section, the Governor in Council may grant leave of absence to any judge found, pursuant to subsection one of this section, to be incapacitated or disabled, for such period as the Governor in Council, in view of all the circumstances of the case, may consider just or appropriate, and if leave of absence is granted the salary of the judge shall continue to be paid during the period of leave of absence so granted.

County court judge or Circuit Court judge removal for misbehaviour, incapacity or inability.

31. A judge of a county court or the Circuit Court of the District of Montreal may be removed from office by the Governor in Council for misbehaviour, or for incapacity or inability to perform his duties properly by reason of age or infirmity, if the facts respecting the misbehaviour, incapacity or inability are first made the subject of inquiry and report as provided in section thirty-two of this Act and the judge is given reasonable notice of the time and place appointed for the inquiry and is afforded an opportunity by himself or his counsel of being heard thereat, and of cross-examining witnesses and adducing evidence on his own behalf.

Commission of inquiry.

32. (1) The Governor in Council may, for the purpose of making an inquiry pursuant to sections thirty or thirty-one of this Act, issue a commission of inquiry to one or more judges of the Supreme Court of Canada or of the Exchequer Court of Canada, or one or more judges of any superior court, empowering him or them to make such inquiry and to report, and may by such commission confer upon the person or persons appointed full power to summon before him or them any person or witness and to require him to give evidence on oath, orally or in writing or on solemn affirmation if he is entitled to affirm in civil matters, and to produce such documents and things as the commissioner deems or the commissioners deem requisite to the full investigation of the matters into which he or they are appointed to inquire.

Powers of commission.

(2) The commissioner or commissioners shall have the same power to enforce the attendance of any person or witness and to compel him to give evidence as is vested in any superior court of the province in which the inquiry is being conducted.

Findings or orders to be laid before Parliament.

(3) Any finding or order of the Governor in Council made pursuant to sections thirty or thirty-one of this Act and all reports, evidence and correspondence relating thereto shall be laid before Parliament within the first fifteen days of the next ensuing session.

SALARIES, TRAVELLING ALLOWANCES AND ANNUITIES.

Salaries, allowances and annuities payable out of C.R. Fund.

33. (1) The salaries, travelling allowances and annuities payable under this Act shall be paid out of any moneys forming part of the Consolidated Revenue Fund of Canada.

Payments for less than year, *pro rata*.

(2) For any period less than a year, the salaries and annuities shall be paid *pro rata*.

Payable by monthly instalments.

(3) The salaries and annuities shall be paid by monthly instalments.

Salary payments on first day of month next after appointment.

(4) The first payment of salary of any judge shall be made *pro rata* on the first day of the month which occurs next after his appointment.

Legal representatives entitlement.

(5) If any judge resigns his office or dies, he or his legal representatives shall be entitled to receive such proportionate part of his salary as has accrued during the time that he executed such office since the last payment.

TENURE OF OFFICE AND RESIDENCE OF COUNTY COURT JUDGES.

County court judges tenure of office and place of residence.

34. Every judge of a county court shall, subject to the provisions of this Act, hold office during good behaviour and his residence within the county or union of counties for which the court is established, but any judge of a county or district court in the province of Ontario may reside at any place within the County Court District established pursuant to the County Judges Act of that province, authorized or approved by the Governor in Council.

33. This is the present section 29 with no change in substance except with regard to subsection 3. The present subsection reads as follows:—

"**3.** The salaries and retiring allowances or annuities shall be payable by monthly instalments, and the salaries and retiring allowances and annuities of the judges who are not by law, entitled to receive the same free and clear of taxes and deductions imposed under any Act of the Parliament of Canada, shall continue to be paid free and clear of such taxes and deductions."

The provision respecting taxes has been deleted for the same reason that section 3 of the present Act has been deleted. See the explanatory note opposite section 3 of this Bill.

34. Section 30 of the present Act slightly amended as to form.

Sections 32, 33, 34 and 35 of the present Act have been deleted. These provisions read as follows:—

"**32.** General of special commissions, according to the laws at any time heretofore in force in any province, for the holding of Courts of Assize and Nisi Prius, Oyer and Terminer or General Gaol Delivery issued by the Lieutenant-Governor of such province, which contain the names of judges or other officers who have been duly appointed to their respective offices by the Governor in Council, shall, with reference to all proceedings thereon, confer the same powers, jurisdiction, and authority on such persons as if such commissions had been issued by the Governor General.

"**33.** The jurisdiction of every county court judge shall extend and shall be deemed to have always extended to

any additional territory annexed by the provincial legislature to the county or district for which he was or is appointed, to the same extent as if he were originally appointed for a county or district including such additional territory.

"**34.** It shall be competent to any county court judge to hold any of the courts in any county or district in the province in which he is appointed, or to perform any other duty as a county court judge in any such county or district, upon being required so to do by an order of the Governor in Council made at the request of the Lieutenant-Governor of such province.

(2) The judge of any county court may, without any such order, perform any judicial duties in any county or district in the province on being requested so to do by the county court judge to whom the duty for any reason belongs.

(3) The judge so required or requested as aforesaid shall, while acting in pursuance of such requisition or request, be deemed to be a judge of the county court of the county or district in which he is so required or requested to act, and shall have all the powers of such judge.

"**35.** Any retired county court judge of a province may hold any court or perform any other duty of a county court judge in any county or district of the province on being authorized so to do by an order of the Governor in Council, made at the request of the Lieutenant-Governor of such province; and such retired judge while acting in pursuance of such order shall be deemed to be a judge of the county or district in which he acts in pursuance of the order, and shall have all the powers of such judge."

Parliament had no jurisdiction to enact the present section 32. A Commission of Assize establishes the court and appoints the judge. The constitution of the court is a matter for the provinces. So far as the appointment of the judge is concerned, if section 96 of the B.N.A. Act applies, the power of appointment rests with the Governor General and not Parliament. If section 96 of the B.N.A. Act does not apply (and this was the view of Mr. Justice Wilson in *Regina vs. Amer* 42 U.C.Q.B. 391 at 404; see also *Rimmer vs. Hannon* 60 D.L.R. 637) then Parliament likewise has no jurisdiction.

Sections 33 and 34 were first enacted in 1891. These sections were added at the request of the province of Ontario. At that time the province of Ontario had legislation in the same terms but doubts arose as to the constitutionality thereof. See House of Commons Debates, 1891, pages 892 and 1090 and Senate Debates, 1891, pages 133 and 161. Whatever doubts existed in 1891 were effectively

Absence from Judicial Duties.

Leave of absence from judicial duties.

35. (1) No judge of a superior or county court shall be granted leave of absence from his judicial duties for a period in excess of thirty days except with the approval of the Governor in Council and whenever such leave of absence is granted the Minister of Justice shall forthwith notify the Chief Justice, if any, of the court and the Attorney-General of the province accordingly.

Chief Justice to report absence in excess of 30 days.

(2) If it appears to the Chief Justice of a superior court of a province that a judge of his court is absent from his judicial duties for a period in excess of thirty days without leave of the Governor in Council, he shall report such absence to the Minister of Justice.

Absentee judge to report absence to minister.

(3) Whenever a judge of a superior or county court is absent from his judicial duties for a period in excess of thirty days, he shall report such absence and the reasons therefor to the Minister of Justice.

Extra Judicial Employment.

Judge to devote himself exclusively to judicial duties.

36. No judge shall, either directly or indirectly, as director or manager of any corporation, company or firm, or in any other manner whatever, for himself or others, engage in any occupation or business other than his judicial duties, but every judge shall devote himself exclusively to his judicial duties: Provided, however, that a District Judge in Admiralty may continue to perform the duties of a public office under His Majesty in right of Canada or of a province held by him at the time of his appointment as District Judge in Admiralty.

Proviso.

Not to act as commissioner or arbitrator without consent of G. in C.

37. (1) Except as provided in subsection two of this section, no judge shall act as commissioner or arbitrator on any commission or inquiry without the consent of the Governor in Council.

May act as commissioner or arbitrator when appointed by competent authority.

(2) Every judge nominated for the purpose by the Governor in Council or the Lieutenant-Governor in Council may act as commissioner or arbitrator on any commission, inquiry or arbitration for which he may be appointed under any authority in that behalf exercisable by the Governor in Council or the Lieutenant-Governor in Council respectively.

Acting as assessor or arbitrator of compensation or damages. R.S., c. 170.

(3) Subsection one of this section does not apply to judges acting as arbitrators or assessors of compensation or damages under the *Railway Act* or any other public Act, whether of general or local application, of the Dominion or of any province, whereby a judge is required or authorized without authority from the Governor in Council or

removed by the Supreme Court of Canada in the decision in *Re County Courts of British Columbia* 21 S.C.R. 446.

35. This is new.

36. Section 36 of the present Act with a proviso added.

37 and **38.** A revision of the present sections 37 and 38. No change in substance except that the expenses to be paid are to be fixed by the Governor in Council or Lieutenant Governor in Council.

Lieutenant-Governor in Council to assess or ascertain compensation or damages.

EXTRA REMUNERATION.

No extra remuneration.

38. (1) Except as provided in subsection three of this section, no judge shall receive any remuneration in addition to his judicial salary for acting as commissioner or arbitrator or for acting as administrator or deputy of the Governor General or for any duty or service, whether judicial or executive, that he may be required to perform for or on behalf of the Government of Canada or the government of any province.

Exception.

(2) Subsection one of this section does not affect the right of any judge to receive remuneration under the provisions of any Dominion or provincial statute in force on the first day of July, one thousand nine hundred and twenty.

Transportation expenses and living allowances excepted.

(3) A judge acting as commissioner or arbitrator pursuant to subsection two of section thirty-seven of this Act, or as administrator or deputy of the Governor General or performing any duty or service he is required to perform for or on behalf of the Government of Canada or the government of any province, may receive, in addition to his judicial salary, such moving or transportation expenses and living allowance as the Governor in Council or the Lieutenant-Governor in Council, as the case may be, may fix by general or special order.

ANNUITIES ON INCREASED SALARIES.

What salary deemed to be where judge becomes eligible for annuity prior to January 1 1947.

39. In any case where, prior to the first day of January, one thousand nine hundred and forty-seven, a judge becomes eligible for an annuity under sections twenty-three or twenty-five of the *Judges Act*, the salary annexed to the office he held at the time of his resignation or the salary of which he was in receipt at the time of his resignation shall, for the purposes of the said sections and section twenty-six A of the said Act, be deemed to be the salary that would have been annexed to that office or of which the judge would have been in receipt if the whole of this Act had then been in force.

Repeal.

40. The enactments mentioned in the Schedule to this Act are repealed.

Coming into force.

41. Section thirty-nine of this Act shall come into force on the day this Act is assented to and all other sections of this Act shall come into force on the first day of January, one thousand nine hundred and forty-seven.

39. New. The Act is not to come into force until January 1, 1947, but annuities following resignations are to be based on the increased salaries.

SCHEDULE

Title	Session	Chapter
The Judges Act, R.S.C. 1927, c. 105.		
An Act to amend the Judges Act	1930	27
An Act to amend the Judges Act	1931	37
An Act to amend the Judges Act	1932	16
An Act to amend the Judges Act	1932	48
An Act to amend the Judges Act	1936	39
An Act to amend the Judges Act	1944–45	10
An Act to amend the Judges Act (Annuities)	1944–45	45

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 251.

An Act to establish The Canadian Commercial Corporation.

First reading, July 5, 1946.

THE MINISTER OF TRADE AND COMMERCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

60112

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 251.

An Act to establish The Canadian Commercial Corporation.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Canadian Commercial Corporation Act.*

Definitions.

2. In this Act, unless the context otherwise requires,

"Board."

(a) "Board" means the President and the directors of the Corporation;

"by-law."

(b) "by-law" means a by-law made under section eleven of this Act;

"civil service." R.S., c. 22.

(c) "civil service" has the same meaning as in the *Civil Service Act* but does not include the persons employed under this Act;

"Corporation."

(d) "Corporation" means the Canadian Commercial Corporation established by section three of this Act;

"Minister."

(e) "Minister" means the Minister of Trade and Commerce; and

"President."

(f) "President" means the President of the Corporation.

Corporation established.

Constitution.

3. (1) There is hereby established, for the purposes set forth in section four of this Act, a corporation to be known as the Canadian Commercial Corporation consisting of a President appointed by the Governor in Council and holding office during pleasure and not more than nine or less than five directors all of whom shall be appointed by the Governor in Council and hold office during pleasure.

First President.

(2) The first President of the Corporation is Maxwell Weir Mackenzie, Deputy Minister, Department of Trade and Commerce.

President's remuneration.

(3) The President's remuneration, if he is not a member of the public service, shall be fixed by the Governor in Council.

First directors.

(4) The first directors of the Corporation are Hector Brown McKinnon, President Commodity Prices Stabilization Corporation, David Sim, Deputy Minister (Customs and Excise), Department of National Revenue, Vincent William Scully, Deputy Minister Department of Reconstruction and Supply, Donovan Bartley Finn, Deputy Minister Department of Fisheries, Léo Paul Saint-Amour, Assistant Deputy Governor Bank of Canada, and William Davidson Low, Assistant to General Purchasing Agent, Canadian National Railways.

Agency of His Majesty.

(5) The Corporation is for all its purposes an agent of His Majesty and its powers may be exercised only as an agent of His Majesty.

Purposes.

4. (1) The Corporation is established for the following purposes:—

(a) to assist in the development of trade between Canada and other nations, and

(b) to assist persons in Canada

(i) to obtain goods and commodities from outside Canada; and

(ii) to dispose of goods and commodities that are available for export from Canada.

Directions.

(2) The Corporation shall comply with any general or special direction given by the Governor in Council or the Minister with reference to carrying out its purposes.

Powers.

5. (1) The Corporation may do such things as it deems expedient for, or conducive to, the attainment of the purposes set forth in section four of this Act; and, for greater certainty, but not so as to restrict the generality of the foregoing, the Corporation may carry on the business of:—

(a) importing goods or commodities into Canada,

(b) exporting goods or commodities from Canada, and

(c) storing and processing goods or commodities, either as principal or as agent, in such manner and to such extent as it deems advisable to achieve the said purposes.

(2) The generality of subsection one of this section is not restricted by any provision of this Act other than section four thereof.

Employment of officers and servants, R.S., c. 22.

Conditions, remuneration.

6. (1) The Corporation may, notwithstanding the *Civil Service Act* or any other statute or law, employ such officers or servants as it deems necessary to carry out this Act and may determine their conditions of employment and their remuneration which shall be paid by the Corporation.

Control and supervision.

(2) The Corporation has, under the Minister, the control and supervision of the officers and servants employed under this Act.

Head office, branches.

7. (1) The Corporation shall establish its head office in Ottawa and may establish such branch offices, either inside or outside Canada, as it deems necessary to carry out this Act.

Office accommodation, supplies, equipment.

(2) The Corporation may provide office accommodation, supplies and equipment for the Board and persons employed under this Act.

Grants and advances to Corporation.

8. (1) The Minister of Finance shall, on the request of the Minister of Trade and Commerce, from time to time deposit to the credit of the Corporation in the Bank of Canada or in a chartered bank designated by the Minister:—

(a) an amount or amounts not exceeding in the aggregate ten million dollars to be paid out of unappropriated moneys in the Consolidated Revenue Fund at any time while this Act is in force; and

(b) any other advances or grants to the Corporation that are otherwise authorized to be made from the Consolidated Revenue Fund.

Corporation to retain moneys received.

(2) The Corporation shall retain, for the purposes of this Act, all moneys received by it in the course of its business.

Administration of moneys.

(3) All moneys that are placed to its credit under this section and all moneys received by it in the course of its business shall be administered by the Corporation exclusively in furtherance of the purposes for which it is constituted.

Accounting.

(4) The Corporation shall establish and maintain an accounting system satisfactory to the Minister and shall, wherever required by him, render detailed accounts of its receipts and expenditures for such period or to such day as he designates, and all books or records of accounts, bank books and papers of the Corporation shall at all times be open to the inspection of the Minister or such person as he may designate.

Audit.

(5) The accounts of the Corporation shall be audited by the Auditor General and a statement of such accounts shall be included in the annual report of the Corporation.

Excess moneys repayable to Receiver General when directed.

(6) Notwithstanding the other provisions of this section the Corporation shall, if the Minister so directs, pay to the Receiver General of Canada any part of the moneys administered by it that the Minister considers to be in excess of the amount required for the purposes of this Act.

Capacity as a corporate entity.

9. The Corporation may, on behalf of His Majesty, contract in its corporate name without specific reference to His Majesty.

Sue and be sued.

10. The Corporation may sue and be sued in respect of any right or obligation acquired or incurred by it on behalf of His Majesty as if the right or obligation had been acquired or incurred on its own behalf.

By-laws.

11. The Corporation may, subject to the approval of the Governor in Council, make such by-laws as it may deem necessary,

(a) to carry out this Act, or

(b) to authorize the President, executive officers or employees of the Corporation to exercise powers vested in the Corporation,

and any such by-law, if it is not inconsistent with this Act, shall be valid notwithstanding that it is inconsistent with any statute or other law applicable to the civil service or the conduct of public business.

Corporation to act by resolution of the Board.

12. (1) The Corporation shall act by resolution of the Board which shall meet from time to time as required by by-law or on reasonable notice given by the President or any two directors at such convenient place as may be specified in the notice.

Chairman of Board.

(2) The President, or, in his absence, such person as may be appointed under the by-laws or by the directors, shall be chairman of the Board.

Quorum.

(3) Five members of the Board are a quorum if not less than three of them are directors who are not executive officers of the Corporation.

Delegated director.

(4) A director may authorize a delegate to act on his behalf as director and the delegate while so acting shall be deemed to be a director.

Annual report.

13. (1) The Corporation shall, as soon as possible after the thirty-first day of March in each year, and in any event within three months thereof, submit to the Minister an annual report in such form as the Minister may prescribe of its affairs and operations during the twelve-month period ending on the thirty-first day of March and the Minister shall forthwith lay the said report before Parliament, if Parliament is then in session, or within fifteen days of the commencement of the next session of Parliament.

Other reports.

(2) The Corporation shall, in addition to making an annual report under subsection one of this section, make to the Minister such other reports of its affairs and operations or of any particular transaction or part of its business as the Minister may require.

R.S., c. 24.

Pension fund.

14. (1) The *Civil Service Superannuation Act* is not applicable to officers and servants employed under this Act but the Corporation may, with the approval of the Governor in Council, establish and support a pension fund

or make other pension or superannuation arrangements for the benefit of officers and servants employed under this Act and their dependents.

Contributor to Civil Service Superannuation Act.

(2) Notwithstanding subsection one of this section or any other statute or law, a person who, immediately prior to his employment under this Act, was a contributor under the *Civil Service Superannuation Act* continues while employed under this Act to be a contributor under the said *Superannuation Act;* and, for the purposes of the said *Superannuation Act*, his service under this Act shall be counted as service in the civil service and he, his widow, children or other dependents, if any, or his legal representatives, may be granted the respective allowances or gratuities provided by the said *Superannuation Act.*

Former civil servant retired under this Act.

Superannuation rights preserved.

(3) Where a person who was a civil servant immediately before his employment under this Act is retired from employment under this Act, he may, in accordance with regulations made under the *Civil Service Act*, be assigned to a position in the civil service of the class from which he was so retired or for which he is qualified, or, in the alternative, be granted the same allowance or gratuity under the *Civil Service Superannuation Act* as he might have been granted if he were retired under like circumstances from a position in the civil service.

Former civil servant prior to employment under this Act retains rights under Civil Service Act.

(4) A person employed under this Act, who immediately prior to his employment, held a position in the civil service or was an "employee" within the meaning of the *Civil Service Act*, retains and is eligible to receive all the benefits, except salary as a civil servant, that he would have been eligible to receive had he remained under that Act.

Government Compensation Act to apply.

R.S., c. 30.

(5) The *Government Employees Compensation Act* applies to officers and servants employed under this Act and for the purposes of the said *Government Employees Compensation Act* such officers and servants shall be deemed to be employees in the service of His Majesty.

Acquisition of property of the Canadian Export Board.

15. (1) The Corporation shall, on the day this Act comes into force, take possession of all property in the custody, possession or control of the Canadian Export Board and such property shall, for the purposes of legal proceedings, be deemed to have been acquired by the Corporation on behalf of His Majesty.

Rights and obligations acquired.

(2) From the day this Act comes into force, all rights and obligations acquired or incurred by the Canadian Export Board shall, for the purposes of legal proceedings, be deemed to have been acquired or incurred by the Corporation on behalf of His Majesty.

Order in Council revoked.

16. The Canadian Commercial Corporation Order (P.C. 1218) made by the Governor in Council on the twenty-ninth day of March, nineteen hundred and forty-six under

1945, (2nd sess.) c. 25.

The National Emergency Transitional Powers Act, 1945, is revoked and anything at any time done by or pursuant to that order shall be deemed to have been done at that time by or pursuant to this Act.

253.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 253.

An Act to amend The National Emergency Transitional Powers Act, 1945.

First reading, July 8, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68056

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 253.

An Act to amend The National Emergency Transitional Powers Act, 1945.

1945 (2nd Sess.), c. 25.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section six of *The National Emergency Transitional Powers Act, 1945*, chapter twenty-five of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Continuation.

"**6.** (1) Subject as hereinafter provided, this Act shall expire on the thirty-first day of December, one thousand nine hundred and forty-six, if Parliament meets during November or December, one thousand nine hundred and forty-six, but if Parliament does not so meet it shall expire on the sixtieth day after Parliament first meets during the year one thousand nine hundred and forty-seven; provided that, if at any time while this Act is in force, addresses are presented to the Governor General by the Senate and House of Commons respectively, praying that this Act should be continued in force for a further period, not in any case exceeding one year, from the time at which it would otherwise expire and the Governor in Council so orders, this Act shall continue in force for that further period.

Application of s. 19 of R.S., c. 1.

(2) Section nineteen of the *Interpretation Act* shall apply upon the expiry of this Act as if this Act had then been repealed."

Explanatory Note.

Section six of *The National Emergency Transitional Powers Act, 1945*, at present reads as follows:

"**6.** (1) Subject as hereinafter provided, this Act shall expire on the thirty-first day of December, one thousand nine hundred and forty-six, if Parliament meets during November or December, one thousand nine hundred and forty-six, but if Parliament does not so meet it shall expire on the *fifteenth* day after Parliament first meets during the year one thousand nine hundred and forty-seven; provided that, if at any time while this Act is in force, addresses are presented to the Governor General by the Senate and House of Commons respectively, praying that this Act should be continued in force for a further period, not in any case exceeding one year, from the time at which it would otherwise expire and the Governor in Council so orders, this Act shall continue in force for that further period.

(2) Section nineteen of the *Interpretation Act* shall apply upon the expiry of this Act as if this Act had then been repealed."

The only change in the section consists in substituting the word "sixtieth" underlined on the opposite page for the word "fifteenth" in italics above.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 299.

An Act respecting The Toronto Harbour Commissioners.

First reading, July 10, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68135

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 299.

An Act respecting The Toronto Harbour Commissioners.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Toronto Harbour Commissioners' Act, 1946.*

Power to purchase certain lands.

2. The Toronto Harbour Commissioners in supplement of any other power thereunto them enabling may acquire by purchase the lands described in the Schedule hereto and may hold, sell, lease or otherwise dispose of the same or any easement, servitude, right, right-of-way or other privilege exercisable or enjoyed in, to or over or in respect of such lands.

Power to borrow purchase moneys by debenture issue.

3. For the purpose of paying the purchase price of the said lands described in the Schedule hereto The Toronto Harbour Commissioners may borrow money in Canada or elsewhere and at such rates of interest as they find expedient and may for such purpose issue debentures payable in not more than forty years from the date of the issue of any such debentures, which debentures may, subject to the exceptions contained in subsection three of section fifteen of *The Toronto Harbour Commissioners' Act, 1911*, be secured upon any real property vested in or controlled by The Toronto Harbour Commissioners.

Explanatory Notes.

The purpose of the Bill is to enable The Toronto Harbour Commissioners to purchase from the Canadian Pacific Railway Company certain lands lying north of the Commissioners' present holdings on the north side of Fleet Street and east of Fort York Armouries in the City of Toronto, and to issue debentures therefor.

SCHEDULE

DESCRIPTION OF THE PARCEL OF LAND TO BE PURCHASED FROM THE CANADIAN PACIFIC RAILWAY COMPANY LYING TO THE NORTH OF THE TORONTO HARBOUR COMMISSIONERS' LANDS WEST OF BATHURST STREET.

ALL AND SINGULAR that certain parcel or tract of land situate, lying and being in the City of Toronto, in the County of York, Province of Ontario, being composed of a part of the waterlot granted to the Canadian Pacific Railway Company by the Ontario Government by letters patent dated 29th October, 1902, and later by quit claim deed by the Dominion Government by letters patent dated 19th January, 1935, the quit claim deed being registered in the Registry Office for the Registry Division of Toronto as Instrument No. 18014 W.F.; part of the water lot granted to The Toronto Harbour Commissioners by the Dominion Government by letters patent dated 16th September, 1896, registered in said Registry Office as Instrument No. 2923 W.F.; and part of Parcel 1 according to a plan filed as No. 1101 in the said Registry Office, containing by admeasurement, in all, 3·437 acres more or less, the boundaries of such parcel being described as follows:—

PREMISING that the northerly limits of Blocks D and E according to a plan filed as D1444 in said Registry Office have an azimuth bearing of one hundred and five degrees and thirty-eight minutes (105°–38′);

COMMENCING at the north-westerly angle of said Block E; THENCE bearing fifteen degrees and thirty-eight minutes (15°–38′) along the production northerly of the westerly limit of said Block E a distance of one hundred feet (100′–0″) more or less, to its intersection with a line drawn parallel to the northerly limits of said Blocks E and D at the perpendicular distance of one hundred feet (100′-0″) measured northerly from said northerly limits; THENCE bearing one hundred and five degrees and thirty-eight minutes (105°–38′) along said parallel line a distance of five hundred and thirty-five feet four inches and one quarter of an inch (535′–4¼″) more or less, to the point of intersection by a line drawn parallel to the westerly limit of said Block D and at the perpendicular distance of one hundred and twenty-three feet four inches and one-half of an inch (123′–4½″) measured easterly from said westerly limit; THENCE bearing eighty-three degrees, thirty-nine minutes and twenty seconds (83°–39′–20″) five hundred and eighty-four feet and one inch and three-quarters of an inch (584′–1¾″) more or less, to a point of intersection by a line drawn parallel to the easterly limit of Block B according to said Registered Plan D1444 and northerly from a point in the southerly limit of said Block B distant one hundred feet (100′–0″) measured westerly thereon from the south-easterly angle of said Block B, said point of intersection being distant three hundred and eighty-eight feet and one-half of an inch (388′–0½″) measured northerly on said parallel line from said southerly limit of said Block B; THENCE

bearing one hundred and sixty-three degrees and twenty-four minutes (163°–24′) along said parallel line one hundred and fifty feet eleven inches and one-half of an inch (150′–11½″) more or lees, to the northerly limit of said Block B; THENCE bearing two hundred and fifty-nine degrees and fifty-one minutes (259°–51′) along the northerly limit of said Block B and the northerly limit of Block C according to said Registered Plan D1444, four hundred and thirty-eight feet eleven inches (438′–11″) more or less, to the north-westerly angle of said Block C; THENCE bearing two hundred and eighty-five degrees and thirty-eight minutes (285°–38′) along the northerly limits of said Blocks D and E seven hundred and sixty-two feet four inches and one-quarter of an inch (762′–4¼″) to the point of commencement.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 299.

An Act respecting The Toronto Harbour Commissioners.

First reading, July 10, 1946.

THE MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68135

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 299.

An Act respecting The Toronto Harbour Commissioners.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Toronto Harbour Commissioners' Act, 1946.*

Power to purchase certain lands.

2. The Toronto Harbour Commissioners in supplement of any other power thereunto them enabling may acquire by purchase the lands described in the Schedule hereto and may hold, sell, lease or otherwise dispose of the same or any easement, servitude, right, right-of-way or other privilege exercisable or enjoyed in, to or over or in respect of such lands.

Power to borrow purchase moneys by debenture issue.

3. For the purpose of paying the purchase price of the said lands described in the Schedule hereto The Toronto Harbour Commissioners may borrow money in Canada or elsewhere and at such rates of interest as they find expedient and may for such purpose issue debentures payable in not more than forty years from the date of the issue of any such debentures, which debentures may, subject to the exceptions contained in subsection three of section fifteen of *The Toronto Harbour Commissioners' Act, 1911*, be secured upon any real property vested in or controlled by The Toronto Harbour Commissioners.

Explanatory Notes.

The purpose of the Bill is to enable The Toronto Harbour Commissioners to purchase from the Canadian Pacific Railway Company certain lands lying north of the Commissioners' present holdings on the north side of Fleet Street and east of Fort York Armouries in the City of Toronto, and to issue debentures therefor.

SCHEDULE

DESCRIPTION OF THE PARCEL OF LAND TO BE PURCHASED FROM THE CANADIAN PACIFIC RAILWAY COMPANY LYING TO THE NORTH OF THE TORONTO HARBOUR COMMISSIONERS' LANDS WEST OF BATHURST STREET.

ALL AND SINGULAR that certain parcel or tract of land situate, lying and being in the City of Toronto, in the County of York, Province of Ontario, being composed of a part of the waterlot granted to the Canadian Pacific Railway Company by the Ontario Government by letters patent dated 29th October, 1902, and later by quit claim deed by the Dominion Government by letters patent dated 19th January, 1935, the quit claim deed being registered in the Registry Office for the Registry Division of Toronto as Instrument No. 18014 W.F.; part of the water lot granted to The Toronto Harbour Commissioners by the Dominion Government by letters patent dated 16th September, 1896, registered in said Registry Office as Instrument No. 2923 W.F.; and part of Parcel 1 according to a plan filed as No. 1101 in the said Registry Office, containing by admeasurement, in all, 3·437 acres more or less, the boundaries of such parcel being described as follows:—

PREMISING that the northerly limits of Blocks D and E according to a plan filed as D1444 in said Registry Office have an azimuth bearing of one hundred and five degrees and thirty-eight minutes (105°–38′);

COMMENCING at the north-westerly angle of said Block E; THENCE bearing fifteen degrees and thirty-eight minutes (15°–38′) along the production northerly of the westerly limit of said Block E a distance of one hundred feet (100′–0″) more or less, to its intersection with a line drawn parallel to the northerly limits of said Blocks E and D at the perpendicular distance of one hundred feet (100′-0″) measured northerly from said northerly limits; THENCE bearing one hundred and five degrees and thirty-eight minutes (105°–38′) along said parallel line a distance of five hundred and thirty-five feet four inches and one quarter of an inch (535′–4¼″) more or less, to the point of intersection by a line drawn parallel to the westerly limit of said Block D and at the perpendicular distance of one hundred and twenty-three feet four inches and one-half of an inch (123′–4½″) measured easterly from said westerly limit; THENCE bearing eighty-three degrees, thirty-nine minutes and twenty seconds (83°–39′–20″) five hundred and eighty-four feet and one inch and three-quarters of an inch (584′–1¾″) more or less, to a point of intersection by a line drawn parallel to the easterly limit of Block B according to said Registered Plan D1444 and northerly from a point in the southerly limit of said Block B distant one hundred feet (100′–0″) measured westerly thereon from the south-easterly angle of said Block B, said point of intersection being distant three hundred and eighty-eight feet and one-half of an inch (388′–0½″) measured northerly on said parallel line from said southerly limit of said Block B; THENCE

bearing one hundred and sixty-three degrees and twenty-four minutes (163°–24′) along said parallel line one hundred and fifty feet eleven inches and one-half of an inch (150′–11½″) more or lees, to the northerly limit of said Block B; THENCE bearing two hundred and fifty-nine degrees and fifty-one minutes (259°–51′) along the northerly limit of said Block B and the northerly limit of Block C according to said Registered Plan D1444, four hundred and thirty-eight feet eleven inches (438′–11″) more or less, to the north-westerly angle of said Block C; THENCE bearing two hundred and eighty-five degrees and thirty-eight minutes (285°–38′) along the northerly limits of said Blocks D and E seven hundred and sixty-two feet four inches and one-quarter of an inch (762′–4¼″) to the point of commencement.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 300.

An Act respecting an Income Tax Agreement between Canada and the United Kingdom, signed at London, in England, on the Fifth day of June, 1946.

First reading, July 17, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68048

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 300.

An Act respecting an Income Tax Agreement between Canada and the United Kingdom, signed at London, in England, on the Fifth day of June, 1946.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short Title.

1. This Act may be cited as *The Canada—United Kingdom Income Tax Agreement Act, 1946.*

Agreement approved.

2. The Agreement entered into between Canada and the United Kingdom, set out in the Schedule to this Act, is approved and declared to have the force of law in Canada.

Inconsistent legislation.

3. In the event of any inconsistency between the provisions of this Act or of the said Agreement and the operation of any other law, the provisions of this Act and the Agreement shall, to the extent of such inconsistency, prevail.

Orders and regulations.

4. (1) The Minister of National Revenue may make such orders and regulations as are, in his opinion, necessary for the purpose of carrying out the said Agreement or for giving effect to any of the provisions thereof.

Published.

(2) Orders and regulations made under this section shall be published in the *Canada Gazette* and laid before Parliament within fifteen days after they are made, if Parliament

Laid before Parliament.

is then sitting, and if not, then within fifteen days after the commencement of the next ensuing session thereof.

Coming into force.

5. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council published in the *Canada Gazette* and shall continue in force until a day to be fixed by proclamation of the Governor in Council published in the *Canada Gazette* following on the termination of the

Termination.

Agreement, and no longer.

SCHEDULE.

AGREEMENT BETWEEN CANADA AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME.

Signed in London, June 5, 1946.

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Canada, desiring to conclude an agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, have agreed as follows:—

ARTICLE I.

(1) The taxes which are the subject of the present Agreement are—

(a) In Canada:

The income taxes, including sur-taxes, and excess profits tax imposed by Canada (hereinafter referred to as "Canadian tax").

(b) In the United Kingdom:

The income tax (including sur-tax), the excess profits tax and the national defence contribution (hereinafter referred to as "United Kingdom tax").

(2) The present Agreement shall also apply to any other taxes of a substantially similar character imposed by either Contracting Government subsequently to the date of signature of the present Agreement or by the Government of any territory to which the present Agreement is extended under Article XV.

ARTICLE II.

(1) In the present Agreement, unless the context otherwise requires—

(a) The term "United Kingdom" means Great Britain and Northern Ireland excluding the Channel Islands and the Isle of Man.

(b) The terms "one of the territories" and "the other territory" mean the United Kingdom or Canada, as the context requires.

(c) The term "tax" means United Kingdom tax or Canadian tax, as the context requires.

(d) The term "person" includes any body of persons, corporate or not corporate.

(e) The term "company" includes any body corporate.

(f) The terms "resident of the United Kingdom" and "resident

of Canada" mean respectively any person who is resident in the United Kingdom for the purposes of United Kingdom tax and not resident in Canada for the purposes of Canadian tax and any person who is resident in Canada for the purposes of Canadian tax and not resident in the United Kingdom for the purposes of United Kingdom tax; and a company shall be regarded as resident in the United Kingdom if its business is managed and controlled in the United Kingdom and as resident in Canada if its business is managed and controlled in Canada.

(g) The terms "resident of one of the territories" and "resident of the other territory" mean a person who is a resident of the United Kingdom or a person who is a resident of Canada, as the context requires.

(h) The terms "United Kingdom enterprise" and "Canadian enterprise" mean respectively an industrial or commercial enterprise or undertaking carried on by a resident of the United Kingdom and an industrial or commercial enterprise or undertaking carried on by a resident of Canada; and the terms "enterprise of one of the territories" and "enterprise of the other territory" mean a United Kingdom enterprise or a Canadian enterprise, as the context requires.

(i) The term "permanent establishment", when used with respect to an enterprise of one of the territories, means a branch or other fixed place of business, but does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on its behalf.

An enterprise of one of the territories shall not be deemed to have a permanent establishment in the other territory merely because it carries on business dealings in that other territory through a *bona fide* broker or general commission agent acting in the ordinary course of his business as such.

The fact that an enterprise of one of the territories maintains in the other territory a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute that fixed place of business a permanent establishment of the enterprise.

The fact that a company which is a resident of one of the territories has a subsidiary company which is a resident of the other territory or which is engaged in trade or business in that other territory (whether through a permanent establishment or otherwise) shall not of itself constitute that subsidiary company a permanent establishment of its parent company.

(2) The term "industrial or commercial profits", as used in the present Agreement, does not include income in the form of dividends, interest, rents or royalties, management charges, or remuneration for labour or personal services.

(3) In the application of the provisions of the present Agreement by one of the Contracting Governments any term not otherwise

defined shall, unless the context otherwise requires, have the meaning which it has under the laws of that Contracting Government relating to the taxes which are the subject of the present Agreement.

ARTICLE III.

(1) The industrial or commercial profits of a United Kingdom enterprise shall not be subject to Canadian tax unless the enterprise is engaged in trade or business in Canada through a permanent establishment situated therein. If it is so engaged, tax may be imposed on those profits by Canada but only on so much of them as is attributable to that permanent establishment.

(2) The industrial or commercial profits of a Canadian enterprise shall not be subject to United Kingdom tax unless the enterprise is engaged in trade or business in the United Kingdom through a permanent establishment situated therein. If it so engaged, tax may be imposed on these profits by the United Kingdom, but only on so much of them as is attributable to that permanent establishment: Provided that nothing in this paragraph shall affect any provisions of the law of the United Kingdom regarding the imposition of excess profits tax and national defence contribution in the case of interconnected companies.

(3) Where an enterprise of one of the territories is engaged in trade or business in the other territory through a permanent establishment situated therein, there shall be attributed to such permanent establishment the industrial or commercial profits which it might be expected to derive if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment.

(4) No portion of any profits arising from the sale of goods or merchandise by an enterprise of one of the territories shall be deemed to arise in the other territory by reason of the mere purchase of the goods or merchandise within that other territory.

(5) Where a company which is a resident of one of the territories derives profits or income from sources within the other territory, the Government of that other territory shall not impose any form of taxation on dividends paid by the company to persons not resident in that other territory, or any tax in the nature of an undistributed profits tax on undistributed profits of the company, by reason of the fact that those dividends or undistributed profits represent, in whole or in part, profits or income so derived.

ARTICLE IV.

Where

(a) an enterprise of one of the territories participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or

(b) The same persons participate directly or indirectly in the management, control or capital of an enterprise of one of the territories and an enterprise of the other territory, and

(c) In either case conditions are made or imposed between the two enterprises, in their commercial or financial relations, which differ from those which would be made between independent enterprises,

then any profits which would but for those conditions have accrued to one of the enterprises but by reason of those conditions have not so accrued may be included in the profits of that enterprise and taxed accordingly.

ARTICLE V.

Notwithstanding the provisions of Articles III and IV, profits which a resident of one of the territories derives from operating ships or aircraft shall be exempt from tax in the other territory.

ARTICLE VI.

(1) The rate of Canadian tax on income (other than earned income) derived from sources within Canada by a resident of the United Kingdom who is subject to United Kingdom tax in respect thereof and not engaged in trade or business in Canada through a permanent establishment situated therein, shall not exceed 15 per cent.

(2) Notwithstanding the provisions of the foregoing paragraph, dividends paid to a company which is a resident of the United Kingdom by a Canadian company, all of whose shares (less directors' qualifying shares) which have under all circumstances full voting rights are beneficially owned by the former company, shall be exempt from Canadian tax:

Provided that exemption shall not be allowed if ordinarily more than one-quarter of the gross income of the Canadian company is derived from interest and dividends other than interest and dividends from any wholly-owned subsidiary company.

(3) Income (other than earned income) derived from sources within the United Kingdom by an individual who is a resident of Canada, subject to Canadian tax in respect of the income, and not engaged in trade or business in the United Kingdom through a permanent establishment situated therein, shall be exempt from United Kingdom sur-tax.

ARTICLE VII.

Copyright royalties and other like payments made in respect of the production or reproduction of any literary, dramatic, musical or artistic work (but not including rents or royalties in respect of motion picture films) and derived from sources within one of the territories by a resident of the other territory who is liable to tax in that other territory in respect thereof and not engaged in trade or business in the first-mentioned territory through a permanent establishment situated therein, shall be exempt from tax in that first-mentioned territory.

Article VIII.

(1) Remuneration (other than pensions) paid by one of the Contracting Governments to any individual for services rendered to that Contracting Government in the discharge of governmental functions shall be exempt from tax in the territory of the other Contracting Government if the individual is not ordinarily resident in that territory or is ordinarily resident in that territory solely for the purpose of rendering those services.

(2) Any pension paid by one of the Contracting Governments to any individual for services rendered to that Contracting Government in the discharge of governmental functions shall be exempt from tax in the territory of the other Contracting Government, if immediately prior to the cessation of those services the remuneration therefor was exempt from tax in that territory, whether under paragraph (1) of this Article or otherwise, or would have been exempt under that paragraph if the present Agreement had been in force at the time when the remuneration was paid.

(3) The provisions of this Article shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the Contracting Governments for purposes of profit.

Article IX.

(1) An individual who is a resident of the United Kingdom shall be exempt from Canadian tax on profits or remuneration in respect of personal (including professional) services performed within Canada in any taxation year if—

(a) he is present within Canada for a period or periods not exceeding in the aggregate 183 days during that year, and

(b) the services are performed for or on behalf of a person resident in the United Kingdom, and

(c) the profits or remuneration are subject to United Kingdom tax.

(2) An individual who is a resident of Canada shall be exempt from United Kingdom tax on profits or remuneration in respect of personal (including professional) services performed within the United Kingdom in any year of assessment if—

(a) he is present within the United Kingdom for a period or periods not exceeding in the aggregate 183 days during that year, and

(b) the services are performed for or on behalf of a person resident in Canada, and

(c) the profits or remuneration are subject to Canadian tax.

(3) The provisions of this Article shall not apply to the profits or remuneration of public entertainers such as stage, motion picture or radio artists, musicians and athletes.

ARTICLE X.

(1) Any pension (other than a pension paid by the Government of Canada for services rendered to it in the discharge of governmental functions) and any annuity, derived from sources within Canada by an individual who is a resident of the United Kingdom and subject to United Kingdom tax in respect thereof, shall be exempt from Canadian tax.

(2) Any pension (other than a pension paid by the Government of the United Kingdom for services rendered to it in the discharge of governmental functions) and any annuity; derived from sources within the United Kingdom by an individual who is a resident of Canada and subject to Canadian tax in respect thereof, shall be exempt from United Kingdom tax.

(3) The term "annuity" means a stated sum payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in consideration of money paid.

ARTICLE XI.

A professor or teacher from one of the territories who receives remuneration for teaching, during a period of temporary residence not exceeding two years, at a university, college, school or other educational institution in the other territory, shall be exempt from tax in that other territory in respect of that remuneration.

ARTICLE XII.

A student or business apprentice from one of the territories who is receiving full-time education or training in the other territory shall be exempt from tax in that other territory on payments made to him by persons in the first-mentioned territory for the purposes of his maintenance, education or training.

ARTICLE XIII.

(1) Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom, Canadian tax payable in respect of income from sources within Canada shall be allowed as a credit against any United Kingdom tax payable in respect of that income. Where such income is an ordinary dividend paid by a Canadian debtor, the credit shall take into account (in addition to any Canadian income tax chargeable directly or by deduction in respect of the dividend) the Canadian income tax payable in respect of its profits by the company paying the dividend, and where it is a dividend paid on participating preference shares and representing both a dividend at a fixed rate to which the shares are entitled and an additional participation in profits, the Canadian income tax so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

(2) For the purposes of the foregoing paragraph and of the aforesaid provisions of the law of the United Kingdom, so much of the tax chargeable under the law of Canada relating to excess profits tax as is chargeable otherwise than by reference to excess profits shall be treated as income tax and not as excess profits tax.

(3) Subject to the provisions of the law of Canada regarding the deduction from tax payable in Canada of tax paid in a territory outside Canada, United Kingdom tax payable in respect of income from sources within the United Kingdom shall be deducted from any Canadian tax payable in respect of that income. Where such income is an ordinary dividend paid by a company resident in the United Kingdom, the deduction shall take into account (in addition to any United Kingdom income tax appropriate to the dividend) the United Kingdom national defence contribution payable by the company in respect of its profits, and where it is a dividend paid on participating preference shares and representing both a dividend at the fixed rate to which the shares are entitled and an additional participation in profits, the national defence contribution so payable by the company shall likewise be taken into account in so far as the dividend exceeds that fixed rate.

(4) For the purposes of this Article, profits or remuneration for personal (including professional) services performed in one of the territories shall be deemed to be income from sources within that territory, and the services of an individual whose services are wholly or mainly performed in ships or aircraft operated by a resident of one of the territories shall be deemed to be performed in that territory.

Article XIV.

(1) The taxation authorities of the Contracting Governments shall exchange such information (being information available under the respective taxation laws of the Contracting Governments) as is necessary for carrying out the provisions of the present Agreement or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of the present Agreement. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those concerned with the assessment and collection of the taxes which are the subject of the present Agreement. No information shall be exchanged which would disclose any trade secret or trade process.

(2) The taxation authorities of the Contracting Governments may consult together as may be necessary for the purpose of carrying out the provisions of the present Agreement and, in particular, the provisions of Articles III and IV.

(3) As used in this Article, the term "taxation authorities" means, in the case of Canada, the Minister of National Revenue or his authorized representative; in the case of the United Kingdom, the Commissioners of Inland Revenue or their authorized representative; and, in the case of any territory to which the present agreement is extended under Article XV, the competent authority for the administration in such territory of the taxes to which the present Agreement applies.

Article XV.

(1) Either of the Contracting Governments may, on the coming into force of the present Agreement or at any time thereafter while it continues in force, by a written notification of extension given to the other Contracting Government, declare its desire that the operation of the present Agreement shall extend, subject to such modification as may be necessary, to all or any of its colonies, overseas territories, protectorates, or territories in respect of which it exercises a mandate or trusteeship, which impose taxes substantially similar in character to those which are the subject of the present Agreement. The present Agreement shall, subject to such modifications (if any) as may be specified in the notification, apply to the territory or territories named in such notification on the date or dates specified in the notification (not being less than sixty days from the date of the notification) or, if no date is specified in respect of any such territory, on the sixtieth day after the date of the notification, unless, prior to the date on which the Agreement would otherwise become applicable to a particular territory, the Contracting Government to whom notification is given shall have informed the other Contracting Government in writing that it does not accept the notification as to that territory. In the absence of such extension, the present Agreement shall not apply to any such territory.

(2) At any time after the expiration of one year from the entry into force of an extension under paragraph (1) of this Article, either of the Contracting Governments may, by written notice of termination given to the other Contracting Government, terminate the application of the present Agreement to any territory to which it has been extended under paragraph (1), and in that event the present Agreement shall cease to apply, six months after the date of the notice, to the territory or territories named therein, but without affecting its continued application to Canada, the United Kingdom or to any other territory to which it has been extended under paragraph (1) hereof.

(3) In the application of the present Agreement in relation to any territory to which it is extended by notification by the United Kingdom or Canada, references to the "United Kingdom" or, as the case may be, "Canada" shall be construed as references to that territory.

(4) The termination in respect of Canada or the United Kingdom of the present Agreement under Article XVIII shall, unless otherwise expressly agreed by both Contracting Governments, terminate the application of the present Agreement to any territory to which the Agreement has been extended by Canada or the United Kingdom.

(5) The provisions of the preceding paragraphs of this Article shall apply to the Channel Islands and the Isle of Man as if they were colonies of the United Kingdom.

Article XVI.

The present Agreement shall come into force on the date on which the last of all such things shall have been done in the United

Kingdom and Canada as are necessary to give the Agreement the force of law in the United Kingdom and Canada respectively, and shall thereupon have effect—

(a) in Canada as respects income taxes, including sur-taxes, for the taxation year 1946 and subsequent years, and as respects excess profits tax for any fiscal period beginning on or after the first day of January, 1946, and for the unexpired portion of any fiscal period current at that date;

(b) in the United Kingdom, as respects income tax for the year of assessment beginning on the 6th day of April, 1946, and subsequent years; as respects sur-tax for the year of assessment beginning on the 6th day of April, 1945, and subsequent years; and as respects excess profits tax and national defence contribution for any chargeable accounting period beginning on or after the first day of January, 1946, and for the unexpired portion of any chargeable accounting period current at that date.

ARTICLE XVII.

The present Agreement shall be deemed to have superseded the Agreements made on the 8th day of May, 1930, and the 3rd day of October, 1935, between the Government of the United Kingdom and the Government of Canada for reciprocal exemption from income tax in certain cases of profits accruing from the business of shipping and profits or gains accruing through an agency respectively, and those Agreements shall cease to have effect—

(a) in Canada, for the taxation year 1946 and subsequent years;

(b) in the United Kingdom, as respects income tax for the year of assessment beginning on the 6th day of April, 1946, and subsequent years, and as respects sur-tax for the year of assessment beginning on the 6th day of April, 1945, and subsequent years.

ARTICLE XVIII.

(1) The present Agreement shall continue in effect indefinitely but either of the Contracting Governments may, on or before the 30th day of June in any calendar year after the year 1947, give notice of termination to the other Contracting Government and, in such event, the present Agreement shall cease to be effective—

(a) in Canada, as respects income taxes, including sur-taxes, for any taxation year ending in or after the calendar year next following that in which such notice is given, and as respects excess profits tax for any fiscal period beginning on or after the first day of January in the calendar year next following that in which such notice is given and for the unexpired portion of any fiscal period current at that date;

(b) in the United Kingdom, as respects income tax for any year of assessment beginning on or after the 6th day of April in the calendar year next following that in which such notice is given; as respects sur-tax for any year of assessment beginning on or after the 6th day of April in the calendar year in which such notice is given; and as respects excess profits tax or national defence contribution for any chargeable accounting period beginning on or after the first day of January in the calendar year next following that in which such notice is given and for the unexpired portion of any chargeable accounting period current at that date.

(2) The termination of the present Agreement shall not have the effect of reviving any agreement or arrangement abrogated by the present Agreement or by agreements previously concluded between the Contracting Governments.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed the present agreement and have affixed thereto their seals.

DONE at London, in duplicate, on the Fifth day of June, one thousand nine hundred and forty-six.

For the Government of the United Kingdom:

"HUGH DALTON"

[Seal]

For the Government of Canada:

"W. L. MACKENZIE KING"

[Seal]

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 301.

An Act respecting a Succession Duty Agreement between Canada and the United Kingdom, signed at London, in England, on the Fifth day of June, 1946.

First reading, July 17, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68052

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 301.

An Act respecting a Succession Duty Agreement between Canada and the United Kingdom, signed at London, in England, on the Fifth day of June, 1946.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short Title.

1. This Act may be cited as *The Canada—United Kingdom Succession Duty Agreement Act, 1946.*

Agreement approved.

2. The Agreement entered into between Canada and the United Kingdom, set out in the Schedule to this Act, is approved and declared to have the force of law in Canada.

Inconsistent legislation.

3. In the event of any inconsistency between the provisions of this Act or of the said Agreement and the operation of any other law, and in particular the law relating to the taxation of the succession to property, the provisions of this Act and the Agreement shall, to the extent of such inconsistency, prevail.

Orders and regulations.

4. (1) The Minister of National Revenue may make such orders and regulations as are, in his opinion, necessary for the purpose of carrying out the said Agreement or for giving effect to any of the provisions thereof.

Published.

Laid before Parliament.

(2) Orders and regulations made under this section shall be published in the *Canada Gazette* and laid before Parliament within fifteen days after they are made, if Parliament is then sitting, and if not, then within fifteen days after the commencement of the next ensuing session thereof.

Coming into force.

5. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council published in the *Canada Gazette* and shall continue in force until a day to be fixed by proclamation of the Governor in Council published in the *Canada Gazette* following on the termination of the Agreement, and no longer.

Termination.

SCHEDULE.

AGREEMENT BETWEEN CANADA AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO DUTIES ON THE ESTATES OF DECEASED PERSONS.

Signed in London, June 5, 1946.

The Government of the United Kingdom, of Great Britain and Northern Ireland and the Government of Canada, desiring to conclude an agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to duties on the estates of deceased persons, have agreed as follows:—

Article I.

(1) The duties which are the subject of the present Agreement are:—

(a) In the United Kingdom, the estate duty imposed in Great Britain, and

(b) In Canada, the succession duty imposed by Canada.

(2) The present Agreement shall also apply to any other duties of a substantially similar character imposed by either Contracting Government subsequent to the date of signature of the present Agreement or by the Government of any territory to which the present Agreement is extended under Article VIII or applies under Article IX.

Article II.

(1) In the present Agreement, unless the context otherwise requires—

(a) The term "United Kingdom" means Great Britain and Northern Ireland.

(b) The term "Great Britain" means England, Wales and Scotland, and does not include the Channel Islands or the Isle of Man.

(c) The term "territory" when used in relation to one or the other Contracting Government means Great Britain or Canada, as the context requires.

(d) The term "duty" means the estate duty imposed in Great Britain or the succession duty imposed by Canada, as the context requires.

(2) In the application of the provisions of the present Agreement by one of the Contracting Governments, any term not otherwise defined shall, unless the context otherwise required have the meaning which it has under the laws of that Contracting Government relating to the duties which are the subject of the present Agreement.

ARTICLE III.

Where a person dies domiciled in any part of the territory of one Contracting Government, the situs of any of the following rights or interests, legal or equitable, which for the purposes of duty form or are deemed to form part of the estate of such person or pass or are deemed to pass in his death, shall, for the purposes of the imposition of duty and for the purposes of the credit to be allowed under Article V, be determined exclusively in accordance with the following rules, but in cases not within such rules the situs of such rights or interest shall be determined for these purposes in accordance with the laws in force in the territory of the other Contracting Government:—

(a) Rights or interests (otherwise than by way of security) in or over immovable property shall be deemed to be situated at the place where such property is located;

(b) Rights or interests (otherwise than by way of security) in or over tangible movable property, other than such property for which specific provision is hereinafter made, and in or over bank or currency notes, other forms of currency recognized as legal tender in the place of issue, negotiable bills of exchange and negotiable promissory notes, shall be deemed to be situated at the place where such property, notes, currency or documents are located at the time of death, or, if *in transitu*, at the place of destination;

(c) Debts, secured or unsecured and whether under seal or not, excluding the forms of indebtedness for which specific provision is made herein, shall be deemed to be situated at the place where the debtor was resident at the time of death;

(d) Bank accounts shall be deemed to be situated at the branch at which the account was kept;

(e) Securities issued by any government, municipality or public authority shall be deemed, if in bearer form, to be situated at the place where they are located at the time of death and, if inscribed or registered, to be situated at the place of inscription or registration;

(f) Shares, stock, debentures or debenture stock in a company (including any such property held by a nominee, whether the beneficial ownership is evidenced by scrip certificates or otherwise) shall be deemed to be situated at the place where the company was incorporated;

(g) Monies, payable under a policy of assurance or insurance, whether under seal or not, shall be deemed to be situated at the place where the policy provided that the monies shall be payable or, in the absence of any such provision, at the head office of the company;

(h) Shares in a partnership shall be deemed to be situated at the place where the business is principally carried on;

(i) Ships and aircraft and shares thereof shall be deemed to be situated at the place of registration of the ship or aircraft;

(j) Goodwill as a trade, business or professional asset shall be deemed to be situated at the place where the trade, business or profession to which it pertains is carried on;

(k) Patents, trade marks and designs shall be deemed to be situated at the place where they are registered;

(l) Copyright, franchises, and rights or licences to use any copyrighted material, patent, trade mark or design shall be deemed to be situated at the place where the rights arising therefrom are exercisable;

(m) Rights or causes of action *ex delicto* surviving for the benefit of an estate of a deceased person shall be deemed to be situated at the place where such rights or causes of action arose;

(n) Judgment debts shall be deemed to be situated at the place where the judgement is recorded;

Provided that if, apart from this paragraph, duty would be imposed by one Contracting Government on any property which is situated in its territory and passes under a disposition not governed by its law, this paragraph shall not apply to such property unless, by reason of its application or otherwise, duty is imposed or would but for some specific exemption be imposed thereon by the other Contracting Government.

ARTICLE IV.

(1) In determining the amount on which duty is to be computed, permitted deductions shall be allowed in accordance with the law in force in the territory in which the duty is imposed.

(2) Where duty is imposed by one Contracting Government on the death of a person who was not domiciled at the time of his death in any part of the territory of that Contracting Government but was domiciled in some part of the territory of the other Contracting Government, no account shall be taken, in determining the amount or rate of the duty so imposed, of property situated outside the former territory; provided that this paragraph shall not apply as respects duty imposed in Great Britain in the case of property passing under a disposition governed by the law of Great Britain.

ARTICLE V.

(1) Where one Contracting Government imposes duty by reason of a deceased person being domiciled in some part of its territory at the time of his death, that Contracting Government shall allow against so much of its duty (as otherwise computed) as is attributable to property situated in the territory of the other Contracting Government a credit (not exceeding the amount of the duty so attributable) equal to so much of the duty imposed in the territory of the other Contracting Government as is attributable to such property.

(2) Where Great Britain imposes duty on property passing under a disposition governed by its law, that Contracting Government shall allow a credit similar to that provided by the preceding paragraph of this Article.

(3) Where each Contracting Government imposes duty on any property which is deemed under Article III to be situated outside the territories of both Contracting Governments, each Contracting Government shall allow against so much of its duty (as otherwise computed) as is attributable to the property a credit which bears the same proportion to the amount of its duty so attributable or to the amount of the other Contracting Government's duty attributable to the same property, whichever is the less, as the former amount bears to the sum of both amounts.

(4) For the purposes of this Article, the amount of the duty of a Contracting Government attributable to any property shall be ascertained after taking into account any credit, allowance or relief, or any remission or reduction of duty, otherwise than in respect of duty payable in the territory of the other Contracting Government.

Article VI.

(1) Any claim for a credit or for a refund of duty founded on the provisions of the present Agreement shall be made within six years from the date of the death of the deceased person in respect of whose estate the claim is made, or, in the case of a reversionary interest where payment of duty is deferred until the date on which the interest falls into possession, within six years from that date.

(2) Any such refund shall be made without payment of interest on the amount so refunded.

Article VII.

(1) The taxation authorities of the Contracting Governments shall exchange such information (being information available under the respective taxation laws of the Contracting Governments) as is necessary for carrying out the provisions of the present Agreement or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the duties which are the subject of the present Agreement. Any information so exchanged shall be treated as secret and shall not be disclosed to any person other than those concerned with the assessment and collection of the duties which are the subject of the present Agreement. No information shall be exchanged which would disclose any trade secret or trade process.

(2) As used in this Article, the term "taxation authorities" means, in the case of Great Britain, the Commissioners of Inland Revenue or their authorized representative; in the case of Canada, the Minister of National Revenue or his authorized representative; in the case of Northern Ireland (to which the present Agreement applies under Article IX) the Minister of Finance or his authorized representative; and, in the case of any territory to which the present Agreement is extended under Article VIII, the competent authority for the administration in such territory of the duties to which the present Agreement applies.

ARTICLE VIII.

(1) Either of the Contracting Governments may, on the coming into force of the present Agreement or at any time thereafter while it continues in force, by a written notification of extension given to the other Contracting Government, declare its desire that the operation of the present Agreement shall extend, subject to such modifications as may be necessary, to all or any of its colonies, overseas territories, protectorates, or territories in respect of which it exercises a mandate or trusteeship, which impose duties substantially similar in character to those which are the subject of the present Agreement. The present Agreement shall, subject to such modifications (if any) as may be specified in the notification, apply to the territory or territories named in such notification as to the estates of persons dying on or after the date or dates specified in the notification (not being less than sixty days from the date of the notification) or, if no date is specified in respect of any such territory, on or after the sixtieth day after the date of such notification, unless, prior to the date on which the Agreement would otherwise become applicable to a particular territory, the Contracting Government to whom notification is given shall have informed the other Contracting Government in writing that it does not accept the notification as to that territory. In the absence of such extension, the present Agreement shall not apply to any such territory.

(2) At any time after the expiration of one year from the entry into force of an extension under paragraph (1) of this Article, either of the Contracting Governments may, by written notice of termination given to the other Contracting Government, terminate the application of the present Agreement to any territory to which it has been extended under paragraph (1), and in that event the present Agreement shall cease to apply as to the estates of persons dying on or after the date or dates (not being earlier than the sixtieth day after the date of such notice) specified in such notice, or, if no date is specified, on or after the sixtieth day after the date of such notice, to the territory or territories named therein, but without affecting its continued application to Great Britain, Canada, or to any other territory to which it has been extended under paragraph (1) hereof.

(3) In the application of the present Agreement in relation to any territory to which it is extended by the United Kingdom or Canada, references to "Great Britain" or, as the case may be, "Canada", or to the territory of one (or of the other) Contracting Government, shall be construed as references to the first mentioned territory.

(4) The provisions of the preceding paragraphs of this Article shall apply to the Channel Islands and the Isle of Man as if they were colonies of the United Kingdom.

ARTICLE IX.

The present Agreement shall apply in relation to the estate duty imposed in Northern Ireland as it applies in relation to the estate

duty imposed in Great Britain, but shall be separately terminable in respect of Northern Ireland by the same procedure as is laid down in paragraph (2) of Article VIII.

ARTICLE X.

The present Agreement shall come into force on the date on which the last of all such things shall have been done in the United Kingdom and Canada as are necessary to give the Agreement the force of law in the United Kingdom and Canada respectively, and the Agreement shall be effective only as to—

(a) the estates of persons dying on or after that date; and

(b) the estate of any person dying before that date and after the 31st day of December, 1944, whose personal representative elects, in such manner as may be prescribed, that the provisions of the present Agreement shall be applied to his estate.

ARTICLE XI.

(1) The present Agreement shall remain in force for not less than three years after the date of its coming into force.

(2) If not less than six months before the expiration of such period of three years, neither of the Contracting Governments shall have given to the other Contracting Government written notice of its intention to terminate the present Agreement, the Agreement shall remain in force after such period of three years until either of the Contracting Governments shall have given written notice of such intention, in which event the present Agreement shall not be effective as to the estates of persons dying on or after the date (not being earlier than the sixtieth day after the date of such notice) specified in such notice, or, if no date is specified, on or after the sixtieth day after the date of such notice.

IN WITNESS whereof the undersigned, duly authorised thereto, have signed the present Agreement and have affixed thereto their seals

DONE at London, in duplicate, on the fifth day of June one thousand nine hundred and forty-six.

For the Government of the United Kingdom:

"HUGH DALTON"

[SEAL].

For the Government of Canada:

"W. L. MACKENZIE KING"

[SEAL].

302.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 302.

An Act respecting Compensation for Merchant Seamen.

First reading, July 17, 1946.

MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68144

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 302.

An Act respecting Compensation for Merchant Seamen.

HIS Majesty, by and with the advice and consent of the Senate and the House of Commons of Canada, enacts as follows:—

Short Title.

Short title.

1. This Act may be cited as *The Merchant Seamen Compensation Act.*

Interpretation.

Definitions.

2. In this Act, unless the context otherwise requires,

"accident." *(a)* "accident" includes a wilful and an intentional act, not being the act of the seamen, and a fortuitous event occasioned by a physical or natural cause;

"Board." *(b)* "Board" means the Merchant Seamen Compensation Board established by this Act;

"compensation." *(c)* "compensation" includes medical and hospital expenses and any other benefits, expenses or allowances authorized by this Act;

"dependents." *(d)* "dependents" means such of the members of the family of a seaman as were wholly or partly dependent upon his earnings at the time of his death, or who but for the incapacity due to the accident would have been so dependent;

"employer." *(e)* "employer" includes every person having any seaman in his service under a contract of hiring or apprenticeship, written or oral, express or implied;

"invalid." *(f)* "invalid" means physically or mentally incapable of earning;

"medical aid." *(g)* "medical aid" means the medical, surgical and dental aid and hospital and skilled nursing services and the artificial member or members and apparatus and repair mentioned in subsection one of section forty-four of this Act;

Explanatory Notes.

The purpose of this Bill is to make statutory provision for payment of Workmen's Compensation to merchant seamen employed on ships engaged in trading on foreign or home-trade voyages where provincial Workmen's Compensation Acts do not apply.

Payment of compensation to merchant seamen not covered by provincial law is now provided for under The Merchant Seamen Compensation Regulations, 1945, which were made under the *War Measures Act* and became effective August 1, 1945.

"Minister" *(h)* "Minister" means the Minister of Transport;

"seaman." *(i)* "seaman" means every person, except pilots, apprenticed pilots and fishermen, employed or engaged on

(i) a ship registered in Canada; or

(ii) a ship chartered by demise to a person resident in Canada or having his principal place of business in Canada;

when such ship is engaged in trading on a foreign voyage or on a home trace voyage as these voyages are defined in the *Canada Shipping Act, 1934;* and, if so ordered by the Governor in Council, includes a seaman engaged in Canada and employed on a ship that is registered outside of Canada and operated by a person resident in Canada or having his principal place of business in Canada when such ship is so engaged;

1934, c. 44.

"ship." *(j)* "ship" means any ship or vessel as defined in the *Canada Shipping Act, 1934.*

Merchant Seamen Compensation Board.

Board constituted. **3.** (1) There shall be a Board to be known as the Merchant Seamen Compensation Board consisting of three members appointed by the Governor in Council.

Chairman, vice-chairman. (2) The Governor in Council shall designate one of the members of the Board to be chairman and one to be vice-chairman.

Chairman to preside. (3) The chairman, and in his absence the vice-chairman, shall preside at the meetings of the Board.

Office and salary. (4) A member of the Board holds office during pleasure and shall be paid such salary as the Governor in Council may fix.

Substitute member. (5) When a member of the Board is unable at any time to perform the duties of his office by reason of absence or temporary incapacity the Governor in Council may appoint a temporary substitute member upon such terms and conditions as the Governor in Council may prescribe.

Quorum. (6) Two members of the Board constitute a quorum.

Majority to govern. (7) In all proceedings of the Board the votes of the majority of the members govern.

Questions referred to the full Board. (8) At any meeting of the Board where only two of the members are present all questions upon which an agreement cannot be reached shall be referred for decision to a meeting of the full Board.

Officers, clerks and employees. (9) The Board may, with the approval of the Governor in Council, employ such professional, technical or other officers, clerks and employees as it deems necessary for the proper conduct of its business and fix their remuneration.

SCOPE.

When compensation not payable. R.S., c. 30.

4. No compensation is payable under this Act,

(a) where a seaman or his dependents are entitled to claim compensation under the *Government Employees Compensation Act* or under any provincial workmen's compensation law;

(b) where a seaman is or his dependents are entitled to claim compensation under the Order in Council of the thirtieth day of April, one thousand nine hundred and forty-two, (P.C. 104/3546), or any other Order in Council that provides similar benefits.

If compensation may be claimed under law of foreign country.

5. (1) Where an accident happens in respect of which a seaman or his dependents are entitled to claim compensation under the law of any foreign country, they shall be bound to elect whether they will claim compensation under such law or under this Act, and to give notice of such election, and if such election is not made and notice given it shall be presumed that they have elected not to claim compensation under this Act.

Notice of election given to the Board.

(2) Notice of the election under subsection one of this section shall be given to the Board within three months after the happening of the accident or in case it results in death, within three months after the death or within such longer period as either before or after the expiration of such three months the Board may allow.

Waiver of all claims.

(3) No compensation is payable in respect of any accident mentioned in subsection one of this section unless the seaman or his dependents submit to the Board, in a form approved by the Board, a waiver of all claims for compensation under the foreign law referred to in that subsection.

Application of Act.

6. This Act applies to accidents happening within or without Canada.

COMPENSATION.

Compensation, how paid.

7. (1) The employer of a seaman injured by reason of an accident arising out of and in the course of his employment shall pay compensation in the manner and to the extent provided by this Act, except where the injury,

Exceptions.

(a) does not disable the seaman for a period of at least seven days from earning full wages at the work at which he was employed; or

(b) is attributable solely to the serious and wilful misconduct of the seaman unless the injury results in death or serious disablement.

Payable from date of disability.

(2) Where compensation for disability is payable, it shall be computed and be payable from the date of the disability.

Deductions.

8. Except with the approval of the Board the amount of compensation payable under this Act is not subject to any deduction or abatement by reason or on account or in respect of any matter or thing whatsoever save in respect of any sums of money that have been paid by the employer to the seaman on account of the injury received by the seaman, which sum or sums shall be deducted from the amount of the said compensation.

Amount not to be assigned, etc.

9. Except with the approval of the Board the amount of compensation payable under this Act is not capable of being assigned, charged or attached and shall not pass to any other person by operation of law nor shall any claim be set off against it.

Seaman may not forego benefits.

10. It is not competent for a seaman to agree with his employer to waive or to forego any of the benefits to which he or his dependents are or may become entitled under this Act and every agreement to that end shall be absolutely void.

Claims to be heard by the Board.

11. No action lies for the recovery of compensation payable under this Act but all claims for compensation shall be heard and determined by the Board.

Right to compensation in lieu of all other rights.

12. The right to compensation provided by this Act is in lieu of all rights and rights of action, statutory or otherwise, to which a seaman or his dependents are or may be entitled against the employer of such seaman for or by reason of any accident happening to him while in the employment of such employer, and no action in respect thereof lies.

Board to decide right to compensation.

13. Any party to an action may apply to the Board for adjudication and determination of the question of the plaintiff's right to compensation under this Act, or as to whether the action is one the right to bring which is taken away by this Act and such adjudication and determination is final and conclusive.

Exclusive jurisdiction of the Board.

14. The Board has exclusive jurisdiction to examine into, hear and determine all matters and questions arising under this Act and as to any matter or thing in respect of which any power, authority or discretion is conferred upon the Board, and the action or decision of the Board thereon is final and conclusive and is not open to question or review in any court, and no proceedings by or before the Board shall be restrained by injunction, prohibition or other process or proceeding in any court or be removable by certiorari or otherwise into any court.

Reconsideration and amendment.

15. Nothing in section fourteen of this Act prevents the Board from reconsidering any matter that has been dealt with by it or from rescinding, altering or amending any decision or order previously made, all of which the Board has authority to do.

Witnesses and documents.

16. In any matter or thing arising under this Act the Board has the power of summoning before it any witnesses, and of requiring them to give evidence on oath, or on solemn affirmation if they are persons entitled to affirm in civil matters, and orally or in writing, and to produce such documents and things as the Board deems requisite and the Board has the same power to enforce the attendance of witnesses and to compel them to give evidence as is vested in any court of record in civil cases.

Board to decide upon real merits

17. The decision, of the Board shall be upon the real merits and justice of the case and it is not bound to follow strict legal precedent.

Decisions final.

18. The decisions and findings of the Board upon all questions of law or fact are final and conclusive.

Board may award sum deemed reasonable.

19. The Board may award such sum as it may deem reasonable to the successful party to a contested claim for compensation or to any other contested matter as compensation for the expenses he has been put to by reason of or incidental to the contest, and an order of the Board for the payment by any employer of any sum so awarded when filed in the manner provided by section twenty of this Act becomes a judgment of the court in which it is filed and may be enforced accordingly.

Order enforced as a judgment of the court.

20. An order of the Board for the payment of compensation by an employer or any other order of the Board for the payment of money made under the authority of this Act or a copy of such order certified by the Secretary or other person duly authorized by the Board to be a true copy, may be filed with the clerk of the county or district court of the county or district in which the employer resides or carries on business or if the employer resides or carries on business in the province of Quebec, with the clerk of the Superior Court of Quebec, and may be enforced as a judgment of that court.

If seaman not a resident of Canada.

21. (1) Where a seaman is not a resident of Canada and by the law of the place or country in which he resides compensation in respect of accidents is payable and an accident happens in respect of which he is entitled under this Act to receive compensation for permanent total disability or permanent partial disability, then notwithstanding anything

in this Act the amount of compensation payable under this Act shall not exceed the amount of compensation that would be payable had the accident happened in the place or country in which he resides.

Where dependent not a resident of Canada.

(2) Where a dependent of any seamen is not a resident of Canada he shall not be entitled to compensation under this Act unless by the law of the place or country in which he resides the dependents of a seamen to whom an accident happens in such place or country if resident in Canada would be entitled to compensation and where such dependents would be entitled to compensation under such law the compensation to which the non-resident dependent is entitled under this Act shall not be greater than the compensation payable in the like case under that law.

Discretion of the Board.

22. Notwithstanding section twenty-one of this Act such compensation or such sum in lieu of compensation may be awarded to any seaman who is not a resident of Canada or any such non-resident dependent as the Board may deem proper but such compensation or sum in lieu of compensation shall not in any case exceed the amount of compensation provided under this Act.

If entitled to action against other person.

23. (1) Where an accident happens to a seaman arising out of and in the course of his employment under such circumstances as entitled him or his dependents to an action against some person other than his co-employees, his employer, the servants or mandatories of his employer, the seaman or his dependents if entitled to compensation under this Act may claim such compensation or may bring such action.

If smaller amount collected.

(2) Where an action is brought and less is recovered and collected than the amount of the compensation to which the seaman or his dependents are entitled under this Act the difference between the amount recovered and collected and the amount of such compensation shall be payable as compensation to such seaman or his dependents.

Employer subrogated.

(3) Where the seaman or his dependents elect to claim compensation under this Act the employer is subrogated to the rights of the seaman or his dependents and may maintain an action in his or their names or in the name of the employer against the person against whom the action lies.

Notice of election.

(4) Notice of the election shall be given to the employer within three months after the happening of the accident or in case it results in death within three months after the death or within such longer period as either before or after the expiration of such three months the Board may allow.

No right of action against employer subject to Act.

(5) No seaman entitled to compensation under this Act or the dependents of such seaman have a right of action against an employer who is subject to this Act.

When compensation not payable.

24. (1) Subject to subsection four of this section, compensation shall not be payable unless—

(a) notice of the accident is given as soon as practicable after the happening of it and before the seaman has voluntarily left the employment in which he was injured, and

(b) the claim for compensation is made within six months from the happening of the accident or in case of death within six months from the time of death.

Contents of notice.

(2) The notice shall give the name and address of the seaman and is sufficient if it states in ordinary language the cause of the injury and where the accident happened.

Service of notice.

(3) The notice may be served by delivering it at or sending it by registered post addressed to the place of business or the residence of the employer, or where the employer is a body of persons, corporate or unincorporate, by delivering it at or sending it by registered post, addressed to the employer at the office or if there are more offices than one at any of the offices of such body of persons.

Failure to give notice.

(4) Failure to give the prescribed notice or to make such claim or any defect or inaccuracy in a notice shall not bar the right to compensation if in the opinion of the Board the employer was not prejudiced thereby or it appears that the claim for compensation is a just one and ought to be allowed.

NOTICE OF ACCIDENT.

Employer to give notice.

25. (1) Every employer shall, unless relieved by order of the Board, within sixty days after the happening of an accident to a seaman in his employment by which the seaman is disabled from performing his duties or which necessitates medical aid, notify the Board in writing of the:

(a) happening of the accident and its nature,

(b) time of the accident,

(c) name and address of the seaman,

(d) place of the accident, and

(e) medical aid received by the seaman following the accident,

and shall furnish such further information respecting any accident or claim to compensation as the Board may require.

Board may relieve employer.

(2) The Board may by order relieve any employer from compliance with the provisions of subsection one of this section to the extent provided in such order.

Failure to comply.

Penalty.

(3) Every person who contravenes or fails to comply with subsection one of this section is guilty of an offence and is liable on summary conviction to a fine not exceeding five hundred dollars, or to imprisonment for a term not exceeding twelve months, or to both such fine and such imprisonment.

Proceedings with consent of Board.

(4) No proceedings shall be taken against any person under this section without the consent of the Board.

Medical Examination.

Medical examination of seaman.

26. (1) A seaman who claims compensation, or to whom compensation is payable under this Act shall, if so required by his employer, submit himself for examination by a duly qualified medical practitioner provided by the employer and shall, if so required by the Board, submit himself for examination by a medical referee.

In accordance with the Act.

(2) A seaman is not required at the request of his employer to submit himself for examination otherwise than in accordance with this Act.

Costs to be paid by employer.

(3) The cost of any examination made pursuant to subsection one of this section and the cost of any reference under section twenty-seven of this Act shall be paid by the employer.

Board may refer matter to a medical referee.

27. (1) Where a seaman has upon the request of his employer submitted himself for examination, or has been examined by a duly qualified medical practitioner selected by himself, and a copy of the report of the medical practitioner as to the seaman's condition has been furnished in the former case by the employer to the seaman and in the latter case by the seaman to the employer the Board may, on the application of either of them or of its own motion, refer the matter to a medical referee.

Certificate of medical referee.

(2) The medical referee to whom a reference is made under subsection one of this section or who has examined the seaman by the direction of the Board under subsection one of section twenty-six of this Act shall certify to the Board as to the condition of the seaman and his fitness for employment, specifying where necessary the kind of employment, and if unfit, the cause and degree of such unfitness, and his certificate, unless the Board otherwise directs, is conclusive as to the matters certified.

Right suspended in case refusal of examination.

(3) When a seaman does not submit himself for examination when required to do so under subsection one of section twenty-six of this Act or on being required to do so does not submit himself for examination to a medical referee under that subsection or under subsection one of this section, or in any way obstructs any examination, his right to compensation or if he is in receipt of a weekly or other periodical payment his right to it is suspended until such examination has taken place.

Diminution or suspension of compensation.

(4) The Board may diminish the compensation to which a seaman is entitled, or suspend payment thereof, whenever the seaman persists in dangerous and unsanitary practices imperilling or retarding his cure and whenever

he refuses to submit to such medical treatment as the Board on the advice of the medical referee may deem necessary for his cure.

In case of reasonable refusal.

(5) Subsection four of this section does not apply in the event of the seaman reasonably refusing to submit to surgical aid.

Review of Compensation.

Payments may be reviewed.

28. Any weekly or other periodical payment to a seaman may be reviewed at the request of the employer or of the seaman, and on such review the Board may put an end to or diminish or may increase such payment to a sum not beyond the maximum prescribed in this Act.

Insurance.

Risks of compensation to be covered by insurance.

29. (1) Every employer shall cover by insurance or other means satisfactory to the Board, the risks of compensation arising under this Act.

Ship may be detained.

(2) The Board may give notice in writing to a collector or other chief officer of Customs that the provisions of this section have not been complied with to the satisfaction of the Board in respect of seamen employed on any ship, and thereupon the collector or other chief officer of Customs shall detain that ship until he receives notice from the Board that he may release the ship.

Scale of Compensation.

Amounts of compensation to be paid.

30. (1) Where death of a seaman results from an injury the following amounts of compensation shall be paid:

(a) the necessary expenses of burial of the seaman not exceeding one hundred and twenty-five dollars;

(b) in addition to the sum mentioned in paragraph *(a)* of this subsection a sum not exceeding one hundred and twenty-five dollars for necessary expenses for transportation and things supplied and services rendered in connection therewith necessitated by the transfer of the body of a seaman from the place of death to the place of interment;

1934, c. 44.

(c) where the expenses of burial of a seaman are paid by an employer under Part IV of the *Canada Shipping Act, 1934*, following any accident in respect of which compensation is payable under this Act, the amount of such expenses shall be deducted from the amount payable under paragraphs *(a)* and *(b)* of this subsection;

(d) where the widow or an invalid husband is the sole dependent, a monthly payment of forty-five dollars;

(e) where the dependents are a widow or an invalid husband and one or more children, a monthly payment of forty-five dollars with an additional monthly payment of ten dollars to be increased upon the death of the widow or invalid husband to twenty dollars for each child under the age of eighteen years;

(f) where the dependents are children only, a monthly payment of twenty dollars to each child under the age of eighteen years;

(g) where the dependents are persons other than those mentioned in paragraphs *(d)*, *(e)* and *(f)* of this subsection, a sum reasonable and proportionate to the pecuniary loss to such dependents occasioned by the death, to be determined by the Board.

If no widow.

(2) Where the seaman leaves no widow or the widow subsequently dies, and it seems desirable to continue the existing household, and an aunt, sister, or other suitable person acts as foster-mother in keeping up such household and maintaining and taking care of the children entitled to compensation in a manner which the Board deems satisfactory, such foster-mother while so doing shall be entitled to receive the same monthly payments of compensation for herself and the children as if she were the widow of the deceased, and in such case the children's part of such payments shall be in lieu of the monthly payments which they would otherwise have been entitled to receive.

Additional lump sum of one hundred dollars.

(3) In addition to any other compensation provided for, the widow or, where the seaman leaves no widow, the foster-mother, as described in subsection two of this section, shall be entitled to a lump sum of one hundred dollars.

Duration of payments.

(4) In the case provided for by paragraph *(g)* of subsection one of this section the payments shall continue only so long as, in the opinion of the Board, it might reasonably have been expected that the seaman, had he lived, would have continued to contribute to the support of the dependents, and in any case under the said clause compensation may be made wholly or partly in a lump sum or by such form of payment as the Board in the circumstances deems most suitable.

Dependent to whom seaman stood *in loco parentis*.

(5) A dependent to whom the seaman stood *in loco parentis* or a dependent who stood *in loco parentis* to the seaman shall be entitled as the Board may determine, to share in or receive compensation under paragraph *(e)*, paragraph *(f)* or paragraph *(g)* of subsection one of this section.

Invalid child.

(6) Compensation shall be payable to an invalid child without regard to the age of such child, and payments to such child shall continue so long as in the opinion of the

Board it might reasonably have been expected that the seaman, had he lived, would have continued to contribute to the support of such child.

Allotment in case of total and partial dependents.

(7) Where there are both total and partial dependents the compensation may be allotted partly to the total and partly to the partial dependents.

Payments made to other persons.

(8) Where the Board is of the opinion that for any reason it is considered necessary or desirable that a payment in respect of a child should not be made directly to its parent, the Board may direct that the payment be made to such person or be applied in such manner as the Board may deem most for the advantage of the child.

Maximum compensation.

(9) Exclusive of the expenses of burial of the seaman and the lump sum of one hundred dollars referred to in subsection three of this section, the compensation payable as provided by subsection one of this section shall not in any case exceed sixty-six and two-thirds per centum of the average earnings of the seaman mentioned in section thirty-three of this Act, and if the compensation payable under that subsection would in any case exceed that percentage it shall be reduced accordingly, and where several persons are entitled to monthly payments the payments shall be reduced proportionately, provided however, that the minimum compensation shall be:—

(a) where the widow or an invalid husband is the sole dependent a monthly payment of forty-five dollars, or if the seaman's average earnings are less than forty-five dollars per month, the amount of such earnings; and

(b) where the dependents are a widow or an invalid husband and one or more children a monthly payment of fifty-five dollars for the widow or invalid husband and one child irrespective of the amount of the seaman's earnings, with a further monthly payment of ten dollars for each additional child unless the total monthly compensation exceeds the seaman's average earnings in which case the compensation shall be a sum equal to such earnings or fifty-five dollars, whichever is the greater, the share for each child entitled to compensation being reduced proportionately.

If dependent widow marries.

31. (1) When a dependent widow marries, the monthly payments to her shall cease, but she is entitled in lieu of them to a lump sum equal to the monthly payments for two years.

Not applicable to child.

(2) Subsection one of this section does not apply to payments to a widow in respect of a child or children.

Payment to cease when child reaches eighteen.

32. Subject to subsection six of section thirty of this Act, a monthly payment in respect of a child shall cease when the child attains the age of eighteen years or dies before attaining such age.

Permanent total disability.

33. Where permanent total disability results from the injury the amount of the compensation shall be a weekly payment during the life of the seaman equal to sixty-six and two-thirds per centum of his average weekly earnings during the previous twelve months if he has been so long employed, but if not then for the period during which he has been in the employment of his employer.

Permanent partial disability.

34. (1) Where a permanent partial disability results from the injury the compensation shall be a weekly payment of sixty-six and two-thirds per centum of the difference between the average weekly earnings of the seaman during the twelve months preceding the accident and the average amount which he is earning or is able to earn in some suitable employment or business after the accident and the compensation shall be payable during the lifetime of the seaman.

If not over ten per centum.

(2) Where the impairment of the earning capacity of the seaman does not exceed ten per centum of his earning capacity instead of such weekly payment the Board shall, unless the Board is of opinion it would not be to the advantage of the seaman to do so, direct that such lump sum as may be deemed to be the equivalent of it shall be paid to the seaman.

Impairment of earning capacity, how estimated.

(3) Where the Board deems it just, the impairment of earning capacity may be estimated from the nature of the injury, having always in view the seaman's fitness to continue the employment in which he was injured or to adapt himself to some other suitable occupation.

Compensation in case of temporary total disability.

35. Where temporary total disability results from the injury the compensation shall be the same as that prescribed by section thirty-three of this Act, but shall be payable only so long as the disability lasts.

Temporary partial disability.

36. Where temporary partial disability results from the injury the compensation shall be the same as that prescribed by section thirty-four of this Act, but is payable only so long as the disability lasts and subsection two of that section applies.

Minimum compensation.

37. The amount of compensation to which an injured seaman is entitled for temporary total or permanent total disability under this Act shall not be less than twelve dollars and fifty cents per week or, where his average earnings are less than twelve dollars and fifty cents per week, the amount of such earnings, and for temporary partial or permanent partial disability a corresponding amount in proportion to the impairment of earning capacity.

Compensation of average earnings.

38. (1) Average earnings shall be computed in such a manner as is best calculated to give the rate per week or month at which the seaman was remunerated but not so as in any case to exceed the rate of two thousand five hundred dollars per annum.

In case of shortness of employment.

(2) Where owing to the shortness of the time during which the seaman was in the employment of his employer or the casual nature of his employment or the terms thereof, it is impracticable to compute the rate of remuneration as of the date of the accident, regard may be had to the average weekly or monthly amount which during the twelve months previous to the accident was being earned by a person in the same grade employed at the same work by the same employer, or if there is no person so employed then by a person in the same grade employed in the same class of employment on a ship of the same class.

"Employment by the same employer" defined.

(3) For the purpose of this section the expression "employment by the same employer" means employment by the same employer in the grade in which the seaman was employed at the time of the accident, uninterrupted by absence from work due to illness or any other unavoidable cause.

Special expenses not counted.

(4) Where the employer was accustomed to pay the seaman a sum to cover any special expense entailed on him by the nature of his employment that sum shall not be reckoned as part of his earnings.

War Service Bonus not part of earnings.

(5) For the purpose of this Act a War Service Bonus paid to a seaman under the Order in Council of the eighteenth day of April, one thousand nine hundred and forty-four (P.C. 149/2705), shall not be reckoned as part of his earnings.

Earnings at time of accident may be considered.

(6) Where in any case it seems more equitable, the Board may award compensation, having regard to the earnings of the seaman at the time of the accident.

Payments, etc., during disability considered.

39. (1) In fixing the amount of a weekly or monthly payment regard shall be had to any payment, allowance or benefit that the seaman may receive from his employer during the period of his disability, including any pension, gratuity or other allowance provided wholly at the expense of the employer.

No compensation if wages paid.

(2) No compensation is payable in respect of the period during which the employer is under the *Canada Shipping Act, 1934*, or otherwise, liable for the payment of wages and to defray the expenses of maintenance of the injured seaman.

Compensation to be paid in full.

(3) Any sum payable by way of compensation by the owner of a ship under this Act shall be paid in full notwithstanding anything in section six hundred and forty-nine of the *Canada Shipping Act, 1934*.

Fortnightly or monthly payments.

40. (1) Wherever the Board deems it advisable the payment of compensation may be made fortnightly or monthly instead of weekly.

In case of residence outside of Canada.

(2) Subject to section twenty-two of this Act where a seaman or dependent is not a resident of Canada or ceases to reside therein the periods of payments may be otherwise fixed or the compensation commuted as the Board may deem proper.

Discontinuance of compensation if widow is a prostitute.

41. Where it is found by the Board that the widow to whom compensation has been awarded is a common prostitute or is openly living with any man in the relation of man and wife without being married to him, the compensation to such widow may be discontinued or suspended, or such compensation may be diverted in whole or in part to or for the benefit of any other dependent or dependents of the deceased seaman.

Cases where compensation may be diverted for benefit of wife or children.

42. Where a seaman is entitled to compensation and it is made to appear to the Board that

(a) such seaman is not residing in Canada but his wife or child or children under eighteen years of age are residing therein without adequate means of support and are, or are apt to become a charge upon the municipality where they reside, or upon private charity; or

(b) the seaman although residing in Canada is not supporting his wife and children and an order has been made against such seaman by a court of competent jurisdiction for the support or maintenance of such wife or family, or for alimony,

the Board may divert such compensation in whole or in part from such seaman for the benefit of the wife or children of the said seaman.

If seaman or dependent a minor.

43. Where a seaman or a dependent is a minor under the age of twenty-one years or under any other legal disability the compensation to which he is entitled may be paid to such person or be applied in such manner as the Board may deem best to his advantage.

MEDICAL AID.

Seaman entitled to medical aid, etc.

44. (1) Every seaman entitled to compensation under this Act is entitled to such medical, surgical and dental aid, and hospital and skilled nursing services as may be necessary as a result of the injury, and is entitled to such artificial member or members and apparatus and dental appliances and apparatus as may be necessary as a result of the injury and to have the same kept in repair or replaced when deemed necessary.

To be furnished and paid for by employer.

(2) The medical aid to which a seaman is entitled under subsection one of this section shall be furnished and paid for by his employer.

Question of necessity, etc., may be referred to the Board.

(3) Any question as to the necessity, character and sufficiency of any medical aid furnished or to be furnished may be referred to the Board for a decision.

Fees or charges.

(4) The fees or charges for such medical aid shall not be more than would be properly and reasonably charged to the seaman if himself paying the bill, but shall not, in any case where the seaman is furnished with medical aid in Canada, exceed the fees or charges which would be paid in similar circumstances by the Workmen's Compensation Board of the province in which such medical aid was furnished.

Transportation to hospital.

(5) Every employer shall at his own expense furnish to any seaman injured in his employment who is in need of it, immediate conveyance and transportation to a hospital, or to a physician, or to the seaman's home within a reasonable limit.

Medical aid under one Act only.

45. Notwithstanding anything in this Act a seaman entitled to medical aid under Part IV or Part V of the *Canada Shipping Act, 1934*, or any other Act that provides similar benefits, is not entitled to medical aid under this Act during the period and to the extent that medical aid is furnished under the *Canada Shipping Act, 1934*, or such other Act.

1934, c. 44.

Reports by physician, etc.

46. Every physician, surgeon or hospital official attending, consulted respecting, or having the care of any seaman shall furnish to the employer from time to time such reports as may be required by the employer in respect of such seaman, and may charge for the preparation of such reports reasonable fees as may be agreed upon with the employer or in the absence of an agreement as the Board may approve.

Rules and Orders.

Board may make rules, orders and by-laws.

47. The Board may make such rules, orders and by-laws as it may deem expedient or necessary for regulating its procedure and for carrying any of the purposes or provisions of this Act into effect.

Reports.

Reports to the Minister.

48. The Board shall report, from time to time, to the Minister, as he may require.

Costs of Administration.

Costs chargeable against employers.

49. All costs incurred relative to the administration of this Act, including salaries, expenses, fees and commissions, are chargeable against the various employers, apportioned on a basis to be determined by the Board.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 303.

An Act to amend the Criminal Code.

First reading, July 17, 1946.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68431

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

R.S., c. 36; 1930, c. 11; 1931, c. 28; 1932, cc. 7, 8, 9, 28; 1932-33, cc. 25, 53; 1934, cc. 11, 47; 1935, cc. 36, 56; 1936, c. 29; 1938, c. 44; 1939, (1st Sess.), c. 30; 1943-44, c. 23; 1944-45, c. 35.

BILL 303.

An Act to amend the Criminal Code.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Application of Act to Alberta.

1. Paragraph *(c)* of section nine of the *Criminal Code*, chapter thirty-six of the Revised Statutes of Canada, 1927, is repealed.

2. The said Act is further amended by adding immediately after section five hundred and eighty-one the following section:—

Trial without jury in Alberta, by consent.

"**581**A. Notwithstanding any other provision of this Act, any person charged with an indictable offence in the province of Alberta may, with his own consent, be tried by a judge of the superior court of criminal jurisdiction of Alberta without the intervention of a jury."

3. Subsection six of section nine hundred and twenty-seven of the said Act, as enacted by section twenty-eight of chapter twenty-three of the statutes of 1943-44, is repealed and the following substituted therefor:—

Six jurors in Alberta.

"(6) Notwithstanding the provisions of subsections four and five of this section, in the province of Alberta six jurors only shall be sworn."

4. Subsection one of section nine hundred and twenty-nine of the said Act, as amended by section twenty-nine of chapter twenty-three of the statutes of 1943-44, is repealed and the following substituted therefor:—

Who shall be the jury.

"**929.** (1) The twelve men, or in the province of Alberta the six men, who in manner aforesaid are ultimately drawn and sworn shall be the jury to try the issues of the indictment, and the names of the men so drawn and sworn shall be kept apart by themselves until such jury give in

Explanatory Notes.

1. The object of this amendment is to make the provisions of the *Criminal Code* applicable uniformly so far as possible, to all the provinces and with this amendment and the following amendments in the Bill it is not considered that any further provisions of the *Northwest Territories Act* need now apply with respect to the criminal law in the province of Alberta.

The paragraph to be repealed at present reads as follows,

> "*(c)* in the province of Alberta in so far as they are inconsistent with the Northwest Territories Act and amendments thereto as the same existed immediately before the first day of September, one thousand nine hundred and five, but with such changes as have been subsequently made by competent authority."

2. The object of this amendment is consequential upon the amendment to section nine and maintains the present law which permits an accused to be tried by a judge without the intervention of a jury.

3. and **4.** The object of the amendments to sections nine hundred and twenty-seven and nine hundred and twenty-nine are first, to permit Saskatchewan to return to the twelve-men jury and, secondly, to maintain the six-men jury in Alberta consequential upon the amendment to section nine. The only change is the substitution of the underlined word "Alberta" for "Saskatchewan".

their verdict or until they are discharged; and then the names shall be returned to the box there to be kept with the other names remaining at that time undrawn, and so *toties quoties* as long as any issue remains to be tried."

5. The said Act is further amended by adding immediately after section nine hundred and thirty-three the following section:—

Challenges by accused in Alberta.

"**933A.** Notwithstanding the provisions of any other section of this Act, everyone indicted for any offence in the province of Alberta shall, so long as subsection six of section nine hundred and twenty-seven provides that in the province of Alberta six jurors only shall be sworn, be entitled to half the number of challenges in each of the cases provided for in section nine hundred and thirty-two and the Crown may not direct any number of jurors to stand by in excess of twenty-four unless the judge presiding at the trial, upon special cause shown, so orders."

Number directed to stand by the Crown.

6. Subsection two of section nine hundred and sixty-seven of the said Act, as amended by section thirty of chapter twenty-three of the statutes of 1943-44, is repealed and the following substituted therefor:—

Trial of issue.

"(2) If such issue is directed before the accused is given in charge to a jury for trial on the indictment, such issue shall be tried by any twelve jurors, or in the province of Alberta, by any six jurors."

Coming into force.

7. This Act shall come into force on a date to be fixed by proclamation of the Governor in Council published in the *Canada Gazette*.

5. The object of this amendment is to permit the accused in Alberta, where the jury consists of six jurors, to have half the number of peremptory challenges which he would have if the jury consisted of twelve jurors and to restrict the Crown's right to stand aside jurors in excess of half the number allowed in the case of juries consisting of twelve jurors.

6. The object of this amendment is the same as for sections nine hundred and twenty-seven and nine hundred and twenty-nine.

The only change is the substitution of the underlined word "Alberta" for the word "Saskatchewan".

304.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 304.

An Act to amend the Department of National Defence Act.

First reading, July 17, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68245

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 304.

An Act to amend the Department of National Defence Act.

R.S., c. 136; 1940, cc. 1, 9, 21.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(b)* of section two of the *Department of National Defence Act*, chapter one hundred and thirty-six of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"Deputy Minister."

"*(b)* 'Deputy Minister' means the Deputy Minister of National Defence, which expression shall extend to and include the Deputy Minister of National Defence for Naval Services and the Deputy Minister of National Defence for Air;"

Explanatory Notes.

Under the *Department of National Defence Act*, as amended by chapter twenty-one of the Statutes of 1940, provision is made for the appointment of additional Ministers of National Defence, i.e., an Associate Minister, a Minister of National Defence for Naval Services and a Minister of National Defence for Air, but the power to appoint such additional ministers is exercisable only upon the issue of such a proclamation as is first mentioned in section two of the *War Measures Act*. Moreover, any additional minister of national defence so appointed may continue to hold office only until the expiration of a period not exceeding six months after the issue of the second of the two proclamations specified in the said section two of the *War Measures Act*. *The Department of National Defence Act*, as so amended, also provides for the appointment of additional deputy ministers for the naval, military and air services respectively, but this power of appointment is likewise exercisable only upon the issue of the first of the proclamations mentioned above and the powers of a deputy minister which may be exercisable by any such additional deputy minister subsist only when there has been appointed an additional Minister of National Defence for the Service concerned.

In the event that, for the proper administration of the post-war Armed Services, it may be desirable to retain, wholly or partially, the present departmental organization by way of having additional ministers and deputy ministers of National Defence after the issue of a second of the two proclamations mentioned in the *War Measures Act*, it is considered expedient to make provision accordingly. Such is the purpose and intention of this Bill.

1. Paragraph *(b)* of section two of the *Department of National Defence Act* reads as follows:—

"*(b)* 'Deputy Minister' means the Deputy Minister of National Defence;"

2. Subsections one and five of section four A of the said Act, as enacted by section three of chapter twenty-one of the statutes of 1940, are repealed and the following substituted therefor:—

Additional Ministers of National Defence may be appointed.

"**4A.** (1) The Governor in Council may at any time appoint additional Ministers of National Defence as follows:—

(a) an Associate Minister of National Defence;

(b) a Minister of National Defence for Naval Services, and

(c) a Minister of National Defence for Air.

(5) Any additional Minister of National Defence appointed under this section shall be entitled to receive the same salary as the Minister of National Defence and may continue to hold office at the pleasure of the Governor in Council."

3. Section five of the said Act, as amended by section four of chapter twenty-one of the statutes of 1940, is repealed and the following substituted therefor:—

Appointment of one or more deputy ministers.

A deputy minister may be appointed for each of the services.

"**5.** (1) The Governor in Council may appoint one or more deputy ministers of National Defence.

(2) If more than one deputy minister is appointed, one thereof may be appointed for each of the military, naval or air services, respectively, or for any two of such services, and his powers in respect of the service or services whereof he is appointed deputy minister shall be such as might have been exercisable by him if there were a separate department for such service or services and such deputy minister was the deputy head thereof.

Officers, clerks, employees.

(3) Such officers, clerks and employees as are necessary for the carrying on of the business of the department may be appointed in the manner authorized by law."

2. Subsection one of section 4A of the said Act reads as follows:—

"(1) When such a proclamation as is first mentioned in section two of the *War Measures Act* has been issued under the said section additional Ministers of National Defence may be appointed as follows:—

(a) an Associate Minister of National Defence;

(b) a Minister of National Defence for Naval Services, and

(c) a Minister of National Defence for Air."

Subsection five of section 4A reads as follows:—

"(5) Any additional Minister of National Defence appointed under this section shall be entitled to receive the same salary as the Minister of National Defence and may continue to hold office until the expiration of a period not exceeding six months after the issue of the second of the two proclamations specified in section two of the *War Measures Act*."

3. Section five of the Act reads as follows:—

"**5.** There shall be a Deputy Minister of National Defence, who shall be appointed by the Governor in Council.

(1A) When such a proclamation as is first mentioned in section two of the *War Measures Act* has been issued thereunder, additional deputy ministers may be appointed by the Governor in Council for the military, naval and air services respectively.

(1B) If a Minister of National Defence for Naval Services or a Minister of National Defence for Air has been appointed, the duties of any deputy minister for naval services, and of any deputy minister for the air service, shall be such as are specified by the Minister of National Defence for Naval Services or the Minister of National Defence for Air, as the case may be, and the powers of such deputy shall be such as might have been exercisable by him if there were a separate department for naval services or for the air service.

(2) Such officers, clerks and employees as are necessary for carrying on the business of the Department may be appointed in the manner authorized by law."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 304.

An Act to amend the Department of National Defence Act.

First reading, July 17, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

68245

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 304.

An Act to amend the Department of National Defence Act.

R.S., c. 136; 1940, cc. 1, 9, 21.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(b)* of section two of the *Department of National Defence Act*, chapter one hundred and thirty-six of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"Deputy Minister."

"*(b)* 'Deputy Minister' means the Deputy Minister of National Defence, which expression shall extend to and include the Deputy Minister of National Defence for Naval Services and the Deputy Minister of National Defence for Air;"

Explanatory Notes.

Under the *Department of National Defence Act*, as amended by chapter twenty-one of the Statutes of 1940, provision is made for the appointment of additional Ministers of National Defence, i.e., an Associate Minister, a Minister of National Defence for Naval Services and a Minister of National Defence for Air, but the power to appoint such additional ministers is exercisable only upon the issue of such a proclamation as is first mentioned in section two of the *War Measures Act*. Moreover, any additional minister of national defence so appointed may continue to hold office only until the expiration of a period not exceeding six months after the issue of the second of the two proclamations specified in the said section two of the *War Measures Act*. The *Department of National Defence Act*, as so amended, also provides for the appointment of additional deputy ministers for the naval, military and air services respectively, but this power of appointment is likewise exercisable only upon the issue of the first of the proclamations mentioned above and the powers of a deputy minister which may be exercisable by any such additional deputy minister subsist only when there has been appointed an additional Minister of National Defence for the Service concerned.

In the event that, for the proper administration of the post-war Armed Services, it may be desirable to retain, wholly or partially, the present departmental organization by way of having additional ministers and deputy ministers of National Defence after the issue of a second of the two proclamations mentioned in the *War Measures Act*, it is considered expedient to make provision accordingly. Such is the purpose and intention of this Bill.

1. Paragraph *(b)* of section two of the *Department of National Defence Act* reads as follows:—

"*(b)* 'Deputy Minister' means the Deputy Minister of National Defence;"

2. Subsections one and five of section four A of the said Act, as enacted by section three of chapter twenty-one of the statutes of 1940, are repealed and the following substituted therefor:—

Additional Ministers of National Defence may be appointed.

"**4A.** (1) The Governor in Council may at any time appoint additional Ministers of National Defence as follows:—

(a) an Associate Minister of National Defence;

(b) a Minister of National Defence for Naval Services, and

(c) a Minister of National Defence for Air.

(5) Any additional Minister of National Defence appointed under this section shall be entitled to receive the same salary as the Minister of National Defence and may continue to hold office at the pleasure of the Governor in Council."

3. Section five of the said Act, as amended by section four of chapter twenty-one of the statutes of 1940, is repealed and the following substituted therefor:—

Appointment of one or more deputy ministers.

A deputy minister may be appointed for each of the services.

"**5.** (1) The Governor in Council may appoint one or more deputy ministers of National Defence.

(2) If more than one deputy minister is appointed, one thereof may be appointed for each of the military, naval or air services, respectively, or for any two of such services, and his powers in respect of the service or services whereof he is appointed deputy minister shall be such as might have been exercisable by him if there were a separate department for such service or services and such deputy minister was the deputy head thereof.

Officers, clerks, employees.

(3) Such officers, clerks and employees as are necessary for the carrying on of the business of the department may be appointed in the manner authorized by law."

2. Subsection one of section 4A of the said Act reads as follows:—

"(1) When such a proclamation as is first mentioned in section two of the *War Measures Act* has been issued under the said section additional Ministers of National Defence may be appointed as follows:—

(a) an Associate Minister of National Defence;

(b) a Minister of National Defence for Naval Services, and

(c) a Minister of National Defence for Air."

Subsection five of section 4A reads as follows:—

"(5) Any additional Minister of National Defence appointed under this section shall be entitled to receive the same salary as the Minister of National Defence and may continue to hold office until the expiration of a period not exceeding six months after the issue of the second of the two proclamations specified in section two of the *War Measures Act*."

3. Section five of the Act reads as follows:—

"**5.** There shall be a Deputy Minister of National Defence, who shall be appointed by the Governor in Council.

(1A) When such a proclamation as is first mentioned in section two of the *War Measures Act* has been issued thereunder, additional deputy ministers may be appointed by the Governor in Council for the military, naval and air services respectively.

(1B) If a Minister of National Defence for Naval Services or a Minister of National Defence for Air has been appointed, the duties of any deputy minister for naval services, and of any deputy minister for the air service, shall be such as are specified by the Minister of National Defence for Naval Services or the Minister of National Defence for Air, as the case may be, and the powers of such deputy shall be such as might have been exercisable by him if there were a separate department for naval services or for the air service.

(2) Such officers, clerks and employees as are necessary for carrying on the business of the Department may be appointed in the manner authorized by law."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 305.

An Act respecting The Canadian Information Service.

First reading, July 19, 1946.

THE MINISTER OF NATIONAL HEALTH AND WELFARE.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

65204

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 305.

An Act respecting The Canadian Information Service.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Canadian Information Service Act.*

Definitions.

"Committee."

"Director."

"Member."

"Minister."

"Service."

2. In this Act, unless the context otherwise requires,

(a) "Committee" means the Supervisory Committee of the Canadian Information Service established by this Act;

(b) "Director" means the Director of the Canadian Information Service;

(c) "Member" means a member of the Committee;

(d) "Minister" means the President of the Privy Council or such other Minister as may be designated by the Governor in Council to be responsible for the administration of this Act;

(e) "Service" means the Canadian Information Service established by this Act.

Service established. Duties.

3. There shall be a service, to be called the Canadian Information Service, the duties of which shall be to collect information and produce information materials concerning Canada, and, in co-operation with departments and agencies of the Government of Canada, to provide for the distribution of information abroad and to co-ordinate and assist the information services of the Government of Canada.

Committee to have general supervision.

4. (1) Subject to the authority of the Minister, the Service shall be under the general supervision of a committee to be known as the Supervisory Committee of the Canadian Information Service.

Composition.

(2) The Committee shall be composed of the following persons:

(a) one member who shall be the chairman to be appointed by the President of the Privy Council;

(b) one member to be appointed by the Secretary of State for External Affairs;

(c) one member to be appointed by the Minister of Trade and Commerce;

(d) one member to represent the National Film Board, to be appointed by the Minister responsible for the administration of *The National Film Act, 1939;*

1939, c. 20.

(e) one member to be appointed by the Chairman of the Board of Governors of the Canadian Broadcasting Corporation; and

(f) the Director.

Additional members.

(3) The Governor in Council may appoint such additional members of the Committee for such periods as he may consider advisable.

Rules and regulations.

(4) The Committee may, with the approval of the Minister, make such rules and regulations as may be deemed necessary for the internal administration of the Service.

Fees and emoluments.

(5) No member, except the Director, shall be paid fees or emoluments of any kind for his services as a member, but every member shall be entitled to receive and be paid

Expenses.

his actual travelling and living expenses necessarily incurred in connection with the business of the Committee.

Director.

5. (1) The Governor in Council shall appoint an officer to be called the Director of the Canadian Information Service and may appoint one or more persons to be Assistant

Assistant Directors.

Directors.

Director, chief executive.

(2) The Director shall be the chief executive officer of the Service.

Salaries.

(3) The Governor in Council shall fix the salaries for the Director and the Assistant Directors.

Officers, clerks, employees.

(4) Such other officers, clerks and employees as are necessary for the proper conduct of the Service shall be appointed in the manner provided by law.

Members of staff of Canadian Information Service designated to staff.

(5) Notwithstanding subsection four of this section, the Governor in Council may designate persons who, prior to the commencement of this Act, were members of the staff of the Canadian Information Service, established by Order of the Governor in Council made on the twenty-eighth day of September, nineteen hundred and forty-five (P.C. 6300), to be members of the staff of the Service, and upon such designation such members shall be deemed to have been transferred to the Service at the commencement of this Act, but no person shall by reason of such designation only be entitled to be certified as permanent by the Civil Service Commission.

Director may appoint temporaries.

(6) Subject to the approval of the Governor in Council, the Director may appoint, for terms not exceeding six months, such temporary officers, clerks and employees on such conditions and for such purposes as may be deemed necessary for carrying out the provisions of this Act.

Director may enter into contracts.

(7) Subject to the approval of the Governor in Council, the Director, on behalf of His Majesty, may enter into contracts with any person for the production of information materials.

Annual report.

6. The Minister shall, within three months after the end of each fiscal year, if Parliament is then sitting, and, if not, then within fifteen days after the commencement of the next session, submit an annual report to Parliament covering the administration of this Act including the operation and activities of the service and a report of expenditures during such fiscal year.

Expenses.

7. The expenses necessary for the administration of this Act shall be payable out of monies appropriated by Parliament for that purpose.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 306.

An Act to amend The National Housing Act, 1944.

First reading, July 22, 1946.

THE MINISTER OF RECONSTRUCTION AND SUPPLY.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

68771

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 306.

An Act to amend The National Housing Act, 1944.

1944-45, c. 46; 1945 (2nd Sess.) c. 26.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section two of *The National Housing Act, 1944*, chapter forty-six of the statutes of 1944-45, as amended by sections one to eight of chapter twenty-six of the statutes of 1945 (second session), is further amended by adding thereto, immediately after paragraph five A thereof, the following paragraph:—

"Corporation". 1945 (2nd Sess.), c. 15.

"(5B) 'Corporation' means the Central Mortgage and Housing Corporation established by *The Central Mortgage and Housing Corporation Act;*"

2. Paragraph six of section two of the said Act, as enacted by section two of chapter twenty-six of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

"cost of construction."

"(6) 'cost of construction' means the aggregate of the cost or appraised value of the land, whichever is the lesser, actual expenditure for building, and the architectural, legal and other expenses and carrying charges necessary to complete the house or housing project, including in the case where work is done by the owner, such amount as the Corporation may fix as the value of the said work, and in the case where a loan is made to a builder, land development costs and carrying charges: Provided that in the case of land acquired by gift or devise, the appraised value of the said land shall be taken;"

Proviso.

Explanatory Note.

The National Housing Act, 1944, chapter 46 of the statutes of 1944-45 came into force on January 18th, 1945, with the exception of Part IV, which, with reference to home extension loans only, came into force on April 1st, 1946. This Act was amended by chapter 26 of the statutes of 1945.

By *The Central Mortgage and Housing Corporation Act*, chapter 15 of the statutes of 1945, the duties, powers and functions of the Minister of Finance under *The National Housing Act, 1944*, except the authority of the Minister to pay monies out of the Consolidated Revenue Fund or to make grants for slum clearance, were transferred to the Central Mortgage and Housing Corporation, and on April 16th, 1946, by Order-in-Council P. C. 1513, passed under the *Public Service Rearrangement and Transfer of Duties Act*, the duties, powers and functions remaining in the Minister of Finance under *The National Housing Act, 1944*, and *The Central Mortgage and Housing Corporation Act*, were transferred to the Minister of Reconstruction and Supply.

The amendments proposed reword the Act to correspond with the above mentioned administrative changes, contain procedural changes deemed desirable as a result of experience gained in the operation of the Act, extend the normal term of repayment from twenty to twenty-five years for loans to home owners and facilitate the making of joint loans to assist in the construction of houses on farms.

New sections are introduced to provide for the Integrated Housing Plan, the Home Conversion Plan and direct loans to mining and lumbering companies.

1. New. "Corporation" has been defined to simplify the substitution of "Central Mortgage and Housing Corporation" for the word "Minister" where relevant.

2. Paragraph six of subsection two presently reads as follows:—

"(6) 'cost of construction' means the aggregate of the cost or appraised value of the land, whichever is the lesser, actual expenditure for building, and the architectural, legal and other expenses and carrying charges necessary to complete the house or housing project, including in the case where work is done by the owner, such amount as the *Minister* may fix as the value of the said work, and in the case where a loan is made to a builder, land development costs and carrying charges: Provided that in the case of land acquired by gift or devise, the appraised value of the said land shall be taken: *Provided, further, that in the case of a loan for the construction of a house on a farm the appraised value of the land shall be deemed to be not more than twenty per centum of the actual expenditure and other expenses and charges aforseaid*;"

The reference to a loan for the construction of a house on a farm has been omitted from this definition as loans in respect of houses on farms have been provided for by section nineteen of the Bill.

3. Paragraph nine of section two of the said Act is repealed and the following substituted therefor:—

"economic rental of a family housing unit."

"(9) 'economic rental of a family housing unit' means an annual rental at the rate of twelve per centum of the cost of construction of the family housing unit;"

4. Paragraph twenty of section two of the said Act, as enacted by section three of chapter twenty-six of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

"housing project."

"(20) 'housing project' means a project consisting of one or more one-family dwellings, or one or more multiple-family dwellings or a combination of one-family and multiple-family dwellings, together with any public space, recreational facilities and commercial space and buildings appropriate to the project;"

5. Paragraphs twenty-four and twenty-five, as enacted by sections four and five, respectively, of chapter twenty-six of the statutes of 1945 (second session), twenty-six and twenty-seven, as enacted by section six of chapter twenty-six of the statutes of 1945 (second session), of section two of the said Act are repealed and the following substituted therefor:—

"limited-dividend housing company."

"(24) 'limited-dividend housing company' means a company incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and includes;

(i) an institutional housing corporation incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and

(ii) an institutional holding company incorporated for the purpose of holding only the shares of one or more such institutional housing corporations;

"low rental housing project."

"(25) 'low-rental housing project' means a housing project undertaken to provide decent, safe and sanitary housing accommodation complying with standards not exceeding those approved by the Corporation, to be leased to families of low income at the economic rental therefor or at a lower rental or to such other persons as the Corporation, under agreement with the owner, may designate, having regard to the existence of a condition of shortage, overcrowding or congestion of housing;

"metropolitan area."

"(26) 'metropolitan area' means a city together with one or more adjacent municipalities in close economic relationship with the city;

"(27) 'Minister' means the Minister of Reconstruction and Supply;"

3. Paragraph nine of section two presently reads as follows:—

"(9) 'economic rental of a family housing unit' means a rental at the rate of twelve per centum per annum of the cost of construction of the family housing unit;"

No change in principle. Reworded for clarity.

4. Paragraph twenty of section two presently reads as follows:—

"(20) 'housing project' means a project consisting of one or more one-family dwellings, or one or more multiple-family dwellings or a combination of one-family and multiple-family dwellings, together with any public space, recreational facilities and commercial space or buildings appropriate *thereto*;"

No change in principle. Reworded for clarity.

5. Paragraphs twenty-four, twenty-five, twenty-six and twenty-seven of section two presently read as follows:—

"(24) 'limited-dividend housing corporation' means a *corporation* incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and includes:

(i) an institutional housing corporation incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and

(ii) an institutional holding company incorporated for the purpose of holding only the shares of one or more such institutional housing corporations;"

"(25) 'low-rental housing project' means a housing project undertaken to provide decent, safe and sanitary housing accommodation complying with standards not exceeding those approved by the *Minister*, to be leased to families of low income at the economic rental therefor or at a lower rental or to such other persons as the Minister under agreement with the owner may designate, having regard to the existence of a condition of shortage, overcrowding or congestion of housing;

"(26) 'metropolitan area' means a city together with one or more adjacent municipalities *in the same province* in close economic relationship with the city;

"(27) 'Minister' means the Minister *of Finance or any person designated by law to act on his behalf or in his place and includes, in paragraph six of this section, paragraphs (b), (c), (g), (i), (j) and (k) of subsection two of section four, paragraphs (a), (f), (g), (h), (i) and (j) of subsection two of section eight, subsection two, paragraphs (a), (b), (e), (f), (g), (h), (i), (j) and (k) of subsection three and paragraphs (a), (c), (e) and (g) of subsection four of section nine, paragraphs (a), (c) and (d) of subsection two and paragraph (a) of subsection three of section eleven, paragraphs (a) and (b) of subsection two of section twelve, paragraph (a) of subsection one of section fourteen and subsection one of section fifteen of this Act, a person designated by the Minister to Act on his behalf;*"

The word "corporation" in the definition "limited dividend housing corporation" has been changed to "company" to avoid confusion with "Central Mortgage and Housing Corporation".

In paragraph (25) "Corporation" has been substituted for "Minister".

In paragraph (26) the words "in the same province" have been omitted as such a limitation does not appear appropriate in determining the congestion of housing in an area. See paragraph *(a)* of subsection three of section nine. Ottawa-Hull is an example.

The detail in the present paragraph (27) has been made unnecessary by *The Central Mortgage and Housing Corporation Act.*

6. Section three of the said Act and the heading "PART I Housing for Home-Owners" immediately preceding the said section are repealed and the following substituted therefor:—

Powers of approved lending institution to loan on first mortgage.

"**3.** Notwithstanding any restrictions on its power to lend money contained in any other statute or law, any approved lending institution subject to the jurisdiction of Parliament may lend on the security of a first mortgage or hypothec in favour of His Majesty and the lending institution jointly pursuant to the provisions of Parts I, II and III of this Act, an amount not exceeding the maximum proportion of the lending value of a house specified in paragraph *(c)* of subsection two of section four of this Act or of the lending value of a rental housing project specified in paragraph *(b)* of subsection two of section eight of this Act, or an amount not exceeding the maximum specified in paragraphs *(c)* and *(d)* of subsection two of section fourteen of this Act."

7. The said Act is further amended by adding, immediately after section three thereof, the following section:—

Contract with approved lending institution in respect to loans and resulting losses for rural housing.

"**3A.** The Corporation may, on behalf of His Majesty, agree with an approved lending institution to pay to such approved lending institution, to meet expenses incurred in the making of joint loans under Parts I, II and III of this Act for the construction of houses on farms or in small or remote communities designated by the Corporation, such amount not exceeding twenty dollars, together with such allowance for necessary travelling expenses incurred by employees or agents of the lending institution in respect of each loan so made by the lending institution as the Corporation may determine, the said allowance to be determined having regard to the distance of the borrower and the land upon which the house is being constructed from the nearest place from which the said loan can be negotiated and supervised by the lending institution."

8. Subsection one of section four of the said Act is repealed and the following substituted therefor:—

"PART I.
"HOUSING FOR HOME-OWNERS.

Corporation may enter into contracts.

"**4.** (1) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with an approved lending institution on the terms set out in this section to join with the said institution in the making of loans to assist in the construction of houses;"

6. Section three presently reads as follows:—

PART I.

HOUSING FOR HOME-OWNERS

"**3.** Notwithstanding any restrictions on its power to lend money contained in any other statute or law, any approved lending institution subject to the jurisdiction of Parliament may lend on the security of a first mortgage or hypothec in favour of His Majesty and the lending institution jointly pursuant to the provisions of Parts I and II of this Act, an amount not exceeding the maximum proportion of the lending value of a house specified in paragraph (*c*) of subsection two of the next succeeding section or of the lending value of a rental housing project specified in paragraph *(b)* of subsection two of section eight of this Act."

Authority has been included in this proposed section for approved lending institutions to make loans to assist in the construction of homes on farms pursuant to Part III and on a basis separate from Part I. Under the present legislation such loans may be made pursuant to Part I.

The heading "Part I Housing for Home Owners" is being removed and placed immediately before section four thereby excluding section three from Part I as section three has general application.

7. Proposed section 3A is in substance a rewording of the present paragraph *(a)* of section fourteen which reads as follows:—

"**14.** *Notwithstanding anything contained in section four of this Act, a contract entered into by the Minister on behalf of His Majesty with an approved lending institution under Part I of this Act may provide that*

(a) His Majesty will pay to the lending institution, to meet expenses incurred in the making of joint loans for the construction of houses on farms, or in small or remote communities designated by the *Minister*, such amount not exceeding twenty dollars, together with such allowance for necessary travelling expenses incurred by employees or agents of the lending institution in respect of each loan so made by the lending institution as the *Minister* may determine, the said allowance to be determined having regard to the distance of the borrower and the land upon which the house is being constructed from the nearest place from which the said loan can be negotiated and supervised by the lending institution;"

The proposed section has been brought forward because it has general application. There is no change in principle.

8. No change except to substitute "Corporation" for "Minister" and the introduction of the relevant heading, (See note to clause 6). Subsection one of section four presently reads as follows:—

"**4.** (1) The *Minister* may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with an approved lending institution on the terms set out in this section to join with the said institution in the making of loans to assist in the construction of houses."

9. Paragraphs *(a)*, *(b)* and *(c)* of subsection two of section four of the said Act are repealed and the following substituted therefor:—

Terms of contract.

"*(a)* a joint loan shall be made only to the person who owns the land, or is a lessee thereof under a long-term lease, and intends to occupy the house or to a builder who intends to sell the house to a person who will own and occupy the house;

(b) a joint loan shall be made only for the purpose of assisting in the construction of a house according to sound standards approved by the Corporation and under such supervision as the Corporation may prescribe;

(c) a joint loan shall not exceed the aggregate of—

(i) ninety-five per centum of the first two thousand dollars of the lending value of the house or any part thereof;

(ii) eighty-five per centum of the amount by which the lending value of the house exceeds two thousand dollars and does not exceed four thousand dollars;

(iii) seventy per centum of the amount by which the lending value of the house exceeds four thousand dollars:

or such lesser proportion of the lending value as the Governor in Council may by regulation prescribe: Provided that the contract shall provide that the amount of a joint loan shall not exceed an amount equal to the lending value of the house less the value of the work to be done by the owner or lessee as fixed by the Corporation;"

10. Paragraphs *(f)*, *(g)*, *(h)*, *(i)*, *(j)* and *(k)* of subsection two of section four of the said Act are repealed and the following substituted therefor:—

Terms of contract.

"*(f)* the interest payable to His Majesty on the portion of the joint loan advanced by His Majesty shall be at such rate as is agreed upon between the Corporation and the lending institution and set out in the contract;

"*(g)* the lending value of any house shall be subject to approval by the Corporation;

"*(h)* repayment of a joint loan shall be secured by a first mortgage or hypothec on the house and land upon which it is situate in favour of His Majesty and the lending institution jointly except where a joint loan is made to a lessee of land in which case repayment of the joint loan shall be secured by a first mortgage, hypothec or an assignment of the leasehold interest of the lessee and such additional security, assignments,

9. *(a)* Paragraph *(a)* of subsection (2) of section four presently reads as follows:—

"(2) The terms of a contract entered into under this section shall provide that:
(a) a joint loan shall be made only to the person who owns the land and intends to occupy the house or to a builder who intends to sell the house to a person who will own and occupy the house:

The proposed paragraph provides for loans to lessees with long-term leases in addition to loans to owners. Section 14 of this Bill empowers the Governor in Council to define "long-term lease". This proposed amendment will have special application to National Parks e.g. Banff, Jasper, The Northwest Territories, Yukon and Northern Quebec.

(b) Paragraph *(b)* of subsection of section four presently reads as folllows:—

"*(b)* a joint loan shall be made only for the purpose of assisting in the construction of a house according to sound standards approved by the *Minister* and under such supervision as may be prescribed by regulation;"

The changes proposed are to substitute "Corporation" for "Minister" and to provide that the extent of the supervision shall be prescribed by the Corporation rather than by regulation.

(c) Paragraph *(c)* of subsection two of section four presently reads as follows:—

"*(c)* a joint loan *shall not be less than fifty per centum of the lending value of the house and* shall not be more than the aggregate of—
(i) ninety-five per centum of the first two thousand dollars of the lending value or any part thereof;
(ii) eighty-five per centum of the amount by which the lending value exceeds two thousand dollars and does not exceed four thousand dollars;
(iii) seventy per centum of the amount by which the lending value exceeds four thousand dollars;
or such lesser proportion of the lending value as the Governor in Council may by regulation prescribe: Provided that the contract shall provide that the amount of a joint loan shall not exceed an amount equal to the lending value of the house less the value of the work to be done by the owner as fixed by the *Minister;*"

The proposed changes are to remove the requirement that a loan shall not be less than fifty per centum of the lending value, to include the words "or lessee" to conform to the proposed new paragraph *(a)* and to substitute "Corporation" for "Minister".

10. In paragraphs *(f)* and *(g)* there is no change except to substitute "Corporation" for "Minister". These paragraphs presently read as follows:—

"*(f)* the interest payable to His Majesty on the portion of the joint loan advanced by His Majesty shall be at such rate as is agreed upon between the *Minister* and the lending institution and set out in the contract;
"*(g)* the lending value of any house shall be subject to approval by the *Minister;*"

(h) Paragraph *(h)* of subsection two of section four presently reads as follows:—

"*(h)* repayment of a joint loan shall be secured by a first mortgage or hypothec on the house and land upon which it is situate in favour of His Majesty and the lending institution jointly;"

assurances and agreements as may be required by the Corporation in order to safeguard the interests of His Majesty and the lending institution;

"*(i)* a joint loan shall be for a term not in excess of twenty-five years from the date of completion of the house, except that in the case of a house to be constructed in an area that, in the opinion of the Corporation, is adequately protected by community planning and appropriate zoning restrictions the loan may be for a term exceeding twenty-five years, but not in excess of thirty years;

"*(j)* a joint loan shall be made on such terms as to payment of principal, interest and taxes, by monthly instalments as may be determined from time to time by the Corporation;

"*(k)* the amount of a joint loan shall be advanced to the borrower in such instalments during the course of construction of the house as may be determined by the Corporation, except that in the case of a loan made to a builder, such portion of the loan may be withheld or such additional security required until the house has been sold to an owner-occupier as may be specified by the terms on which the loan is made;"

11. Paragraph *(m)* of subsection two of section four of the said Act is repealed and the following substituted therefor:—

Terms of contract.

"*(m)* such other measures will be taken as may be agreed upon between the Corporation and the said lending institution in order to safeguard the interests of His Majesty;"

12. Paragraph *(d)* of subsection three of section four of the said Act is repealed and the following substituted therefor:—

Contract with trustee or borrower for a co-operative project.

"*(d)* the terms of the trust instrument or the charter or other instrument of incorporation and by-laws of the borrower have been approved by the Corporation and the terms of the said contract shall, subject to subsection four of this section, apply *mutatis mutandis* in respect of any joint loan made pursuant to this subsection:"

The proposed amendment makes provision for the security to be taken where loans are made to lessees under long-term leases.

(i) Paragraph *(i)* of subsection two of section four presently reads as follows:—

"*(i)* a joint loan shall be for a term not in excess of *twenty* years, except that in the case of a house to be constructed in an area which in the opinion of the *Minister* is adequately protected by community planning and appropriate zoning restrictions the loan may be for a term exceeding *twenty* years but not in excess of thirty years;"

The proposed paragraph extends the normal term of a loan from twenty to twenty-five years.

The words "from the date of completion of the house" are added to clarify the intention that the term of the loan runs from the completion of the house in accordance with normal loaning practice.

"Corporation" has been substituted for "Minister".

(j) Paragraph *(j)* of subsection two of section four presently reads as follows:—

"*(j)* a joint loan shall be made on such terms as to payment of principal, interest and taxes by monthly instalments *as may be prescribed by regulation or as the Minister may determine;*"

The proposed paragraph substitutes "Corporation" for "Minister" and omits the reference to regulation.

(k) Paragraph *(k)* of subsection two of section four presently reads as follows:—

"*(k)* The amount of a joint loan shall be advanced to the borrower in such instalments during the course of construction of the house *as may be prescribed by regulation or* as the *Minister* may determine, except that in the case of a loan made to a builder such portion of the loan may be withheld or such additional security required until the house has been sold to an owner-occupier as may be specified by the terms on which the loan is made;"

The proposed paragraph substitutes "Corporation" for "Minister" and omits the reference to regulation.

11. Paragraph *(m)* of subsection two of section four presently reads as follows:—

"*(m)* such other measures will be taken as may be agreed upon between the *Minister* and the said lending institution in order to safeguard the interests of His Majesty."

The proposed paragraph makes no change except to substitute "Corporation" for "Minister".

12. Paragraph *(d)* of subsection three of section four presently reads as follows:—

"*(d)* the terms of the trust instrument or the charter or other instrument of incorporation and by-laws of the *corporation* have been approved by the *Minister* and the terms of the said contract shall, subject to the next succeeding subsection, apply *mutatis mutandis* in respect of any joint loan made pursuant to this subsection."

The proposed paragraph substitutes "Corporation" for "Minister" and "borrower" for "corporation".

13. The said Act is further amended by adding thereto, immediately after section four thereof, the following sections:—

Corporation to safeguard interests of His Majesty.

"**4A.** Notwithstanding sections four and eight of this Act, before a joint loan is made to a lessee the Corporation may enter into such agreement or arrangement with the owner of the land upon which the house or housing project is to be built or with other persons as it deems necessary in order to safeguard the interests of His Majesty.

Contracts for houses to be sold to prospective home owners.

"**4B.** (1) The Corporation may, on behalf of His Majesty, enter into contracts with builders to encourage the construction of houses to be sold to prospective home owners.

Conditions.

(2) A contract may be entered into under subsection one of this section only with respect to houses the construction of which is assisted by loans made pursuant to this Act and such contract shall provide that,

(a) the builder shall finance the construction of the said houses under the provisions of this Act;

(b) the builder shall offer each of the said houses for sale at a price not in excess of the price fixed in the said contract;

(c) the Corporation shall agree to purchase from the builder within one year from the date of completion thereof at a price fixed in the said contract any house built pursuant to the said contract that remains unsold.

Further conditions.

(3) A contract with a builder entered into under this section may also provide,

(a) that during such period as the Corporation requires the builder shall offer the said houses for sale only to veterans;

(b) that such other things shall be done as the Corporation deems necessary in order to carry out the intent of this section and to safeguard the interests of His Majesty.

"veteran" defined.

(4) For the purpose of this section the expression "veteran" means a person who has been paid or is entitled to be paid a war service gratuity under *The War Service Grants Act, 1944*.

1944-45, c. 51.

Corporation may pay taxes.

(5) When title to real or immovable property becomes vested in the name of the Corporation or of His Majesty pursuant to the terms of a contract entered into under this section, the Corporation may pay to a municipality or other taxing authority an amount equivalent to the taxes which might be levied in respect of the said property or of the interest of the Corporation or of His Majesty therein by the said authority if the said property or interest were not so vested, and may enter into such agreements as may be necessary to give effect to the provisions of this subsection.

13. 4A. New. This proposed section four A provides for an additional safeguard in the case of loans to lessees.

4B. New. This proposed section four B makes statutory provision for the Integrated Housing Plan the authority for which has been Order in Council P. C. 6496 dated October 12th, 1945 passed under the *War Measures Act*, as amended by Order in Council P. C. 1810 dated May 7th, 1946.

Purchases and payments deemed losses in respect of loans.

1945, c.15. (2nd Sess.)

(6) For the purposes of *The Central Mortgage and Housing Corporation Act* and section seven of this Act, purchases under paragraph *(c)* of subsection two of this section and payments under subsection five of this section shall be deemed to be losses in respect of loans made under this Part."

14. Sections five and six of the said Act are repealed and the following substituted therefor:—

Regulations by Governor in Council.

"**5.** (1) The Governor in Council may make regulations to define for the purposes of this Act the expression "long-term lease" and to make provision for any matters concerning which he deems regulations are necessary or desirable to carry out the purposes or provisions of this Part and Part III of this Act.

Powers of Corporation.

(2) The Corporation may for the purposes of this Part and Part III of this Act:

(a) prescribe the manner in which the cost of construction of a house or of a housing project shall be estimated and by whom and in what manner the appraisal of the value of a house or housing project shall be made;

(b) prescribe sound standards of construction and the arrangements that shall be made to assure adequate supervision of the construction of a house or of a housing project in respect of which a joint loan is made;

(c) prescribe the information to be given by an applicant for a joint loan;

(d) prescribe the manner in which losses sustained in connection with joint loans shall be established; and

(e) prescribe the circumstances in which it may be appropriate to take a chattel mortage or other security as security or additional security for a joint loan.

Determination of loss in respect of joint loan.

"**6.** (1) The Corporation may at any time by agreement with an approved lending institution fix and determine the amount of loss in respect of any joint loan whether or not foreclosure or sale proceedings have been taken or concluded.

Purchase by the Crown of security taken for loan.

(2) In any case where the Minister deems it in the public interest, the Corporation may, on behalf of His Majesty, purchase all the right, title and interest of an approved lending institution in any joint loan or in any security taken for the repayment thereof.

Power to take over joint loan.

(3) Where the Corporation has purchased a house pursuant to the terms of a contract entered into under section four B of this Act, it may on behalf of His Majesty purchase all the right, title and interest of an approved lending institution in the joint loan made in respect of the said house or in any security taken for the repayment of the said loan.

14. Section five presently reads as follows:—

"**5.** *The Governor in Council may, on the recommendation of the Minister, by regulation,*
(a) prescribe the manner in which the cost of construction of a house or of a housing project shall be estimated and by whom and in what manner the appraisal of the value of a house shall be made;
(b) prescribe sound standards of construction and the arrangements that shall be made to assure adequate supervision of the construction of a house or of a housing project in respect of which a joint loan is made;
(c) prescribe the information to be given by an applicant for a joint loan;
(d) prescribe the manner in which losses sustained in connection with joint loans shall be established;
(e) prescribe the circumstances in which it may be appropriate to take a chattel mortgage or other security as security or additional security for a joint loan; and
(f) make provision for any other matters concerning which regulations are deemed necessary or desirable to carry out the purposes or provisions of this Part."

The proposed section has been rearranged to vest in the Governor in Council power to make regulations where deemed necessary and to vest in the Corporation power to determine procedural and administrative questions.

Subsection one of section six presently reads as follows:—

"**6.** (1) The *Minister* may at any time by agreement with an approved lending institution fix and determine the amount of loss in respect of a loan *made under this Part* whether or not foreclosure or sale proceedings have been taken or concluded."

"Corporation" has been substituted for "Minister" and the subsection made to apply to "any joint loan" instead of to a joint loan under Part I only.

Subsection two of section six presently reads as follows:—

"(2) In any case where the Minister deems it in the public interest, *he* may, on behalf of His Majesty, purchase all the right, title and interest of an approved lending institution in any joint loan or in any security taken for the repayment thereof."

The proposed subsection vests the power to purchase in the Corporation.

(3) New. This subsection three vests the Corporation with power to take over the joint loan on a house which it has purchased under an integrated housing agreement.

Purchases deemed losses in respect of loans.

(4) For the purposes of *The Central Mortgage and Housing Corporation Act* and section seven of this Act, purchases under subsections two and three of this section shall be deemed to be losses in respect of loans made under this Part."

15. Sections eight and nine, as amended by sections eleven to fifteen, of chapter twenty-six of the statutes of 1945 (second session), and section ten of the said Act, are repealed and the following substituted therefor:—

Loans for low-rental housing projects.

"**8.** (1) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with an approved lending institution on the terms set out in this section, to join with the said institution in the making of loans to assist in the construction of rental housing projects designed to provide housing accommodation to be rented to prospective tenants.

Terms of contract.

(2) The terms of a contract entered into under this section shall provide that,

(a) a joint loan shall be made only for the purpose of assisting in the construction of the project according to sound standards, approved by the Corporation and under such supervision as may be determined by the Corporation;

(b) the joint loan shall not exceed eighty per centum of the lending value of the project;

(c) the portion of a joint loan advanced by His Majesty shall not exceed twenty-five per centum of the joint loan;

(d) the rate of interest payable by the borrower in respect of a joint loan shall not exceed a rate of four and one-half per centum per annum calculated semi-annually and no other charge in respect of the loan shall be payable by the borrower except as may be determined by the Corporation;

(e) the interest payable to His Majesty on the portion of the joint loan advanced by His Majesty shall be at such rate as is agreed upon between the Corporation and the lending institution and set out in the contract;

(f) the lending value of any project shall be subject to approval by the Corporation;

(g) the joint loan shall be secured by a first mortgage or hypothec on the project or the land and the buildings comprising the project in favour of His Majesty and the said lending institution, and in such classes of cases as may be prescribed by the Corporation, the Corporation may require such additional security by way of chattel mortgage or assignment of rentals or otherwise as the Corporation may deem necessary or

(4) New. This new subsection four specifically relates the purchases mentioned to the appropriation provided for Part I of the Act.

15. Section eight presently reads as follows:—

HOUSING FOR RENTAL PURPOSES.

8. (1) The *Minister* may, on behalf of His Majesty, and with the approval of the Governor in Council, enter into a contract with an approved lending institution on the terms set out in this section to join with the said institution in the making of loans to assist in the construction of rental housing projects designed to provide housing accommodation to be rented to prospective tenants.

(2) The terms of a contract entered into under this section shall provide that,

(a) a joint loan shall be made only for the purpose of assisting in the construction of the project according to sound standards approved by the *Minister* and under such supervision as may be *prescribed by regulation;*

(b) the joint loan shall not exceed eighty per centum of the lending value of the project;

(c) the portion of a joint loan advanced by His Majesty shall not exceed twenty-five per centum of the joint loan;

(d) the rate of interest payable by the borrower in respect of a joint loan shall not exceed a rate of four and one-half per centum per annum calculated semi-annually and no other charge in respect of the loan shall be payable by the borrower except as may be *authorized by regulation;*

(e) the interest payable to His Majesty on the portion of the joint loan advanced by His Majesty shall be at such rate as is agreed upon between the *Minister* and the lending institution and set out in the contract;

(f) the lending value of any project shall be subject to approval by the *Minister;*

(g) the joint loan shall be secured by a first mortgage or hypothec on the project or the land and buildings comprising the project in favour of His Majesty and the said lending institution, and in such classes of cases as may be prescribed by *regulation the Minister* may require such additional security by way of chattel mortgage or assignment of rentals or otherwise as *he* may deem necessary or desirable in order to protect the interests of His Majesty;

desirable in order to protect the interests of His Majesty;

(h) a joint loan shall be for a term not in excess of twenty years from the date of completion of the project, except that in the case of a project to be constructed in an area that in the opinion of the Corporation is adequately protected by community planning and appropriate zoning restrictions the loan may be for a term in excess of twenty years but not exceeding twenty-five years;

(i) a joint loan shall be made on such terms as to payment of principal, interest and taxes by monthly instalments as the Corporation may from time to time determine;

(j) the amount of the loan shall be advanced to the borrower in such instalments during the course of construction of the project as the Corporation may from time to time determine;

(k) losses sustained as a result of joint loans shall be shared by His Majesty and the lending institution in the proportions of the shares of His Majesty and the lending institution in the said joint loans and that in addition His Majesty shall be liable to pay to the lending institution such amount of the losses of the lending institution sustained as a result of joint loans within any class of joint loans established by agreement, as may be agreed upon, not exceeding, however, fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the said class, each said class to be based on the ratio of the joint loans to the lending values or on the location of the projects or on both; and

(l) such other measures will be taken as may be agreed upon between the Corporation and the lending institution to safeguard the interests of His Majesty.

Joint loans with two or more lending institutions.

(3) The Corporation may join with two or more approved lending institutions, with each of which it has entered into a contract under this section, in the making of a joint loan and in such case the said contract shall *mutatis mutandis* apply as if the said lending institutions were one institution.

Loans to limited dividend housing corporations.

"**9.** (1) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council, make a loan to a limited-dividend housing company for the purpose of assisting in the construction of a low-rental housing project or in the purchase of existing buildings and the land upon which they are situate and their conversion into a low-rental housing project.

(h) a joint loan shall be for a term not in excess of twenty years, except that in the case of the project to be constructed in an area which in the opinion of the *Minister* is adequately protected by community planning and appropriate zoning restrictions the loan may be for a term in excess of twenty years but not exceeding twenty-five years;

(i) a joint loan shall be made on such terms as to payment of principal, interest and taxes by monthly instalments as may be prescribed by regulation or as the *Minister* may determine;

(j) the amount of the loan shall be advanced to the borrower in such instalments during the course of construction of the project as *may be prescribed by regulation or as the Minister may determine;*

(k) losses sustained as a result of joint loans shall be shared by His Majesty and the lending institution in the proportions of the shares of His Majesty and the lending institution in the said joint loans and that in addition His Majesty shall be liable to pay to the lending institution such amount of the losses of the lending institution sustained as a result of joint loans within any class of joint loans established by agreement, as may be agreed upon, not exceeding, however, fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the said class, each said class to be based on the ratio of the joint loans to the lending values or on the location of the projects or on both; and

(l) such other measures will be taken as may be agreed upon between the *Minister* and the lending institution to safeguard the interests of His Majesty.

(3) The *Minister* may join with two or more approved lending institutions, with each of which he has entered into a contract under this section, in the making of a joint loan and in such case the said contract shall *mutatis mutandis* apply as if the said lending institutions were one institution."

There are no changes in principle. "Corporation" has been substituted for "Minister" and references to regulations have been omitted to conform to the present administrative arrangements.

In the proposed paragraph *(h)* the words "from the date of completion of the project" have been inserted for the reasons mentioned with reference to paragraph *(i)* of subsection two of section four.

9. Section nine presently reads as follows:

"**9.** (1) The *Minister* may, on behalf of His Majesty and with the approval of the Governor in Council, make a loan to a limited-dividend housing *corporation* for the purpose of assisting in the construction of a low-rental housing project or in the purchase of existing buildings with the land upon which they are situate and their conversion into a low-rental housing project.

Interest amount and term of loan.

(2) A loan made under the authority of this section shall bear interest at three per centum per annum, shall not exceed ninety per centum of the lending value of the project, shall be for a term not exceeding the useful life of the project to be fixed by the Corporation and in any case not exceeding fifty years from the date of completion of the project and shall be secured by a first mortgage or hypothec upon the project in favour of His Majesty.

Security.

Conditions under which loans may be made.

(3) A loan may be made under this section only to a limited-dividend housing company that has entered into a contract with His Majesty on the terms set out in subsection four of this section, to construct a low-rental housing project or to convert existing buildings into a low-rental housing project if:

(a) evidence satisfactory to the Corporation has been furnished of the need for the said project by reason of shortage, over-crowding, congestion or the sub-standard character of existing housing accommodation in the municipality or the metropolitan area in which the said project is to be situated;

(b) the area in which the project is to be situated has in the opinion of the Corporation been adequately planned;

(c) zoning regulations are in the opinion of the Corporation sufficient to assure the suitability of the area for the said project throughout the term of the loan and to provide reasonable safeguards for the security of the loan;

(d) adequate municipal services are available or are to be supplied forthwith to residents of the said area;

(e) the project for which a loan is requested will provide a sufficient number of family housing units to assure, in the opinion of the Corporation, reasonable economies in the construction or conversion thereof;

(f) the organization and management of the company are in the opinion of the Corporation such as to assure competent and independent administration in the planning, construction or conversion and operation of the project;

(g) adequate care has in the opinion of the Corporation, been exercised to assure economical and suitable design and sound construction of a type of project that will assure the minimum practicable expenditures for repairs and maintenance during the term of the loan, and in the case of the conversion of existing buildings, if the cost of conversion is, in the opinion of the Corporation, reasonable;

(h) the terms of acquisition by the company of the land

(2) A loan made under the authority of this section shall bear interest at three per centum per annum, shall not exceed ninety per centum of the lending value of the project, shall be for a term not exceeding the useful life of the project to be fixed by the *Minister* and in any case not exceeding fifty years and shall be secured by a first mortgage or hypothec upon the project in favour of His Majesty.

(3) A loan may be made under this section only to a limited-dividend housing corporation which has entered into a contract with His Majesty on the terms set out in *the next succeeding subsection*, to construct a low-rental housing project or to convert existing buildings into a low-rental housing project if:—

(a) evidence satisfactory to the *Minister* has been furnished of the need for the said project by reason of shortage, over-crowding, congestion or the sub-standard character of existing housing accommodation in the municipality or the metropolitan area in which the said project is to be situated;

(b) the area in which the project is to be situated has in the opinion of the *Minister* been adequately planned;

(c) zoning regulations are sufficient to assure the suitability of the area for the said project throughout the term of the loan and to provide reasonable safeguards for the security of the loan;

(d) adequate municipal services are available or are to be supplied forthwith to residents of the said area;

(e) the project for which a loan is requested will provide a sufficient number of family housing units to assure, in the opinion of the *Minister*, reasonable economies in the construction or conversion thereof;

(f) the organization and management of the *corporation* are in the opinion of the *Minister* such as to assure competent and independent administration in the planning, construction or conversion and operation of the project;

(g) adequate care has in the opinion of the *Minister*, been exercised to assure economical and suitable design and sound construction of a type of project which will assure the minimum practicable expenditures for repairs and maintenance during the term of the loan, and in the case of the conversion of existing buildings, if the cost of conversion is, in the opinion of the *Minister*, reasonable,

(h) the terms of acquisition by the corporation of the land upon which the project is to be constructed or of the buildings which are to be converted are satisfactory to the *Minister*;

upon which the project is to be constructed or of the buildings which are to be converted are satisfactory to the Corporation;

(i) the terms of the contract made by the company with a contractor for the construction of the project or the conversion of the buildings are satisfactory to the Corporation;

(j) the company, in the opinion of the Corporation, has or is able to provide funds sufficient, when added to the proceeds of the loan made by His Majesty, to pay the entire cost of the construction or conversion and ensure the completion of the project; and

(k) the powers given to the company and activities or transactions that are permitted by its charter or other instrument of incorporation are satisfactory to the Corporation.

Terms of contract.

(4) A contract with a limited-dividend housing company entered into under this section shall provide that:—

(a) the maximum ratio between the rentals to be charged and the probable family income of the lessees of each family housing unit shall be such ratio as the Corporation may deem fair and reasonable or shall make such other provision for maintaining the low-rental character of the project as the Corporation may agree to;

(b) the company may receive contributions to a rent reduction fund from any province, municipality, social agency, trust, or person and shall use such fund solely for the purpose of reducing the rentals that otherwise would be charged;

(c) the company shall maintain books, records and accounts in a form satisfactory to the Corporation, shall permit the inspection of such books, records and accounts by a representative of the Corporation at any time and shall make such annual or other reports to the Corporation in such form and containing such particulars as the Corporation may require;

(d) the company shall furnish efficient management of the low-rental housing project, maintain the project in a satisfactory state of repair, and permit representatives of the Corporation to inspect the project at any time;

(e) the company shall make to the Corporation promptly on the due dates the annual or semi-annual payments required to be made in order to pay the interest on and amortize the loan during the term thereof;

(f) the amount of surplus earnings to be used or set aside for reserves, maintenance, repairs, possible decline

(i) the terms of the contract made by the *corporation* with a contractor for the construction of the project or the conversion of the buildings are satisfactory to the *Minister*;

(j) the *corporation*, in the opinion of the *Minister*, has or is able to provide funds sufficient, when added to the proceeds of the loan made by His Majesty, to pay the entire cost of the construction or conversion and ensure the completion of the project; and

(k) the powers given to the *corporation* and the activities or transactions which are permited by its charter or other instrument of incorporation are satisfactory to the *Minister*.

(4) A contract with a limited-dividend housing corporation entered into under this section shall provide that,

(a) the maximum ratio between the rentals to be charged and the probable family income of the lessees of each family housing unit shall be such ratio as the *Minister* may deem fair and reasonable or shall make such other provision for maintaining the low-rental character of the project as the *Minister* may agree to;

(b) the *corporation* may receive contributions to a rent reduction fund from any province, municipality, social agency, trust, or person and shall use such fund solely for the purpose of reducing the rentals that otherwise would be charged;

(c) the *corporation* shall maintain books, records and accounts in a form satisfactory to the *Minister*, shall permit the inspection of such books, records and accounts by a representative of the *Minister* at any time and shall make such annual or other reports to the *Minister* in such form and containing such particulars as the *Minister* may require;

(d) the *corporation* shall furnish efficient management of the low-rental housing project, maintain the project in a satisfactory state of repair, and permit representatives of the *Minister* to inspect the project at any time;

(e) the *corporation* shall make to the *Minister* promptly on the due dates the annual or semi-annual payments required to be made in order to pay the interest on and amortize the loan during the term thereof;

(f) the amount of surplus earnings to be used or set aside for reserves, maintenance, repairs, possible decline in rentals or other contingencies shall be limited in such manner as may be agreed upon;

in rentals or other contingencies shall be limited in such manner as may be agreed upon;

(g) the project or any part thereof shall not be sold or otherwise disposed of without the approval of the Corporation and, if sold or disposed of with the said approval, shall be sold or disposed of in such manner that the shareholders shall not receive more than the return of their investment and the limited dividends, and the surplus of the proceeds of the sale or disposal shall be paid to such person or expended in such manner as is provided in the contract or as the Corporation may direct; and

(h) the Corporation shall have the right, in the event of the company failing to maintain the low-rental character of the project or otherwise committing a breach of the contract, to declare the unpaid principal of the loan due and payable forthwith or to increase the interest payable thereafter on the unpaid balance of the said loan to such rate as the Governor in Council may determine.

Contract with limited-dividend housing company, terms.

(5) A contract with a limited-dividend housing company entered into under this section may also provide:

(a) that the Corporation shall have the right to designate persons other than families of low incomes to whom housing accommodation provided by the project may be leased; and

(b) for such other measures to be taken by the Corporation and the company as the Corporation may deem necessary or desirable to give effect to the purposes or provisions of this Act.

Loans to borrowers engaged in mining or lumbering.

"**9A.** (1) The Corporation may on behalf of His Majesty, and with the approval of the Governor in Council, make a loan to a borrower engaged in mining or lumbering to assist in the construction of low or moderate-cost housing projects in areas or localities that are adjacent to or connected with the operations of the borrower.

"borrower" defined.

(2) For the purpose of this section the expression "borrower" means an incorporated company engaged in the business of mining or lumbering and includes a company (in this section referred to as a "subsidiary company") incorporated for the purpose of owning, constructing and managing a housing project all the share capital of which, except directors' qualifying shares, are owned by an incorporated company (in this section rerferred to as the "parent company") engaged in the business of mining or lumbering.

Interest.

(3) A loan made under this section shall bear interest at the rate of four per centum per annum calculated semi-

(g) the project or any part thereof shall not be sold or otherwise disposed of without the approval of the *Minister* and, if sold or disposed of with the said approval, shall be sold or disposed of in such a manner that the shareholders shall not receive more than the return of their investment and the limited dividends, and the surplus of the proceeds of the sale or disposal shall be paid to such person or expended in such manner as is provided in the contract or as the *Minister* may direct; and

(h) the *Minister* shall have the right, in the event of the *corporation* failing to maintain the low-rental character of the project or otherwise committing a breach of the contract, to declare the unpaid principal of the loan due and payable forthwith or to increase the interest payable thereafter on the unpaid balance of said loan to such rate as the Governor in Council may determine.

(5) A contract with a limited-dividend housing corporation entered into under this section may also provide

(a) that the *Minister* shall have the right to designate persons other than families of low incomes to whom housing accommodation provided by the project may be leased; and

(b) for such other measures to be taken by the *Minister* and the corporation as the *Minister* may deem necessary or desirable to give effect to the purposes or provisions of this Act."

In section nine there are no changes in principle. "Corporation" has been substituted for "Minister" and "company" has been substituted for "corporation" in accordance with the proposed new definition of "limited-dividend housing corporation".

In subsection two of section nine the words "from the date of completion of the project" have been inserted.

In paragraph *(c)* of subsection three of section nine the words "in the opinion of the Corporation" have been added.

9A. New. This proposed new section nine A provides for loans by the Corporation to mining and lumbering companies.

annually, shall not exceed eighty per centum of the lending value of the project, shall be for a term not exceeding the useful life of the project to be fixed by the Corporation and in any case not exceeding fifteen years from the date of completion of the project.

Security.

(4) The loan shall be secured by a first mortgage or hypothec on the land upon which the project is built in favour of His Majesty or, where the land is not owned by the borrower or the housing units are of a portable nature, by a first charge on the project and the interest of the borrower in the land upon which it is built in a form satisfactory to the Corporation or such other security as the Corporation may deem necessary to safeguard the interests of His Majesty.

Prior conditions.

(5) The Corporation shall prior to the approval of a loan under this section by the Governor in Council satisfy itself:—

(a) that the area in which the project is to be built has a productive period sufficient to justify the proposed term of the loan, and

(b) that the proposed project is necessary to house persons in the area and those who may move into the area to provide necessary labour in connection with the operations of the borrower.

Terms of contract.

(6) A loan may be made under this section only to a borrower who has entered into a contract with His Majesty on the terms set out in subsection seven of this section to provide low or moderate-cost housing accommodation adjacent to or connected with the operations of the borrower, if—

(a) evidence satisfactory to the Corporation has been furnished of the need for such housing accommodation and that such housing accommodation will result in an increased number of people being employed in connection with the said operations;

(b) the area in which the project is to be situated is, in the opinion of the Corporation, suitable for such project;

(c) the project for which the loan is requested will provide a sufficient number of family housing units of a class and kind to ensure, in the opinion of the Corporation, reasonable economies in the construction and operation thereof;

(d) evidence satisfactory to the Corporation has been provided that the project will be competently planned, constructed, administered and operated;

(e) adequate care has, in the opinion of the Corporation, been exercised, to assure economical and suitable design and sound construction appropriate to and in accordance with the area in which the project is built;

(f) the terms of acquisition by the borrower of the land

upon which the project is to be constructed or the lease by which the land is made available for the project, are satisfactory to the Corporation;

(g) the terms of the contract made by the borrower with a contractor for the construction of the project, are satisfactory to the Corporation;

(h) evidence satisfactory to the Corporation has been provided that the borrower has or is able to provide funds sufficient when added to the proceeds of the loan made by His Majesty to ensure the completion of the project;

(i) the powers given to the borrower by its charter or instrument of incorporation are satisfactory to the Corporation; and

(j) in the case of a subsidiary company, repayment of the loan and the performance of the contract made by it pursuant to this section are guaranteed by the parent company.

Further provisions of contract.

(7) A contract with a borrower shall provide that,

(a) the borrower shall make to the Corporation promptly on the due dates the annual or semi-annual payments required to be made in order to pay the interest on and amortize the loan during the term thereof;

(b) the borrower shall furnish efficient management of such project and maintain the project in a satisfactory state of repair and permit representatives of the Corporation to inspect the project at any time;

(c) moneys invested in the project by the borrower shall not produce a return above operating expenses greater than the rate of interest agreed to be paid by the borrower on the loan made by His Majesty and that any return in excess of this amount shall be used as the Corporation determines for the benefit of the occupants of the housing units of the project;

(d) the borrower may receive contributions to a rent reduction fund and shall use such fund solely for the purpose of reducing the rentals that otherwise would be charged;

(e) the amount of surplus earnings to be used or set aside for reserves, maintenance, repairs, possible decline in rentals or other contingencies shall be determined by the Corporation;

(f) the Corporation shall have the right in the event of the borrower failing to maintain the low or moderate rental character of the project or otherwise committing a breach of contract, to declare the unpaid principal of the loan due and payable forthwith or to increase the interest payable thereafter on the unpaid balance of the said loan at such a rate as the Governor in Council may determine;

(g) the borrower shall maintain books, records and accounts in a form satisfactory to the Corporation, shall permit the inspection of such books, records and accounts by a representative of the Corporation at any time and shall make such annual or other reports to the Corporation in such form and containing such particulars as the Corporation may require;

(h) the borrower may rent the housing units to its employees or to other persons living in the community adjacent to or connected with its operations at rentals to be approved by the Corporation;

(i) the borrower during the term of the loan may with the approval of the Corporation, and upon terms and conditions satisfactory to the Corporation, sell under agreement for sale or lease and option, units of the said project to prospective home owners;

(j) in the event of a sale referred to in paragraph (i) of this subsection the Corporation may undertake that when the home owner has fulfilled the terms of the agreement for sale it will discharge its mortgage claim or charge upon the unit purchased by the prospective home owner.

Powers of Corporation.

(8) The Corporation may—

(a) prescribe the manner in which the cost of such project shall be calculated or estimated and determine the lending value for the purpose of this section;

(b) prescribe the standards of construction and the type of project in respect of which a loan is made under this section;

(c) prescribe the information to be given by an applicant for a loan under this section;

(d) prescribe the conditions and procedures under which the proceeds of any loan under this section may be advanced to the borrower;

(e) prescribe the circumstances in which additional security may be taken for any loans under this section;

(f) make provision for any other matters deemed necessary or desirable to carry out the purposes or provisions of this section and to safeguard the interests of His Majesty.

Further powers of Corporation.

"**9B.** (1) The Corporation may, on behalf of His Majesty and upon terms and conditions satisfactory to the Minister—

(a) acquire by way of lease or otherwise from the owners thereof buildings suitable for conversion into multiple housing units and convert such buildings into multiple housing units;

(b) hold, operate and manage real or personal property of His Majesty made available to the Corporation;

9B. New. This proposed new section nine B provides legislative authority for the operation of the Home Conversion Plan.

(c) hold, operate and manage any real property and the interests of His Majesty in any such property in which His Majesty has a leasehold interest;

(d) lease such property and collect the rentals and revenues therefrom;

(e) surrender the interests of His Majesty to the owner of any such property in which His Majesty has a leasehold interest and dispose of any personal property used in connection therewith;

(f) pay any claims, taxes and expenses incurred or arising out of or incidental to the holding, operating, managing or leasing of such property or leasehold interest.

(2) The Minister shall pay to the Corporation out of moneys from time to time appropriated by Parliament for the purpose the cost of the acquisition and conversion of buildings pursuant to paragraph (a) of subsection one of this section.

(3) The Corporation shall pay to the Minister the moneys received by it in respect of the property referred to in subsection one of this section after deducting therefrom the amount of payments made by it in accordance with paragraph (f) of that subsection and such compensation as may be agreed upon by the Minister and the Corporation.

Regulations by Governor in Council.

"**10.** (1) The Governor in Council may by regulation make provision for any matters concerning which he deems regulations are necessary or desirable to carry out the purposes or provisions of this Part.

Power of Corporation to determine administrative matters.

(2) The Corporation may,

(a) prescribe the manner in which the cost of construction of a rental housing project or a low-rental housing project or the cost of converting existing buildings into a low-rental housing project shall be calculated or estimated and by whom and in what manner an appraisal of any rental housing project shall be made;

(b) prescribe sound standards of construction and the arrangements that shall be made to assure adequate supervision of any construction or conversion in respect of which a loan is made under this Part;

(c) prescribe the information to be given by an applicant for a loan under this Part;

(d) prescribe the conditions and procedures under which the proceeds of any loan under this Part may be advanced to a builder or a limited-dividend housing company;

(e) prescribe the circumstances in which a chattel mortgage, an assignment of rents or other security, may be taken as additional security for any loans made under this Part;

"**10.** Section ten presently reads as follows:—

"**10.** The Governor in Council *on the recommendation of the Minister*, may by regulation,

(a) prescribe the manner in which the cost of construction of a rental housing project or a low-rental housing project or the cost of converting existing buildings into a low-rental housing project shall be calculated or estimated and by whom and in what manner an appraisal of any rental housing project shall be made;

(b) prescribe sound standards of construction and the arrangements that shall be made to assure adequate supervision of any construction or conversion in respect of which a loan is made under this Part;

(c) prescribe the information to be given by an applicant for a loan under this Part;

(d) prescribe the conditions and procedures under which the proceeds of any loan under this Part may be advanced to a builder or a limited-dividend housing *corporation;*

(e) prescribe the circumstances in which a chattel mortgage, an assignment of rents or other security, may be taken as additional security for any loans made under this Part;

(f) prescribe the books, accounts and records to be maintained by a limited-dividend housing *corporation* to which a loan is made under this Part and the manner in which and by whom they shall be audited, and the form of the annual or any other report to be made to the Minister;

(g) prescribe the manner in which losses sustained in connection with joint loans made under this Part shall be determined; and

(h) make provision for any other matters concerning which regulations are deemed necessary or desirable to carry out the purposes or provisions of this Part."

The proposed section has been rearranged to vest in the Governor in Council power to make regulations when deemed necessary and to vest in the Corporation power to determine procedural and administrative questions.

(f) prescribe the books, accounts and records to be maintained by a limited-dividend housing company to which a loan is made under this Part and the manner in which and by whom they shall be audited, and the form of the annual or any other report to be made to the Corporation; and

(g) prescribe the manner in which losses sustained in connection with joint loans made under this Part shall be determined."

16. Subsections two, two A, three and three A of section eleven of the said Act (two as amended, two A, three and three A as enacted by chapter twenty-six of the statutes of 1945 (second session)) are repealed and the following substituted therefor:—

Conditions of investment.

"(2) The conditions under which an investment referred to in subsection one of this section may be made shall be as follows:—

(a) the project shall, in the discretion of the Corporation, be constructed in accordance with or in harmony with an official community plan satisfactory to it;

(b) the project shall be designed to provide housing accommodation for families of low or moderate income and the Corporation may prescribe a maximum average cost per room or per family housing unit provided thereby, or per person to be accommodated;

(c) the company shall submit to the Corporation an application in a form to be prescribed by it and accompanied by the following:—

(i) a map showing the location of the land and of the structures thereon, the purchase of which is deemed by the company to be necessary to the project;

(ii) a plan and specifications prepared by an architect showing the buildings or improvements to be constructed thereon pursuant to the project;

(iii) an estimate of the cost of the entire project prepared by an architect or engineer and approved by the company;

(iv) an estimate of the rentals of the family housing units and the other facilities to be provided necessary to assure a minimum return of five per centum per annum upon the cost of the entire project after payment of all taxes, insurance, cost of operation and maintenance, and an annual amount sufficient to amortize the cost of construction of the project less the cost of the land, within a period representing the estimated useful life of

16. Subsections two, two A, three and three A of section eleven presently read as follows:—

(2) The conditions under which an investment referred to in subsection one of this section may be made shall be as follows.

(a) the project shall in the discretion of the *Minister* be constructed in accordance with or in harmony with an official community plan satisfactory to *him*.

(b) the project shall be designed to provide housing accommodation for families of low or moderate income and the *Minister* may, prescribe a maximum average cost per room or per family housing unit provided thereby, or per person to be accommodated;

(c) the company shall submit to the *Minister* an application in a form to be prescribed by *him* and accompanied by the following:

(i) a map showing the location of the land and of the structures thereon, the purchase of which is deemed by the company to be necessary to the project;

(ii) a plan and specifications prepared by an architect showing the buildings or improvements to be constructed thereon pursuant to the project;

(iii) an estimate of the cost of the entire project prepared by an architect or engineer and approved by the company;

(iv) an estimate of the rentals of the family housing units and the other facilities to be provided necessary to assure a minimum return of five per centum per annum upon the cost of the entire project after payment of all taxes, insurance, costs of operation and maintenance, and an annual amount sufficient to amortize the cost of construction of the project less the cost of the land, within a period representing the estimated useful life of the project but not in any case exceeding fifty years from the date of completion of the project; and

(v) such other information or material as the *Minister* may require; and

(d) the investment is approved by the *Minister*.

the project but not in any case exceeding fifty years from the date of completion of the project; and

(v) such other information or material as the Corporation may require; and

(d) the investment is approved by the Corporation.

Conditions of investment.

(2A) No investment under subsection one A of this section shall be made unless

(i) the project of the institutional housing corporation in the shares of which the investment is to be made, or each project of the institutional housing corporations the shares of which are held by the institutional holding company in the shares and debentures of which the investment is to be made, complies with paragraphs *(a)* and *(b)* of subsection two of this section;

(ii) an application has been submitted to the Corporation in the form prescribed by it accompanied by the information in respect of the said project or each of the said projects required by paragraph *(c)* of subsection two of this section, and

(iii) the investment is approved by the Corporation.

Guarantee to life insurance company.

(3) Where a life insurance company agrees with the Corporation,

(a) to maintain separate books and records relating to a rental housing project in which the company invests under this section satisfactory to the Corporation and open to its inspection at any time;

(b) to establish a reserve on account of such project comprising all net earnings in any year after its completion in excess of six per centum per annum on the cost of the project; and

(c) to repay out of the said reserve any advances made by the Corporation under the guarantee hereinafter mentioned;

the Corporation shall guarantee to the company, for as long as it retains ownership of the whole or any part of the project, a net return in any year after the completion of the project of two and one-half per centum per annum of the cost of the project for a period not exceeding the estimated useful life of the project and in any case not exceeding fifty years.

Guarantee to institutional housing corporation.

(3A) Where an institutional housing corporation is formed and agrees with the Corporation:

(a) to maintain separate books and records relating to the rental housing project in which the institutional housing corporation invests under this section satisfactory to the Corporation and open to its inspection at any time;

(2A) No investment under subsection (1A) of this section shall be made unless

(i) the project of the institutional housing corporation in the shares of which the investment is to be made, or each project of the institutional housing corporations the shares of which are held by the institutional holding company in the shares and debentures of which the investment is to be made, comply with paragraphs *(a)* and *(b)* of subsection two of this section,

(ii) an application has been submitted to the *Minister* in the form prescribed by him accompanied by the information in respect of the said project or each of the said projects required by paragraph *(c)* of subsection two of this section, and

(iii) the investment is approved by the *Minister*.

(3) Where a life insurance company agrees with the *Minister*,

(a) to maintain separate books and records relating to a rental housing project in which the company invests under this section satisfactory to the *Minister* and open to his inspection at any time;

(b) to establish a reserve on account of such project comprising all net earnings in any year after its completion in excess of six per centum per annum on the cost of the project; and

(c) to repay out of the said reserve any advances made by the *Minister* under the guarantee hereinafter mentioned,

the *Minister* shall guarantee to the company, for as long as it retains ownership of the whole or any part of the project, a net return in any year after the completion of the project of two and one-half per centum per annum of the cost of the project for a period not exceeding the estimated useful life of the project and in any case not exceeding fifty years.

(3A) Where an institutional housing corporation is formed and such corporation agrees with the *Minister:*—

(a) to maintain separate books and records relating to the rental housing project in which the corporation invests under this section satisfactory to the *Minister* and open to his inspection at any time;

(b) to establish a reserve on account of such project comprising all net earnings, including any net profit realized on the sale of the project or any part thereof, in any year after its completion in excess of six per centum per annum on the cost of the project; and

(c) to repay out of the said reserve any advances made by the *Minister* under the guarantee hereinafter mentioned,

the *Minister* shall guarantee to the corporation as long as the corporation retains ownership of the whole or any part of the project but not longer than the estimated useful life of the project and in any case not longer than fifty years, a net return in any year after the completion of the project of two and one-half per centum per annum of that portion of the cost of the project which was provided from funds subscribed by shareholders; and the *Minister* in *his* discretion may guarantee the principal of the debentures of an institutional holding company and interest thereon at a rate not more than two and one-half per centum per annum if he is satisfied that such a company holds at the time the guarantee is given all the shares, except directors' qualifying shares, of one or more institutional housing corporations which have been guaranteed by him under this subsection.

No change in principle is proposed. "Corporation" has been substituted for "Minister".

(*b*) to establish a reserve on account of such project comprising all net earnings, including any net profit realized on the sale of the project or any part thereof, in any year after its completion in excess of six per centum per annum on the cost of the project; and

(*c*) to repay out of the said reserve any advances made by the Corporation under the guarantee hereinafter mentioned,

the Corporation shall guarantee to the institutional housing corporation as long as it retains ownership of the whole or any part of the project but not longer than the estimated useful life of the project and in any case not longer than fifty years, a net return in any year after the completion of the project of two and one-half per centum per annum of that portion of the cost of the project that was provided from funds subscribed by shareholders; and the Corporation in its discretion may guarantee the principal of the debentures of an institutional holding company and interest thereon at a rate not more than two and one-half per centum per annum if it is satisfied that such a company holds at the time the guarantee is given all the shares, except directors' qualifying shares, of one or more institutional housing corporations that have been guaranteed by it under this subsection."

17. Subsections six, seven and eight of section eleven of the said Act, as enacted by sections twenty-three and twenty-four of chapter twenty-six of the statutes of 1945 (second session), are repealed and the following substituted therefor:—

Regulations.

"(6) The Governor in Council may make regulations to provide for any matters concerning which he deems regulations are necessary or desirable to carry out the purposes or provisions of this section.

Power of Corporation to determine administrative matters.

"(6A) The Corporation may,

(*a*) prescribe the manner in which the cost of a rental housing project shall be calculated for the purposes of this section and may adjust the said cost in the event of the sale of a portion of a rental housing project or an addition thereto;

(*b*) prescribe the manner in which the net earnings shall be calculated for the purposes of this section;

(*c*) take such other measures as the Corporation may deem necessary or desirable to give effect to the purposes or provisions of this section and to safeguard the interests of His Majesty.

Corporation may enter into contract.

"(7) The Corporation may in consideration of the giving of any guarantee under this section enter into a contract

17. Subsections six, seven and eight of section eleven presently read as follows:—

"(6) The Governor in Council, on the recommendation of the Minister, may make regulations:—

(a) prescribing the manner in which the cost of a rental housing project shall be calculated for the purpose of this section with power to adjust the said cost in the event of the sale of a portion of a rental housing project or an addition thereto;

(b) prescribing the manner in which the net earnings shall be calculated for the purpose of this section; and

(c) providing for any matters concerning which regulations are deemed necessary or desirable to carry out the purposes or provisions of this section.

"(7) The *Minister* may in consideration of the giving of any guarantee under this section enter into a contract with the institutional housing corporation or the institutional holding company to or in respect of which the guarantee is given on such terms and conditions as he deems advisable to give effect to the purposes and provisions of this Act and to safeguard the interests of His Majesty.

"(8) Any guarantee entered into by the *Minister* under this Part shall be entered into by the *Minister* on behalf of His Majesty."

The proposed subsections six and six A are a rearrangement of the present subsection six vesting in the Governor in Council the power to make regulations where deemed necessary and in the Corporation the power to determine procedure and administrative questions.

In the proposed subsections seven and eight "Corporation" has been substituted for "Minister".

The proposed subsection nine is new. Under the present legislation an insurance company has not authority to purchase the land until all the conditions set out in subsection two have been complied with. The proposed subsection will permit the insurance company to acquire the land and then proceed with plans for development.

with the institutional housing corporation or the institutional holding company to or in respect of which the guarantee is given on such terms and conditions as it deems advisable to give effect to the purposes and provisions of this Act and to safeguard the interests of His Majesty.

Guarantee entered into on behalf of His Majesty.

"(8) Any guarantee entered into by the Corporation under this Part shall be entered into by it on behalf of His Majesty.

Insurance company may acquire land.

"(9) Prior to the approval of an investment pursuant to paragraph *(d)* of subsection two of this section a life insurance company subject to the jurisdiction of Parliament may, notwithstanding any restriction on its power to invest money contained in any other statute or law, with the approval of the Corporation, purchase land for the purpose of making an investment under subsections one and two of this section and may hold and manage such land upon such terms and conditions as the Corporation may specify."

18. Section eleven A of the said Act, as enacted by section twenty-five of chapter twenty-six of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Aggregate principal amount guaranteed.

"**11**A. The aggregate principal amount of investments that may be guaranteed by the Corporation under this Part shall not exceed one hundred and twenty-five million dollars."

19. Section fourteen of the said Act is repealed and the following substituted therefor:—

Corporation may enter into contract with approved lending institution.

"**14.** (1) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council enter into a contract with an approved lending institution on the terms set out in this section to join with the said institution in the making of loans to assist in the construction of houses on farms.

(2) The terms of a contract entered into under this section shall provide that,

(a) a joint loan shall be made only to the person who owns the farm upon which the house is to be built;

(b) a joint loan shall be made only for the purpose of assisting in the construction of a house according to sound standards approved by the Corporation for the purpose of this section and under such supervision as the Corporation may determine;

(c) where a farm is clear of encumbrances a joint loan shall not exceed the least of

(i) five thousand dollars;

(ii) the cost of building the said house; or

(iii) two-thirds of the appraised value of the farm;

18. Section eleven A presently reads as follows:

"11A. The aggregate principal amount of investments which may be guaranteed by the *Minister* under this Part *shall be* one hundred and twenty-five million dollars."

There is no change in principle in this section. "Corporation" has been substituted for "Minister" and the expression "shall not exceed" has been substituted for "shall be".

19. Paragraph *(a)* of section fourteen has been included in proposed new section 3A. Paragraphs *(b)* and *(c)* of section fourteen presently read as follows:—

RURAL HOUSING

"14. Notwithstanding anything contained in section four of this Act, a contract entered into by the Minister on behalf of His Majesty with an approved lending institution under Part I of this Act may provide that

(b) with respect to joint loans made to farmers for the construction of houses on farms, the terms of the loans will provide that the instalments of principal, interest and taxes payable in respect thereof, will be payable in such manner as will accord as nearly as may be practicable with probable receipts of income by farmers from their farming operations;

(c) a joint loan may be made to a farmer who is indebted to the lending institution, the repayment of which indebtedness is secured by a first mortgage or hypothec held by the lending institution, if,

(i) the said indebtedness and the joint loan are consolidated into one debt;

(ii) the repayment of the said consolidated debt is secured by a first mortgage or hypothec in favour of His Majesty and the lending institution jointly;

(iii) the portion of the joint loan advanced by His Majesty does not exceed twenty-five per centum of the cost of construction of the house; and

(iv) the amount to be paid by His Majesty under the said contract as a result of any loss resulting from the consolidated debt is computed only on the proportion of the said loss which the joint loan is of the consolidated debt."

The proposed new section fourteen calls for a separate agreement with lending institutions for the making of joint loans to assist in the construction of houses on farms on the basis set out in the new section.

(d) where the farm is encumbered and the Corporation is satisfied that the encumbrance was not incurred for the purpose of increasing the joint loan that otherwise might be made under this section, a joint loan shall not exceed the least of

(i) eight thousand dollars;

(ii) the aggregate of the cost of building the said house and the amount necessary to discharge all encumbrances on the said farm; or

(iii) two thirds of the appraised value of the farm;

(e) the portion of the joint loan advanced by His Majesty shall not exceed twenty-five per centum of the said loan;

(f) the rate of interest payable by the borrower in respect of a joint loan shall not exceed a rate of four and one-half per centum per annum calculated semi-annually and no other charge in respect of the said loan shall be payable by the borrower except as may be authorized by regulation;

(g) the interest payable to His Majesty on the portion of the joint loan advanced by His Majesty shall be at such rate as is agreed upon between the Corporation and the lending institution;

(h) the amount of a joint loan shall be subject to approval by the Corporation;

(i) repayment of a joint loan shall be secured by a first mortgage or hypothec on the house and farm upon which it is situate in favour of His Majesty and the lending institution jointly;

(j) a joint loan shall be for a term not in excess of twenty years from the date of completion of the house;

(k) a joint loan shall be made on such terms as to payment of principal, interest and taxes by instalments not less frequently than yearly as the Corporation may determine;

(l) the amount of a joint loan shall be advanced to the borrower in such instalments as may be determined by the Corporation;

(m) losses sustained as a result of joint loans shall be shared by His Majesty and the lending institution in the proportion of the shares of His Majesty and the lending institution in the said joint loans and that in addition His Majesty shall be liable to pay to the lending institution such amount of the losses of the lending institution sustained as a result of joint loans within any class of joint loans established by agreement, as may be agreed upon, not exceeding, however, fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the said class, each said class to be based on the ratio of the joint loans to the lending values or on the location of the houses or on both; and

(*n*) such other measures will be taken as may be agreed upon between the Corporation and the said lending institution in order to safeguard the interests of His Majesty.

Loan deemed a loan under Part I.

(3) A loan made under this section shall, for the purposes of *The Central Mortgage and Housing Corporation Act* and section seven of this Act, be deemed to be a loan under Part I of this Act.

How appraised value determined.

(4) For the purposes of subsection two of this section the appraised value of the farm shall be determined by appraising the value of the land, exclusive of buildings, and adding thereto the appraised increase in the value of such land attributable to existing buildings and the construction of the said house."

20. Section fifteen of the said Act is repealed and the following substituted therefor:

Contract with manufacturer of component parts of houses for experimental production.

"**15.** (1) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with a manufacturer of plumbing or heating equipment or other component parts of houses for the experimental production of the said equipment or component parts in accordance with standardized designs that, in the opinion of the Corporation, may be manufactured or produced at low cost.

Guarantee to manufacturer.

(2) The Corporation may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with a manufacturer referred to in subsection one of this section, to underwrite or guarantee the sale, at such price as may be agreed upon and specified in the contract, of the equipment or component parts referred to in the said subsection, manufactured or produced for installation or use in farm or rural homes if the said manufacturer manufactures or produces the said equipment or component parts in such volume as may be agreed upon and specified in the said contract and the Corporation may, with the said approval, enter into contracts with the said manufacturer or any other person for the sale or distribution of the said equipment or component parts in such manner as it may deem advisable."

21. The first five lines of subsection one of section seventeen of the said Act are repealed and the following substituted therefor:—

Corporation to pay losses upon terms prescribed.

"**17.** (1) The Corporation shall, subject to this section and sections eighteen and nineteen of this Act, pay to a bank or to an approved instalment credit agency the amount of loss sustained by it as a result of a home improvement loan, or a home extension loan, if"

20. Section fifteen presently reads as follows:—

"**15.** (1) The *Minister* may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with a manufacturer of plumbing or heating equipment or other component parts of houses for the experimental production of the said equipment or component parts in accordance with standardized designs which, in the opinion of the *Minister*, may be manufactured or produced at low cost.

(2) The *Minister* may, on behalf of His Majesty and with the approval of the Governor in Council, enter into a contract with a manufacturer referred to in subsection one of this section, to underwrite or guarantee the sale, at such price as may be agreed upon and specified in the contract, of the equipment or component parts referred to in the said subsection, manufactured or produced for installation or use in farm or rural homes if the said manufacturer manufactures or produces the said equipment or component parts in such volume as may be agreed upon and specified in the said contract and the Minister may, with the said approval, enter into contracts with the said manufacturer or any other person for the sale or distribution of the said equipment or component parts in such manner as *he* may deem advisable."

No change in principle is proposed. "Corporation" has been substituted for "Minister"

21. The portion of subsection one of section seventeen that precedes paragraph *(a)* presently reads as follows:—

"**17.** (1) The *Minister* shall, subject to *the provisions of* this section and *the two next succeeding* sections, pay to a bank or to an approved instalment credit agency the amount of loss sustained by it as a result of a home improvement loan, or a home extension loan if"

No change in principle is proposed. "Corporation" is substituted for "Minister".

22. Paragraph *(j)* of subsection one of section seventeen of the said Act is repealed and the following substituted therefor:—

"*(j)* in the case of a home extension loan, the plans and specifications of the additions or alterations to be financed by the loan were approved by or on behalf of the Corporation before the loan was made:"

23. Subsections two and three of section seventeen of the said Act are repealed and the following substituted therefor:—

Termination of operation of this section by notice.

"(2) The Corporation may, with the approval of the Governor in Council, by notice to a bank or an approved instalment credit agency, terminate the operation of this section in respect of home improvement loans or home extension loans, such termination to be effective after a time set out in the notice but not earlier than at least twenty-four hours after receipt of the notice at the head office of the said bank or agency, and the Corporation is not liable under this Part to make any payment to the said bank or agency in respect of any of the said loans made after the said time; but the said termination does not relieve the Corporation of any liability imposed on it under this Part, in respect of a home improvement loan or home extension loan made by the said bank or agency before the said time of termination.

Notice only operative as to specified loans.

"(3) A notice given by the Corporation under subsection two of this section may terminate the operation of this section in respect only of home improvement loans or in respect only of home extension loans or in respect of any class thereof, as may be specified in the said notice."

24. Sections eighteen and nineteen of the said Act are repealed and the following substituted therefor:—

Amount of payment for which Corporation liable.

"**18.** The Corporation is not liable under this Part to pay to a bank or an approved instalment credit agency an amount in excess of five per centum of the aggregate principal amount of the guaranteed home improvement loans and guaranteed home extension loans made by the said bank or agency.

No liability on excess of $100,000,000.

"**19.** The Corporation is not liable under this Part to make any payment to a bank or approved instalment credit agency in respect of loss sustained by it as a result of a home improvement loan or a home extension loan made after the aggregate principal amount of guaranteed home improvement loans and guaranteed home extension loans equals one hundred million dollars."

22. Paragraph *(j)* of subsection one of section seventeen presently reads as follows:—

"*(j)* in the case of a home extension loan, the plans and specifications of the additions or alterations to be financed by the loan were approved by or on behalf of the *Minister* before the loan was made;"

No change in principle is proposed. "Corporation" is substituted for "Minister".

23. Subsections two and three of section seventeen presently read as follows:—

"(2) The *Minister* may, with the approval of the Governor in Council, by notice to a bank or an approved instalment credit agency terminate the operation of this section in respect of home improvement loans or home extension loans, such termination to be effective after a time set out in the notice but not earlier than at least twenty-four hours after receipt of the notice at the head office of the said bank or agency, and the *Minister shall* not be liable under this Part to make any payment to the said bank or agency in respect of any of the said loans made after the said time; but the said termination shall not relieve the *Minister* of any liability imposed on him under this Part, in respect of a home improvement loan or home extension loan made by the said bank or agency before the said time of termination.

"(3) A notice given by the *Minister* under the last preceding subsection may terminate the operation of this section in respect only of home improvement loans or in respect only of home extension loans or in respect of any class thereof, as may be specified in the said notice."

No change in principle is proposed. "Corporation" is substituted for "Minister".

24. Sections eighteen and nineteen presently read as follows:—

"**18.** The *Minister shall not be* liable under this Part to pay to a bank or an approved instalment credit agency an amount in excess of five per centum of the aggregate principal amount of the guaranteed home improvement loans and guaranteed home extension loans made by the said bank or agency.

19. The *Minister shall not be* liable under this Part to make any payment to a bank or approved instalment credit agency in respect of loss sustained by it as a result of a home improvement loan or a home extension loan made after the aggregate principal amount of guaranteed home improvement loans and guaranteed home extension loans equals one hundred million dollars."

No change in principle is proposed. "Corporation" is substituted for "Minister".

25. Subparagraph (iii) of paragraph *(c)* of section twenty of the said Act is repealed and the following substituted therefor:—

Regulations.

"(iii) conditions to the liability of the Corporation under this Part in respect of home improvement loans or home extension loans in addition to but not inconsistent with the conditions set out in paragraphs *(a)* to *(k)* inclusive of subsection one of section seventeen of this Act;"

26. Paragraph *(e)* of section twenty of the said Act is repealed and the following substituted therefor:—

"*(e)* to provide that in the event of an actual or impending default in the repayment of a guaranteed home improvement loan or a guaranteed home extension loan, the bank or the approved instalment credit agency which made the loan, may, notwithstanding anything contained in this Part, alter or revise with the approval of the borrower by way of extension of time or otherwise any of the terms of the loan, or any agreement in connection therewith, and that the said alteration or revision shall not discharge the liability of the Corporation in respect thereof under this Part; "

27. Paragraphs *(h)* and *(i)* of section twenty of the said Act are repealed and the following substituted therefor:—

Regulations.

"*(h)* to prescribe the steps to be taken by a bank or an approved instalment credit agency to effect collection on behalf of the Corporation of any guaranteed home improvement loan or guaranteed home extension loan in respect of which payment has been made by the Corporation to the said bank or agency under this Part, and to provide that in the event of neglect by the said bank or agency to take the said steps, the amount of the said payment may be recovered by the Corporation;

"*(i)* to require reports to be made periodically to the Corporation by a bank or approved instalment credit agency in respect of guaranteed home improvement loans or guaranteed home extension loans made by it;"

28. Subsection two of section twenty-one of the said Act is repealed and the following substituted therefor:

Pecuniary penalty in addition to fine.

"(2) When any person is convicted of an offence under this section, there shall be imposed on him, in addition to any fine, a penalty equal to such amount of the loan made to him in respect of which such offence was committed as has not been repaid by him, with interest thereon to the

25. Subparagraph (iii) of paragraph *(c)* of section twenty presently reads as follows:

"(iii) conditions to the liability of the *Minister* under this Part in respect of home improvement loans or home extension loans in addition to but not inconsistent with the conditions set out in paragraphs *(a)* to *(k)* inclusive of subsection one of section seventeen of this Act;"

No change in principle is proposed. "Corporation" is substituted for "Minister".

26. and **27.** Paragraphs *(e)*, *(h)* and *(i)* of section twenty presently read as follows:—

"*(e)* to provide that in the event of an actual or impending default in the repayment of a guaranteed home improvement loan or a guaranteed home extension loan, the bank or the approved instalment credit agency which made the loan, may, notwithstanding anything contained in this Part, alter or revise with the approval of the borrower by way of extension of time or otherwise any of the terms of the loan, or any agreement in connection therewith, and that the said alteration or revision shall not discharge the liability of the *Minister* in respect thereof under this Part;"

"*(h)* to prescribe the steps to be taken by a bank or an approved instalment credit agency to effect collection on behalf of the *Minister* of any guaranteed home improvement loan or guaranteed home extension loan in respect of which payment has been made by the *Minister* to the said bank or agency under this Part, and to provide that in the event of neglect by the said bank or agency to take the said steps, the amount of the said payment may be recovered by the *Minister*;

"*(i)* to require reports to be made periodically to the *Minister* by a bank or approved instalment credit agency in respect of guaranteed home improvement loans or guaranteed home extension loans made by it;"

No change in principle is proposed. "Corporation" is substituted for "Minister".

28. Subsection two of section twenty-one presently reads as follows:—

(2) When any person is convicted of an offence under this section, there shall be imposed on him, in addition to any fine, a penalty equal to such amount of the loan made to him in respect of which such offence was committed as has not been repaid by him, with interest thereon to the date of payment, and such penalty shall be paid to the bank or approved instalment credit agency by which the loan was made, or if payment has been made by the *Minister* under this Part to the said bank or agency in respect of the loan, the said penalty shall be paid to the Receiver General of Canada, and such payment shall discharge the liability of such person to repay the loan.

No change in principle is proposed. "Corporation" is substituted for "Minister".

date of payment, and such penalty shall be paid to the bank or approved instalment credit agency by which the loan was made, or if payment has been made by the Corporation under this Part to the said bank or agency in respect of the loan, the said penalty shall be paid to the Receiver General of Canada, and such payment shall discharge the liability of such person to repay the loan."

29. Section twenty-two of the said Act is repealed and the following substituted therefor:—

Subrogation of the rights of bank or agency to the Corporation.

"**22.** (1) Where payment is made by the Corporation to a bank or an approved instalment credit agency under this Part in respect of any loss sustained by the said bank or agency as a result of a loan, the said bank or agency shall execute a receipt in favour of the Corporation in a form prescribed by regulation, and the Corporation shall thereupon be subrogated in and to all the rights of the said bank or agency in respect of the said loan, and, without limiting the generality of the foregoing, all rights and powers of the said bank or agency in respect of the loan, and in respect of any judgment in respect thereof obtained by the said bank or agency and in respect of any security taken by the said bank or agency for the repayment thereof, shall thereupon be vested in the Corporation on behalf of His Majesty, and the Corporation shall be entitled to exercise all the rights and privileges which the said bank or agency had or might exercise in respect of the said loan, judgment or security, and to commence or continue any action or proceeding in respect thereof and to execute any document necessary by way of release, transfer, sale or assignment thereof, or in any way to realize thereon.

Evidence of receipt to Corporation for losses paid to bank or agency.

(2) A document purporting to be a receipt executed under subsection one of this section in the form prescribed by the regulations and purporting to be signed on behalf of a bank or an approved instalment credit agency shall be evidence of the payment by the Corporation to the said bank or agency under this Part in respect of the loan therein mentioned, and of the execution of the said document on behalf of the said bank or agency."

30. Section twenty-four of the said Act is repealed and the following substituted therefor:—

Investigation into housing conditions.

"**24.** It shall be the responsibility of the Corporation to cause investigations to be made into housing conditions and the adequacy of existing housing accommodation in Canada or in any part of Canada and to cause steps to be taken for the distribution of information leading to the construction or provision of more adequate and improved

29. Section twenty-two presently reads as follows:—

"**22.** (1) Where payment is made by the *Minister* to a bank or an approved instalment credit agency under this Part in respect of any loss sustained by the said bank or agency as the result of a loan, the said bank or agency shall execute a receipt in favour of the *Minister* in a form prescribed by regulation, and the *Minister* shall thereupon be subrogated in and to all the rights of the said bank or agency in respect of the said loan, and, without limiting the generality of the foregoing, all rights and powers of the said bank or agency in respect of the loan, and in respect of any judgment in respect thereof obtained by the said bank or agency and in respect of any security taken by the said bank or agency for the repayment thereof, shall thereupon be vested in the *Minister* on behalf of His Majesty, and the *Minister* shall be entitled to exercise all the rights and privileges which the said bank or agency had or might exercise in respect of the said loan, judgment or security, and to commence or continue any action or proceeding in respect thereof and to execute any document necessary by way of release, transfer, sale or assignment thereof, or in any way to realize thereon.

(2) A document purporting to be a receipt executed under subsection one of this section in the form prescribed by the regulations and purporting to be signed on behalf of a bank or an approved instalment credit agency shall be evidence of the payment by the *Minister* to the said bank or agency under this Part in respect of the loan therein mentioned, and of the execution of the said document on behalf of the said bank or agency."

No change in principle is proposed. "Corporation" is substituted for "Minister".

30. Section twenty-four presently reads as follows:—

"**24.** It shall be the responsibility of the *Minister* to cause investigations to be made into housing conditions and the adequacy of existing housing accommodation in Canada or in any part of Canada and to cause steps to be taken for the distribution of information leading to the construction or provision of more adequate and improved housing accommodation and the understanding and adoption of community plans in Canada."

No change in principle is proposed. "Corporation" is substituted for "Minister".

housing accommodation and the understanding and adoption of community plans in Canada."

General and special powers of Corporation.

31. The first two lines of section twenty-five of the said Act are repealed and the following substituted therefor:—

"**25.** For the purpose of carrying out its responsibility under this Part, the Corporation may cause"

Powers.

32. Paragraph *(d)* of section twenty-five of the said Act is repealed and the following substituted therefor:—

"*(d)* plans and designs to be prepared for houses having a low cost of construction and which in the opinion of the Corporation will provide suitable accommodation and arrangements to be made for the sale or distribution of the said plans and designs in such manner as it sees fit;"

Powers.

33. Paragraph *(g)* of section twenty-five of the said Act is repealed and the following susbtituted therefor:—

"*(g)* generally such steps as it may deem necessary or advisable to promote construction of housing accommodation which in its opinion is sound and economical and to encourage the development of better housing and sound community planning."

Technical research and investigation.

34. The first two lines of section twenty-six of the said Act are repealed and the following substituted therefor:—

"**26.** The Corporation may, with the approval of the Governor in Council,"

Promotion of training in the construction or designing of houses.

35. Paragraph *(e)* of section twenty-six of the said Act is repealed and the following substituted therefor:—

"*(e)* make provision, in such manner as it deems advisable directly or in co-operation with any other department or agency of the Government of Canada, with the government of any province or with any university, educational institution or person, for promoting training in the construction or designing of houses, in land planning or community planning or in the management or operation of housing projects."

Advisory Committees.

36. Section twenty-seven of the said Act is repealed and the following substituted therefor:—

"**27.** The Corporation may, with the approval of the Minister, for the purpose of assisting it in carrying out its responsibilities under this Act, appoint such advisory committees as it may deem advisable and may pay the reasonable travelling and living expenses incurred by the members of the said advisory committees while attending the meetings thereof."

31. The first two lines of section twenty-five, (preceding paragraph *(a)*) presently read as follows:—

"**25.** For the purpose of carrying out his responsibility under this Part the *Minister* may cause"

No change in principle is proposed. "Corporation" is substituted for "Minister".

32. No change in principle is proposed. "Corporation" is substituted for "Minister".

33. Paragraph *(g)* of section twenty-five presently reads as follows:—

"*(g)* generally such steps to be taken as *he* may deem necessary or advisable to promote construction of housing accommodation which in his opinion is sound and economical and to encourage the development of better housing and sound community planning."

The change to the word underlined is consequent upon the substitution of the Corporation for the Minister.

34. The first two lines of section twenty-six (preceding paragraph *(a)*) presently read as follows:—

"**26.** The *Minister* may, with the approval of the Governor in Council,"

No change in principle is proposed. "Corporation" is substituted for "Minister".

35. Paragraph *(e)* of section twenty-six presently reads as follows:—

"*(e)* make provision, in such manner as *he* deems advisable directly or in co-operation with any other department or agency of the Government of Canada, with the government of any province or with any university, educational institution or person, for promoting training in the construction or designing of houses, in land planning or community planning or in the management or operation of housing projects."

No change in principle is proposed. The word "it" has been substituted for the word "he".

36. Section twenty-seven presently reads as follows:—

"**27.** The *Minister* may, for the purpose of assisting him in carrying out his responsibilities under this Part, appoint such advisory committees as he may deem advisable and may, out of unappropriated moneys in the Consolidated Revenue Fund, pay the reasonable travelling and living expenses incurred by the members of the said advisory committees while attending the meetings thereof."

No change in principle is proposed. "Corporation" is substituted for "Minister".

37. Section twenty-nine of the said Act is repealed and the following substituted therefor:—

Loan insurance.

"**29.** The Corporation may make arrangements with an insurance company or companies under which any borrower under any Part of this Act may purchase reducing term insurance to pay the amount of the loan made to him in the event of his death before the loan is fully paid and the Governor in Council may make regulations prescribing classes of cases and circumstances under which such insurance shall be purchased."

38. Section nineteen of this Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

37. Section twenty-nine presently reads as follows:—

"**29.** The *Minister* may make arrangements with an insurance company or companies under which any borrower under any Part of this Act may purchase reducing term insurance to pay the amount of the loan made to him in the event of the death of the borrower before the loan is fully paid and the Governor in Council *on the recommendation of the Minister* may make regulations prescribing classes of cases and circumstances under which such insurance shall be purchased."

No change in principle is proposed. "Corporation" is substituted for "Minister" and the words "on the recommendation of the Minister" are deleted.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 307.

An Act to provide for the Reinstatement in Civil Employment of discharged members of His Majesty's Forces and other designated classes of persons.

First reading, July 23, 1946.

THE MINISTER OF LABOUR.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 307.

An Act to provide for the Reinstatement in Civil Employment of discharged members of His Majesty's Forces and other designated classes of persons.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short Title.

Short title.

1. This Act may be cited as *The Reinstatement in Civil Employment Act, 1946.*

Interpretation.

Definitions.

2. In this Act and in any order or regulation made thereunder, unless the context otherwise requires,

"applicant."

(a) "applicant" means a person who is or claims to be entitled to reinstatement under this Act;

"employer."

(b) "employer" in relation to any person accepted for service in His Majesty's forces, means a person carrying on any undertaking or service in which the person accepted for service had been employed for at least three months immediately prior to the date on which he was accepted for service, or in which on that date he had employee status or a recognized position by reason of an agreement between one or more employers and one or more trade unions or groups of employees; and references to an employer shall be construed as including references to any person for the time being carrying on any undertaking or service with which has been amalgamated the undertaking or service in which the person accepted for service was employed when so accepted or in which it was comprised when the employee's service in His Majesty's forces began;

"Minister."

(c) "Minister" means the Minister of Labour;

"reinstated employee."

(d) "reinstated employee" means an employee who has been reinstated under this Act;

Explanatory Note.

The Reinstatement in *Civil Employment Act, 1942*, assures to members of His Majesty's Forces and other specified classes of persons undertaking special war services, rights of reinstatement, on discharge from service, in the employment in which they were engaged at the time of acceptance for service.

As a result of experience gained in the administration of the Act, it has been found necessary to supplement the provisions of the Act in order to give full effect to its purposes.

This has been done by Orders in Council enacted under the authority of the *War Measures Act* and *The National Emergency Transitional Powers Act, 1945*. It is now proposed to consolidate the provisions of the 1942 Act and the provisions of the Orders in Council and give statutory effect to the Order in Council provisions. This consolidation is contained in the present Bill.

2. Section two contains the definitions which are embodied in the 1942 Act and The Reinstatement Regulations, (Order in Council P.C. 77, dated the eleventh day of January, 1945).

There have been three additions: (1) "reinstatement period" has been defined, (See paragraph *(g)*), (2) the definition of "service in His Majesty's forces" has been extended to include the provisions of Order in Council P.C. 5324, dated the second day of August, 1945. (See paragraph (i) (i)), and (3) a necessary proviso has been added to the definition of merchant seamen, (See paragraph (i) (ii)). Subject to the exception contained in the proviso, the provisions of the Act do not apply to any person who becomes engaged as a merchant seaman on or after the seventh day of May, nineteen hundred and forty-five.

"reinstatement."

"Reinstatement Officer."

"reinstatement period"

"Selective Service Officer".

"service in His Majesty's forces". Naval, military or air forces.

1940, c. 13.

Merchant seamen.

(Civilian) Canadian Fire Fighters.

(e) "reinstatement" means reinstatement under this Act;

(f) "Reinstatement Officer" means a person designated as such under this Act;

(g) "reinstatement period" means the period of three months after discharge in Canada from the service or from hospital treatment following discharge in Canada, or the period of four months after discharge overseas or from hospital treatment following discharge overseas;

(h) "Selective Service Officer" means a National Selective Service Officer appointed under the National Selective Service Civilian Regulations; and

(i) "service in His Majesty's forces" means—

(i) service on active service in World War II in the naval, military or air forces of His Majesty or in the naval, military or air forces of any of the nations allied with His Majesty, or any period of training, service or duty in consequence of having been called out under *The National Resources Mobilization Act, 1940;*

(ii) service in the capacity of merchant seaman by any person who is a British subject and a citizen of and resident in Canada engaged in such capacity on or since the ninth day of September, one thousand nine hundred and thirty-nine, on a vessel sailing in coastwise waters or in waters outside the territorial limits of Canada, whether under Canadian registry or licence or registry or licence of any other country other than a country at war with the nations allied with His Majesty, and after such service for a continuous period of at least six months including layoff periods and after discharge or release from such service, or other termination thereof; Provided that, with the exception of persons who were undergoing training in Dominion Government Marine and Engineering Training Schools for the purpose of fitting themselves for engagement as merchant seamen on the seventh day of May, 1945, such service in the capacity of merchant seaman shall have commenced before the seventh day of May, 1945;

(iii) service as a member of the Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom during the period of such service or any period of training, service or duty in consequence of having been called out under *The National Resources Mobilization Act, 1940.*

(j) World War II means the war waged by His Majesty and His Majesty's Allies against Germany and Germany's Allies which, for the purpose of this Act shall be deemed to have commenced on the first day of December, nineteen hundred and thirty-nine.

Termination of Service.

"member of an interim force".

Termination of service.

3. (1) For the purpose of this section, "member of an interim force" means a member of the naval, military or air forces of Canada who has offered to serve in any of the said forces for a specific period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, and who, having been accepted for such service, is so serving.

Where service deemed not terminated.

(2) Where a person was, immediately before becoming a member of an interim force, on active service in the present war in the naval, military or air forces of Canada, his service shall, for the purposes of section five of this Act, be deemed not to have terminated whether or not he continues on active service as long as he continues to perform fulltime duties as a member of one of the said forces until

(a) the thirtieth day of April, one thousand nine hundred and forty-six; or

(b) if he has applied for retirement or discharge from the said service before the thirtieth day of April, one thousand nine hundred and forty-six, until actual termination of his service.

Date of service termination for reinstatement purposes.

(3) For the purposes of section five of this Act the service of a member of the interim force shall be deemed to have terminated on the thirtieth day of April, one thousand nine hundred and forty-six, unless he has, prior to that date, applied for retirement or discharge.

Termination of service.

Merchant seamen.

4. For the purposes of section five of this Act, service by any person in the capacity of merchant seaman, in any case where such service is not terminated prior to the thirty-first day of December, one thousand nine hundred and forty-six, shall be deemed to have terminated on the said day, unless, on the said day he is engaged in such capacity on a voyage in coastwise waters or in waters outside the territorial limits of Canada, in which case such service shall be deemed to have terminated on the day that voyage is concluded.

Reinstatement.

Duty of employer to reinstate employee.

5. (1) It shall be the duty of an employer by whom a person accepted for service in His Majesty's forces was employed when accepted for such service, to reinstate him in employment at the termination of his service in such occupation and position as would be consistent with the true intent and purposes of this Act and under conditions not less favourable to him than those which would have been applicable to him had he remained in the employment of that employer: Provided, that the right to reinstatement

Proviso.

3. This is a new section and embodies the provisions of Order in Council P.C. 6769, dated the sixth day of November, 1945, as amended by P.C. 1298, dated the ninth day of April, 1946.

The reinstatement period for a member of an interim force commences to run from the thirtieth day of April, 1946, or from the date of termination of service if he has applied for retirement or discharge from that force before the said thirtieth day of April, 1946.

4. This section is new. The effect is to fix the thirty-first day of December, 1946, as the date upon which the service of a merchant seaman is deemed to have terminated for the purposes of reinstatement under the Act.

5. This section sets forth the duty of an employer to reinstate a former employee who is entitled under the Act to reinstatement, in such occupation and under such conditions as are also embodied in this section.

Subsection one is the same as section three of the 1942 Act and subsections two, three, four and five are the same as sections three, four, five and six respectively of The Reinstatement Regulations.

shall be subject to established rules of seniority in the employer's establishment, with retention of seniority rights during the employee's period of service with His Majesty's forces, or, in an absence of such rules, to preference according to dates of first employment in the employer's service with due consideration to continuity of employment in that service: And Provided, further, that for determining the employee's rights to pension or other benefits, service in His Majesty's forces shall be deemed to have been service with the employer.

Proviso.

Acceptance for service.

(2) For the purposes of this Act, where a man has,

(a) upon being served with an order requiring him to report for military training, service or duty under regulations made by the Governor in Council, or

(b) in the belief that he has been or will be accepted for service in one of His Majesty's armed forces,

left his employment to comply with the order or to enter the service, he shall be deemed to have been accepted for service in His Majesty's forces at the time he left the employment whether that time is before or after the time this Act comes into force; and his service in His Majesty's forces shall be deemed to have been terminated when he ascertained that he was not being accepted for service therein whether that time is before or after the time this Act comes into force.

Continuity of service during incapacity.

(3) Where, after termination of his service in His Majesty's forces, a person receives hospital treatment or is physically or mentally incapable of performing work to which he would have been entitled upon reinstatement, the period of the treatment or incapacity shall, upon reinstatement thereafter, be deemed to have been a period of service in His Majesty's forces for the purposes of this section.

Delayed reinstatement.

Effect on termination of service.

(4) Where the Minister or a Selective Service Officer has, within the reinstatement period, directed or requested a person entitled to reinstatement to accept other employment and the person so directed or requested accepts the employment, his service in His Majesty's forces shall be deemed not to have been terminated for the purposes of this Act until the termination of the work which he has been so directed or requested to accept.

Business operated in several establishments.

(5) Where an employer's employees are employed in various establishments and it is not reasonably practicable to reinstate an applicant in the establishment in which he was employed at the time he was accepted for service in His Majesty's forces, the employer shall reinstate the applicant in one of his other establishments in Canada if

(a) it is reasonably practicable so to reinstate him; and

(b) it is or has been the policy or practice of the employer to transfer employees in the applicant's classification from one establishment to another.

Application for reinstatement.

6. (1) An applicant may apply to the employer verbally or in writing for reinstatement.

Prescribed forms.

(2) The Minister may prescribe forms to be used in applying for reinstatement but an application is not invalid or defective because it is not in prescribed form.

Reinstatement rights not affected by offer before application.

(3) The fact that an employer has offered to reinstate a former employee within the reinstatement period but before the employee has applied for reinstatement does not affect the employee's right to apply for reinstatement at a later time within the said period.

Inquiries.

(4) For the purposes of this Act, if an applicant inquires about reinstatement but does not expressly apply for reinstatement he shall be deemed not to have applied for reinstatement.

Acceptance of offer without prejudice.

7. (1) A person who has been offered reinstatement may accept the offer without prejudice to a claim that it does not comply with the requirements of this Act.

Employment offered not in compliance with requirements.

(2) Where an applicant, having been offered reinstatement by the employer and having presented himself for employment, is of opinion that the employment offered does not comply with the requirements of this Act, he may apply for assistance to a Reinstatement Officer in person or in writing.

Applicant incapable of performing work.

8. (1) If an employer claims that an applicant is physically or mentally incapable of performing work available in the employer's service, a Reinstatement Officer may arrange for a medical examination of the applicant.

Extension of time for reinstatement.

(2) Where, upon discharge from His Majesty's forces, a person is physically or mentally incapable of performing work available in the service of the employer by whom he was employed when accepted for service in His Majesty's forces, he may notify the employer, during the reinstatement period that he intends to apply for reinstatement when he is capable of performing the work.

Rate of remuneration on reinstatement.

9. (1) Where there is a practice or policy of paying graduated scales of wages and where increases are given to employees principally on the basis of length of service, it shall be deemed, for the purposes of this Act, that increases are given on the basis of length of service only and in any such case the employer shall, upon reinstatement of an applicant in his previous classification, remunerate him at the rate at which he would, on that basis, have been remunerated if his service in His Majesty's forces had been service with the employer.

Idem.

(2) Where there is a practice or policy of giving increases in wages to employees by reason of acquired skills, experience or training, the employer shall, as soon as an applicant has, after he has been reinstated, manifested the

6. The four subsections of this section embody the provisions of subsections one, two, four and a part of three of section seven of the Reinstatement Regulations.

Subsections one and two prescribe procedure.

Subsections three and four.

It was not clear in section four of the 1942 Act that an employee entitled to reinstatement is not bound to return to employment after discharge simply by reason of the fact that he may be notified to do so within a stated time, by his employer. These sections make it clear that the employee may apply at any time within the reinstatement period.

7. This section embodies the provisions of subsections one and two of section eight of The Reinstatement Regulations and is designed to assist an applicant who is not satisfied that the offer of reinstatement made by the employer is in conformity with the requirements of the Act.

8. Section eight embodies the provisions of subsection one and a portion of subsection two of section nine of The Reinstatement Regulations.

The effect of this section is to safeguard the rights of a man who returns from the service suffering from a physical or mental handicap, for an additional period of six months.

9. The provisions of section eleven of The Reinstatement Regulations are embodied in this section and indicate in more detail than did the 1942 Act, the responsibility of the employer in the matter of payment of wage increases to reinstated men.

Subsections one, two and three speak for themselves.

skills, experience or training, give to the applicant the increases which he might have been given if the relevant skills, experience or training acquired in His Majesty's forces had been acquired in the employment.

Promotion entitlement.

(3) The employer shall grant to a reinstated employee upon reinstatement or as soon thereafter as is reasonably practicable every promotion to which he would have become entitled by reason of length of service or seniority if the time spent by the reinstated employee in His Majesty's forces had been spent in the service of the employer.

Permanent status and seniority.

(4) Where, under the terms of employment, whether under a collective agreement or otherwise, employees obtain a permanent status in the employment or are entered on the seniority lists after having been in the employer's services for a fixed period, service in His Majesty's forces shall be deemed to have been service with the employer for the purposes of determining

(a) their status or position insofar as it affects their rights to reinstatement; and

(b) their status or position after reinstatement.

Vacations with pay.

10. (1) Subject to the other provisions of this section, for the purpose of determining a reinstated employee's right to vacation with pay for the calendar year in which he is reinstated and for subsequent years, the period of service in His Majesty's forces shall be deemed to be time spent in the service of the employer.

Conditional for first year.

(2) Subject to subsection three of this section, a reinstated employee is not entitled to vacation with pay for the calendar year in which he is reinstated unless he is in the employment ninety days in the calendar year after reinstatement.

Employer may grant vacation at any time.

(3) Notwithstanding anything in this Act the employer may, in accordance with his existing practice or policy or in accordance with a collective labour agreement or otherwise, grant vacation with pay commencing at any time after reinstatement.

Discharge of reinstated employee without reasonable cause.

11 (1) Where an employer has reinstated a former employee in accordance with section five of this Act, he shall not, without reasonable cause, terminate the employment of that employee and, in any proceedings for violation of this section in any case where the employment was terminated within six months of the reinstatement the

Onus of proof.

onus shall be on the employer to prove that he had reasonable cause for terminating the employment.

Subsection four is designed to meet certain difficulties which have arisen in the administration of the Act in relation to the application of collective labour agreements.

10. This section embodies the provisions of section twelve of The Reinstatement Regulations and is intended to remove any doubt as to the rights of the returned man to vacations with pay in the year of his return to employment and in subsequent years.

It is made clear that time spent in the forces does count for the purposes of determining eligility for vacation.

11. Subsection one of this section embodies the provisions of section five of the 1942 Act.

Subsection two embodies the provisions of subsection three of section eight of The Reinstatement Regulations.

(2) Failure of a person who has applied for assistance under subsection two of section seven of this Act to perform the duties of the employment during a period when he is being assisted by a Reinstatement Officer shall, for the purposes of subsection one of this section, not be reasonable cause for terminating the employment.

Relationship of employer and employee upon revival of apprenticeship.

12. When reviving a contract of apprenticeship in any designated trade upon the discharge from service in His Majesty's forces of a former apprentice or when entering into a new contract between the former master and such apprentice, due regard shall be given to and allowance made for any instruction relevant to such trade received by the said apprentice while serving in His Majesty's forces, and the relationship of master and apprentice shall be deemed to be the relationship of employer and employee for the purposes of this Act.

Contract or arrangement between employer and employee.

13. Where any employer has entered into a mutual agreement with his employees undertaking to restore to employment employees who enlist for service in His Majesty's forces such agreement shall continue in force to the extent that it is not less advantageous to an employee than the provisions of this Act, and subject to such interpretation as may be mutually agreed to by the contracting parties.

PROCEEDINGS AGAINST EMPLOYERS.

Defences available to employers.

14. In any proceedings against an employer for the violation of section five of this Act,

(a) it shall be a defence for the employer to prove that the person formerly employed by him did not within the reinstatement period apply to the employer for reinstatement, except that where such person upon discharge from His Majesty's forces was physically or mentally incapable of performing work available in the service of such employer, it shall not be a defence to prove the facts aforesaid if the said person has notified his employer as provided in section eight of this Act and has within the reinstatement period or within six months thereafter made one or more applications for reinstatement;

(b) it shall be a defence for the employer to prove that, subject to the provisions of paragraph *(a)* of this section, the person formerly employed by him applied for reinstatement before he offered reinstatement to him and that having been offered reinstatement by the employer he failed without reasonable excuse to present himself for employment at the time and place

12. Section twelve is identical with section seven of the 1942 Act.

13. The provisions of section eight of the 1942 Act which has present application is contained in this section.

14. The defences available to employers in any proceedings instituted in respect of a contravention of section five of this Act will be found in this section.

The section contains the provisions of the five paragraphs of section four of the 1942 Act, and it has been found advisable to include also certain provisions of The Reinstatement Regulations, which further limit the defences available to employers. (See section nine, subsection two *(b)*, section seven, subsection three, section eight, subsection four, section nine, subsection two *(c)*, and section ten of The Reinstatement Regulations.)

notified to him by the employer; the fact that an applicant has applied to a Reinstatement Officer for assistance under section seven of this Act shall be deemed to be a reasonable excuse for failing to present himself for employment during the period when he is being assisted by the Reinstatement Officer;

(c) it shall be a defence for the employer to prove that, by reason of a change of circumstances, other than the engagement of some other person to replace him, it was not reasonably practicable to reinstate the person formerly employed or that his reinstatement in an occupation and under conditions not less favourable to him than those which would have been applicable to him had he not been accepted for service with the armed forces was impracticable, and that the employer has offered to reinstate him in the most favourable occupation and under the most favourable conditions reasonably practicable;

(d) it shall be a defence for the employer to prove that the person formerly employed was physically or mentally incapable of performing work available in the employer's service, except that where such person has notified the employer pursuant to section eight of this Act and has within the reinstatement period or within six months thereafter made one or more applications for reinstatement, it shall not be a defence to prove the facts aforesaid unless the employer also proves that the applicant was so incapable at the time of the last application for reinstatement made within the said reinstatement period or period of six months thereafter;

(e) it shall be a defence for the employer to prove

(i) that the applicant was formerly employed directly or indirectly to take the place of an employee who had been previously accepted for service in His Majesty's forces,

(ii) that the applicant would not have been employed if such other employee had not left the employment, and

(iii) that such other employee had been reinstated in his employment.

ADMINISTRATION.

Reinstatement Officers.

15. The Minister may designate any person as a Reinstatement Officer to assist in the administration and enforcement of this Act and may issue to a Reinstatement Officer a certificate of his designation as such.

Sections 15 to 22 inclusive.

These sections embody the administrative and enforcement provisions contained in the 1942 Act and The Restatement Regulations.

Section twenty-one is new and extends the time limit within which enforcement proceedings may be commenced.

Powers of Reinstatement Officers.

16. (1) A Reinstatement Officer may, for the purpose of enforcing and administering this Act,

(a) enter at all reasonable times any premises or place, other than a private dwelling house not being a workshop, where he has reasonable grounds for supposing that an applicant was employed before being accepted for service in His Majesty's forces;

(b) make such examination and inquiry as may be necessary for ascertaining whether the provisions of this Act are being complied with in any such premises or place; and

(c) examine orally, either alone or in the presence of any other person, as he thinks fit, with respect to any matter arising under this Act, any person whom he finds in the premises or place, and require a person so examined to sign a declaration as to the truth of the statements made by him with respect thereto.

(2) Every person shall forthwith furnish to a Reinstatement Officer such information as the Reinstatement Officer may reasonably require in connection with the enforcement or administration of this Act and shall produce for inspection every register, book, card, wage sheet, record of wages, or other document that he reasonably requires in that connection.

(3) The production of a document purporting to be a certificate of designation as a Reinstatement Officer signed by or on behalf of the Minister is evidence of the designation and a Reinstatement Officer applying for admission to any premises or place under this section shall, if required, produce his certificate of designation.

Secrecy of information.

17. (1) Subject to subsection two of this section, information, written or verbal, obtained under this Act shall not be disclosed to any person except the Minister, or his officers in the course of their employment.

Permissable disclosures to applicant department of Government or court.

(2) The Minister or a Reinstatement Officer may—

(a) disclose to an applicant or any person acting on his behalf, such information as may be necessary for the enforcement of his rights under this Act;

(b) disclose information obtained under this Act to a department of the Government or to a court in connection with the administration or enforcement of this Act.

OFFENCES.

Offence.

18. Any employer who contravenes or fails to comply with the provisions of section five or section eleven of this Act, shall be guilty of an offence and liable on summary

Penalty.

conviction to a fine not exceeding five hundred dollars, and, in addition, the court shall order him to pay to the person

whom he has failed to reinstate, or whose employment he has terminated, a sum not exceeding an amount equal to twelve weeks' remuneration at the rate at which he was being remunerated by that employer when he was accepted for service in His Majesty's forces.

Offence.

19. (1) Any person who—

(a) refuses to supply information as required by this Act;

(b) obstructs, hinders or delays a Reinstatement Officer in making an inspection of registers, books, cards, wage sheets, records of wages and other documents under this Act; or

(c) fails or refuses to produce a register, book, card, wage sheet, record of wages or other document, as required by this Act

Penalties.

is guilty of an offence and liable, on summary conviction, in the case of a corporation to a fine of not less than one hundred dollars and not more than one thousand dollars and in the case of any other person to a fine of not less than twenty-five dollars and not more than five hundred dollars.

Penalty where no other penalty expressly provided.

(2) Every person who contravenes any of the provisions of this Act is guilty of an offence and, where no penalty is expressly provided, liable on summary conviction, in the case of a corporation to a fine of not less than one hundred dollars and not more than one thousand dollars and in the case of any other person to a fine not exceeding two hundred dollars.

Prosecution on behalf of employee.

20. The Minister shall, where he considers the circumstances warrant a prosecution under section eighteen of this Act, institute and conduct proceedings on behalf of a former employee without cost to such employee.

Limitation of actions.

21. In any prosecution for a contravention of any of the provisions of this Act, the complaint shall be made, or the information laid, within one year from the time when the matter of the complaint or information arose.

REGULATIONS.

Orders and regulations.

22. The Governor in Council may make all such orders and regulations as may be deemed necessary or desirable to carry out the purposes and intentions of this Act, which orders and regulations shall have the force of law and shall forthwith be published in the *Canada Gazette* and be tabled in Parliament forthwith if Parliament is in session, and if Parliament is not in session, within two weeks of the opening of the session next following the making of such order or regulation, and he may prescribe the penalties that may be imposed for the violation of such orders and regulations.

REPEAL.

Repeal.

23. *The Reinstatement in Civil Employment Act, 1942*, chapter thirty-one of the statutes of 1942, is repealed.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 308.

An Act to amend The Family Allowances Act, 1944.

First reading, July 23, 1946.

THE MINISTER OF NATIONAL HEALTH AND WELFARE.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

69093

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 308.

An Act to amend The Family Allowances Act, 1944.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1944-45, c. 40.

1. Subsection two of section four of *The Family Allowances Act, 1944*, chapter forty of the statutes of 1944-45, is repealed and the following substituted therefor:—

"(2) The allowance shall cease to be payable with the payment for the month when the child

(a) ceases to be maintained by a parent;

(b) ceases to be resident in Canada;

(c) attains the age of sixteen years;

(d) dies; or

(e) in the case of a female child, marries.

"(2*a*) The allowance shall cease to be payable if the child does not regularly attend school as required by the laws of the province where he resides, or does not receive training which, in the opinion of the competent educational authority designated by such province or, in the case of an Indian, or an Eskimo or a child resident in the Northwest Territories or the Yukon Territory, of the educational authority prescribed by regulation, is training equivalent to that which he would receive if he attended school: Provided that where information as to school attendance or equivalent training, as may be requested, is not furnished by the competent educational authority of the province, the Governor in Council may prescribe the manner in which such information may be obtained."

Proviso.

Explanatory Notes.

1. Subsection 2 of section 4 sets out a number of conditions resulting in cessation of the allowance. Amongst these is failure to attend school or receive equivalent training. It is considered desirable to re-arrange the section and to put into statutory form in greater detail the requirements in regard to school attendance and equivalent training.

The amending section, therefore, divides former subsection 2 into two parts.

The first part is merely a re-arrangement of the disabilities contained in the former section resulting in cessation of the allowance with the addition of a further disability. This is contained in paragraph *(a)* and is a consequence which is contemplated by the Act itself which permits payment only in respect of a child maintained by a parent. It is considered that upon a child ceasing to be maintained by a parent that the statute should provide that the allowance should cease to be payable even though this could be implied from the Act itself.

As school attendance and equivalent training are more complicated and detailed than are the other disabilities, these are placed in a separate paragraph. This paragraph is intended to give effect to the differences in the educational laws and requirements of the respective provinces.

Section 4 at present reads as follows:—

"**4.** (1) The allowance shall be payable only after registration of the child, and shall commence in the first month after registration, and shall be payable to a parent in accordance with regulations or to such other person as is authorized by or pursuant to the regulations to receive the same.

(2) The allowance shall cease to be payable with the payment for the month when the child attains his sixteenth birthday, or when, being above the age of six years and physically fit to attend school he fails to attend school or to receive equivalent training as prescribed in the regulations or when he dies or ceases to reside in Canada or, in the case of a female child, when she marries.

(3) The increase in the allowance payable under section three consequent upon a child attaining his sixth, tenth or thirteenth birthday shall commence with the payment for the month following such birthday.

(4) A person to whom an allowance is payable shall, within one month of the allowance ceasing to be payable, report such fact in accordance with regulations."

2. (1) Paragraph *(b)* of section eleven of the said Act is repealed and the following substituted therefor:—

"*(b)* provide that the allowance may be paid to any suitable person or agency in any case where it is considered necessary to do so by reason of the age, infirmity, ill health, insanity, improvidence or other reasonable cause of disqualification of the person to whom the allowance is otherwise payable, or in any case where it is considered that other special circumstances or reasonable cause of any kind whatsoever so require;"

(2) Paragraph *(d)* of section eleven of the said Act is repealed and the following substituted therefor:—

"*(d)* provide, in the case of Indians and Eskimos, for payment of the allowance to such persons, to receive and apply the same, and for such purposes as may be authorized by the regulations."

3. This Act shall come into force on a day fixed by proclamation of the Governor in Council.

2. (1) This is largely a re-arrangement of paragraph *(b)* of section 11. It clarifies the circumstances under which regulations may provide for the designation of other payees as may be required.

(2) This is also largely a re-arrangement of paragraph *(d)* of section 11 to state more clearly the power to make regulations respecting conditions of payment to Eskimos and Indians.

Section 11 at present reads as follows:—

"**11.** The Governor in Council may make regulations to give effect to and carry out the objects of this Act, and, without restricting the generality of the foregoing may by regulations—

(a) provide generally or in respect of any province or any class of cases that payment shall be made to the parent prescribed in the regulations;

(b) provide that where, by reason of age, infirmity, ill health, insanity, improvidence or other reasonable cause of disqualification of the person to whom the allowance is payable or in other special circumstances, payment may be made to another suitable person or agency;

(c) provide the procedure of the tribunal established pursuant to section six of this Act;

(d) provide that in the case of Indians and Eskimaux payment of the allowance shall be made to a person authorized by the Governor in Council to receive and apply the same;

(e) prescribe the manner and form of registration and the information and evidence which may be required in connection therewith;

(f) impose penalties for violation of any such regulation by way of fine not exceeding two hundred dollars or imprisonment for a term not exceeding three months enforceable upon summary conviction."

3. Because of the statutory changes, certain amendments to the Regulations will be required, and it is desired that these should be simultaneous with the coming into force of the Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 308.

An Act to amend The Family Allowances Act, 1944.

First reading, July 23, 1946.

THE MINISTER OF NATIONAL HEALTH AND WELFARE.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
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69093

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 308.

An Act to amend The Family Allowances Act, 1944.

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(a) ceases to be maintained by a parent;

(b) ceases to be resident in Canada;

(c) attains the age of sixteen years;

(d) dies; or

(e) in the case of a female child, marries.

"(2*a*) The allowance shall cease to be payable if the child does not regularly attend school as required by the laws of the province where he resides, or does not receive training which, in the opinion of the competent educational authority designated by such province or, in the case of an Indian, or an Eskimo or a child resident in the Northwest Territories or the Yukon Territory, of the educational authority prescribed by regulation, is training equivalent to that which he would receive if he attended school: Provided that where information as to school attendance or equivalent training, as may be requested, is not furnished by the competent educational authority of the province, the Governor in Council may prescribe the manner in which such information may be obtained."

Proviso.

Explanatory Notes.

1. Subsection 2 of section 4 sets out a number of conditions resulting in cessation of the allowance. Amongst these is failure to attend school or receive equivalent training. It is considered desirable to re-arrange the section and to put into statutory form in greater detail the requirements in regard to school attendance and equivalent training.

The amending section, therefore, divides former subsection 2 into two parts.

The first part is merely a re-arrangement of the disabilities contained in the former section resulting in cessation of the allowance with the addition of a further disability. This is contained in paragraph *(a)* and is a consequence which is contemplated by the Act itself which permits payment only in respect of a child maintained by a parent. It is considered that upon a child ceasing to be maintained by a parent that the statute should provide that the allowance should cease to be payable even though this could be implied from the Act itself.

As school attendance and equivalent training are more complicated and detailed than are the other disabilities, these are placed in a separate paragraph. This paragraph is intended to give effect to the differences in the educational laws and requirements of the respective provinces.

Section 4 at present reads as follows:—

"**4.** (1) The allowance shall be payable only after registration of the child, and shall commence in the first month after registration, and shall be payable to a parent in accordance with regulations or to such other person as is authorized by or pursuant to the regulations to receive the same.

(2) The allowance shall cease to be payable with the payment for the month when the child attains his sixteenth birthday, or when, being above the age of six years and physically fit to attend school he fails to attend school or to receive equivalent training as prescribed in the regulations or when he dies or ceases to reside in Canada or, in the case of a female child, when she marries.

(3) The increase in the allowance payable under section three consequent upon a child attaining his sixth, tenth or thirteenth birthday shall commence with the payment for the month following such birthday.

(4) A person to whom an allowance is payable shall, within one month of the allowance ceasing to be payable, report such fact in accordance with regulations."

2. (1) Paragraph *(b)* of section eleven of the said Act is repealed and the following substituted therefor:—

"*(b)* provide that the allowance may be paid to any suitable person or agency in any case where it is considered necessary to do so by reason of the age, infirmity, ill health, insanity, improvidence or other reasonable cause of disqualification of the person to whom the allowance is otherwise payable, or in any case where it is considered that other special circumstances or reasonable cause of any kind whatsoever so require;"

(2) Paragraph *(d)* of section eleven of the said Act is repealed and the following substituted therefor:—

"*(d)* provide, in the case of Indians and Eskimos, for payment of the allowance to such persons, to receive and apply the same, and for such purposes as may be authorized by the regulations."

3. This Act shall come into force on a day fixed by proclamation of the Governor in Council.

2. (1) This is largely a re-arrangement of paragraph *(b)* of section 11. It clarifies the circumstances under which regulations may provide for the designation of other payees as may be required.

(2) This is also largely a re-arrangement of paragraph *(d)* of section 11 to state more clearly the power to make regulations respecting conditions of payment to Eskimos and Indians.

Section 11 at present reads as follows:—

"**11.** The Governor in Council may make regulations to give effect to and carry out the objects of this Act, and, without restricting the generality of the foregoing may by regulations—

(a) provide generally or in respect of any province or any class of cases that payment shall be made to the parent prescribed in the regulations;

(b) provide that where, by reason of age, infirmity, ill health, insanity, improvidence or other reasonable cause of disqualification of the person to whom the allowance is payable or in other special circumstances, payment may be made to another suitable person or agency;

(c) provide the procedure of the tribunal established pursuant to section six of this Act;

(d) provide that in the case of Indians and Eskimaux payment of the allowance shall be made to a person authorized by the Governor in Council to receive and apply the same;

(e) prescribe the manner and form of registration and the information and evidence which may be required in connection therewith;

(f) impose penalties for violation of any such regulation by way of fine not exceeding two hundred dollars or imprisonment for a term not exceeding three months enforceable upon summary conviction."

3. Because of the statutory changes, certain amendments to the Regulations will be required, and it is desired that these should be simultaneous with the coming into force of the Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 309.

An Act respecting War Crimes.

First reading, July 25, 1946.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

69058

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 309.

An Act respecting War Crimes.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

War Crimes Regulations (Canada), re-enacted.

1. The War Crimes Regulations (Canada) made by the Governor in Council on the thirtieth day of August, one thousand nine hundred and forty-five, as set out in the Schedule to this Act, are hereby re-enacted.

Enacted as of 30th August, 1945.

2. This Act shall be deemed to have come into force on the thirtieth day of August, one thousand nine hundred and forty-five, and everything purporting to have been done heretofore pursuant to the said Regulations shall be deemed to have been done pursuant to the authority of this Act.

Duration.

3. This Act shall continue in force until a day fixed by proclamation of the Governor in Council and from and after that date shall be deemed to be repealed.

SCHEDULE

Regulations

1. These Regulations may be cited as the War Crimes Regulations (Canada).

2. In these Regulations, unless the context otherwise requires and subject to any express provision to the contrary:

(a) "accused" means a person charged with or suspected of the commission of a war crime;

(b) "Army Act" means the Army Act of the United Kingdom as made applicable from time to time to members of the Canadian military forces;

(c) "convening officer" means an officer authorized to convene a military court under these Regulations;

(d) "military court" means a military court constituted and held under these Regulations;

(e) "Rules of Procedure" means the Rules of Procedure made pursuant to the Army Act, as made applicable from time to time to members of the Canadian military forces;

(f) "war crime" means a violation of the laws or usages of war committed during any war in which Canada has been or may be engaged at any time after the ninth day of September, 1939;

(g) other expressions bear the same meaning as they have in the Army Act or Rules of Procedure.

3. The custody, trial and punishment of persons charged with or suspected of war crimes shall, on and after the date hereof, be governed by these Regulations.

4. (1) Any Canadian flag, general or air officer commanding any Canadian forces, wherever such forces may be serving, whether in the field or in occupation of enemy territory or otherwise, and any officer acting for such officer commanding in his absence, and any officer not below the rank of colonel, or its relative rank, whom such officer commanding, or officer acting for him in his absence, may authorize in writing in that behalf, shall have power to convene military courts for the trial of persons charged with having committed war crimes and to confirm the findings and sentences of such courts: Provided that no military court shall be convened for the trial of any person for a war crime unless the case has been certified by the Judge Advocate General, or any representative of his appointed by him for that purpose, as approved for trial.

(2) Any authority to convene military courts conferred by an officer commanding or an officer acting for him in his absence under (1) of this Regulation may be addressed to an officer by name or designation of an office and may be made subject to such restrictions, reservations, exceptions and conditions, compatible with these Regulations, as may seem meet to the officer conferring the authority.

(3) An officer having authority to confirm the finding and sentence of a military court may reserve confirmation of the finding and sentence, or of the sentence alone, to any authority superior in rank or appointment to him who is competent to confirm the findings and sentences of the like kind of military court convened under these Regulations.

5. Except as herein otherwise provided expressly or by implication, the provisions of the Army Act and the Rules of Procedure, so far as they relate to field general courts-martial and to any matters preliminary or incidental thereto or consequential thereon, shall apply so far as applicable or practicable to military courts and to any matters preliminary or incidental thereto or consequential thereon in like manner as if military courts were field general courts-martial and the accused were persons subject to military law charged with having committed offences on active service; Provided that

(a) Sections 49, 51, 54(I) (*d*) and (7) and 57(2) and (4) and 57A of the Army Act, and Rules of Procedure 3, 34, 35(D), 56, 110, 118(A) and (B), 119(B) and 120(C), (D) and (E) made pursuant thereto shall not apply;

(b) No departure from any procedural rule or other provision contained in the Army Act or the Rules of Procedure shall affect the jurisdiction of, or the validity of any proceedings by or before, any military court, or of any proceedings preliminary or incidental thereto or consequential thereon, unless in the opinion of the court, or of the confirming authority, substantial injustice has thereby been done to the accused.

6. (1) If it appears to a convening officer that a person then within the limits of his command or otherwise under his control has at any place committed a war crime he may direct that such person if not already in custody shall be taken into and kept in custody pending trial in such manner and in such charge as he may direct.

(2) The commanding officer of any body of naval, military or air forces having charge of an accused shall be deemed to be the commanding officer of the accused for the purposes of all matters preliminary and relating to trial and punishments; Provided that such commanding officer shall have no power to dismiss the charge or deal with the accused summarily for a war crime. He shall without any such preliminary hearing as is referred to in Rule of Procedure 3 either cause a summary of evidence to be taken in accordance with Rule of Procedure 4 or an abstract of evidence to be prepared as the convening officer may direct.

(3) The accused shall not have the right of having a summary taken or of demanding that the evidence at the summary shall be taken on oath or that any witness shall attend for cross-examination at the taking of the summary.

7. (1) A military court shall consist of not less than two or more than six officers in addition to the president, all of whom shall be appointed by name, but no officer, whether sitting as president or as a member, need have held his commission for any special length of time.

(2) If the accused is an officer of the naval, military or air forces of an enemy or ex-enemy power the convening officer should, so far as

practicable, but shall be under no obligation to do so, appoint or detail as many officers as possible of equal or superior relative rank to the accused.

(3) If the accused belongs to the naval, military or air forces of an enemy or ex-enemy power, or if Canadian naval, military or air force personnel are in any way affected by the alleged war crime, the convening officer should appoint or detail, if available, at least one naval, military or air force officer as a member of the court, as the case may be.

(4) Notwithstanding anything in these Regulations, where any war crime appears to affect the interest of any Allied power, including any member of the British Commonwealth of Nations, a convening officer may:

(a) invite one or more officers of the naval, military or air forces of such Allied power to become a member or members of the military court convened to try the person or persons charged with having committed the offence, in which case any officer so invited may sit as a member of the military court;

(b) appoint as a member of the court one or more officers of an Allied force serving under his command;

Provided that in no case shall the number of such Allied officers on a military court comprise more than half the members of the military court excluding the president.

(5) Any Allied officer sitting as a member of a military court pursuant to (4) *(a)* or *(b)* of this Regulation shall be vested with the same rights, duties and powers as an officer of the Canadian forces duly appointed to serve as a member of such a court.

(6) A convening officer may, with the consent of the appropriate naval, military or air force authority, appoint as president or member of a military court, an officer not under his command.

(7) The convening officer shall normally appoint at least one officer having one of the legal qualifications mentioned in Rule of Procedure 93(B) as president or as a member of the court. If no such officer is appointed, and in default of a person deputed to act as judge advocate by the Judge Advocate General, or any representative of his appointed by him for that purpose, the convening officer shall by order appoint a person having one of the said legal qualifications to act as judge advocate at the trial.

8. The accused shall not be entitled to object to the president or any member of the court or the judge advocate or to offer any special plea to the jurisdiction of the court.

9. Counsel may appear on behalf of the prosecutor and accused in like manner as if the military court were a general court-martial, and Rules of Procedure 88 to 93, both inclusive, shall in such cases apply accordingly. In addition to the persons deemed to be properly qualified as counsel under Rule of Procedure 93 any person qualified to appear before the courts of the country of the accused and any person approved by the convening officer shall be deemed to be properly qualified as counsel for the defence.

10. (1) At any hearing before a military court convened under these Regulations the court may take into consideration any oral statement or any document appearing on the face of it to be authentic, provided the statement or document appears to the court to be of assistance in proving or disproving the charge, notwithstanding that such statement or document would not be admissible as evidence in proceedings before a field general court-martial, and without prejudice to the generality of the foregoing, in particular:

(a) if any witness is dead or is unable to attend or to give evidence or it is, in the opinion of the court, not practicable for him to do so, the court may receive secondary evidence of statements made by or attributable to such witness;

(b) any document purporting to have been signed or issued officially by any member of any Allied (including British Commonwealth) or enemy force or by any Allied (including British Commonwealth), neutral or enemy government, shall be admissible as evidence without proof of the issue or signature thereof;

(c) the court may receive as evidence of the facts therein stated any report of the "Comité International de la Croix Rouge" or by any representative thereof, by any member of the medical profession or of any medical service, by any person acting as a "man of confidence" (homme de confiance), or by any other person whom the court may consider was acting in the course of his duty when making the report;

(d) the court may receive as evidence of the facts therein stated any depositions or any record or report of any military court or military court of inquiry or of any examination made by any officer detailed for the purpose by any military authority;

(e) the court may receive as evidence of the facts therein stated any diary, letter or other document appearing to contain information relating to the charge;

(f) if any original document cannot be produced or, in the opinion of the court, cannot be produced without undue delay, a copy of such document or other secondary evidence of its contents may be received in evidence;

(g) any statement made prior to trial by an accused or by any witness at such trial, whether or not such statement was made on oath, and whether made before or after or without the giving of any caution, shall be admissible in evidence for all purposes.

(2) It shall be the duty of the court to judge of the weight to be attached to any evidence given in pursuance of this Regulation which would not otherwise be admissible.

(3) Where there is evidence that a war crime has been the result of concerted action upon the part of a formation, unit, body, or group of persons, evidence given upon any charge relating to that crime against any member of such a formation, unit, body, or group may be received as *prima facie* evidence of the responsibility of each member of that formation, unit, body, or group for that crime; in any such case

all or any members of any such formation, unit, body, or group may be charged and tried jointly in respect of any such war crime and no application by any of them to be tried separately shall be allowed by the court.

(4) Where there is evidence that more than one war crime has been committed by members of a formation, unit, body, or group while under the command of a single commander, the court may receive that evidence as *prima facie* evidence of the responsibility of the commander for those crimes.

(5) Where there is evidence that a war crime has been committed by members of a formation, unit, body or group and that an officer or non-commissioned officer was present at or immediately before the time when such offence was committed, the court may receive that evidence as *prima facie* evidence of the responsibility of such officer or non-commissioned officer, and of the commander of such formation, unit, body, or group, for that crime.

(6) The court shall take judicial notice of the laws and usages of war.

(7) Unless the convening officer otherwise directs, a finding of guilty and the sentence shall be announced in open court by the president, who shall at the same time state that such finding and sentence are subject to confirmation. If such announcement is not made in open court the president shall notify the accused of the finding and sentence under sealed cover at the termination of the proceedings and record in the proceedings that this has been done. A finding of acquittal, whether on all or some of the offences with which the accused is charged, shall not require confirmation or be subject to be revised and shall be pronounced at once in open court, but the court shall not thereupon release the accused, unless otherwise entitled to be released.

(8) The sittings of military courts will ordinarily be open to the public so far as accommodation permits. Nevertheless the court may, on the ground that it is expedient to do so in the national interest or in the interests of justice, or for the effective prosecution of war crimes generally, or otherwise, by order prohibit the publication of any evidence given or to be given or of any statement made or to be made, or of the names, descriptions or photographs of any witnesses heard or to be heard, in the course of the proceedings before it, or direct that all or any portion of the public shall be excluded during any part of such proceedings as normally take place in open court, except during the announcement of the finding and sentence pursuant to paragraph (6) above.

(9) A record shall be made of the proceedings of every military court.

11. (1) A person found guilty by a military court of a war crime may be sentenced to and shall be liable to suffer any one or more of the following punishments, namely:

(a) Death (either by hanging or by shooting);

(b) Imprisonment for life or for any less term;

(c) Confiscation;

(d) A fine.

(2) In a case where the war crime consists wholly or partly of the taking, distribution or destruction of money or other property the court may as part of the sentence order the restitution of such money or other property and in default of complete restitution award a penalty equal in value to that which has been so taken, distributed or destroyed or not restored.

(3) Sentence of death shall not be passed on any person by a military court without the concurrence of all those serving on the court if the court consists of not more than three members, including the president, or without the concurrence of at least two-thirds of those serving on the court if the court consists of more than three members, including the president.

12. The accused may within 14 days of the termination of the proceedings in court submit a petition to the confirming officer against the finding or sentence or both if he gives notice to the confirming officer within 48 hours of such termination of his intention to submit such a petition. The accused shall have no right to submit any petition otherwise than as aforesaid: Provided that, if such petition is against the finding, it shall be referred by the confirming officer, together with the proceedings of the trial, to the Judge Advocate General, or to any representative of his appointed by him for that purpose, for advice and report thereon.

13. (1) The finding and any sentence which the court had jurisdiction to pass may be confirmed and, if confirmed, shall be valid, notwithstanding any deviation from these Regulations, or the Army Act or the Rules of Procedure or any technical or other defect or objection.

14. When a sentence passed by a military court has been confirmed, the senior combatant officer of the Canadian forces in the theatre in which the trial took place not below the rank of major general or its relative rank, or any officer not below the rank of brigadier, or its relative rank, authorized by him, shall have power to mitigate or remit the punishment thereby awarded or to commute such punishment for any less punishment or punishments to which the offender might have been sentenced by the said court: Provided that this power shall not be exercised by an officer holding a command or rank inferior to that of the officer who confirmed the sentence.

15. The fact that an accused acted pursuant to the order of a superior or of his government shall not constitute an absolute defence to any charge under these Regulations; it may, however, be considered either as a defence or in mitigation of punishment if the military court before which the charge is tried determines that justice so requires.

16. Any sentence passed by a military court shall, so far as practicable, be carried out as if the person so sentenced were a member of the Canadian military forces on whom a like sentence had been passed by court-martial.

17. In any case not provided for in these Regulations such course will be adopted as appears best calculated to do justice.

310.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 310.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

AS PASSED BY THE HOUSE OF COMMONS, 25th JULY, 1946.

OTTAWA
EDMOND CLOUTIER, B.A., L.Ph., C.M.G.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

69089

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 310.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1947.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by message from His Excellency the Honourable Thibaudeau Rinfret, Chief Justice of Canada, Administrator of the Government of Canada, and the Estimates accompanying the said message that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-seven, and for other purposes connected with the public service: May it therefore please Your Majesty, that it may be enacted and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

1. This Act may be cited as *The Appropriation Act, No. 5, 1946.*

$136,598,972.86 granted for 1946-47.

2. From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole one hundred and thirty-six million, five hundred and ninety-eight thousand, nine hundred and seventy-two dollars and eighty-six cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-six, to the thirty-first day of March, one thousand nine hundred and forty-seven, not otherwise provided for, and being one-twelfth of the amount of each of the several items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-seven, as laid before the House of Commons at the present session of Parliament.

Account to be rendered in detail.

3. A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 325.

An Act respecting Benefits to certain Supervisors in the Auxiliary Services.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

63938

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 325.

An Act respecting Benefits to certain Supervisors in the Auxiliary Services.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Supervisors War Service Benefits Act.*

Definitions.

"supervisor".

2. In this Act and in any regulation made thereunder, unless the context otherwise requires,

(a) "supervisor" means a duly selected and approved representative of

(i) Canadian Legion War Services Inc.,

(ii) The National Council of the Young Men's Christian Associations of Canada,

(iii) Knights of Columbus Canadian Army Huts, or

(iv) Salvation Army Canadian War Services,

who was attached to and served with the naval, military or air forces of Canada outside the Western Hemisphere;

"Western Hemisphere"

(b) "Western Hemisphere" means the continents of North and South America, the Islands adjacent thereto and the territorial waters thereof, including Newfoundland, Bermuda and the West Indies, but excluding Greenland, Iceland and the Aleutian Islands.

Supervisors deemed to be veterans with entitlement under certain Acts.

1942-43, c. 33; 1944-45, c. 49; 1945, c. 35; 1946.

1940, c. 44;

3. Subject to section five of this Act, every supervisor, on the termination of his service as such, shall be deemed

(a) to be a "veteran" within the meaning of

(i) *The Veterans' Land Act, 1942,*

(ii) *The Veterans Insurance Act,*

(iii) *The Veterans Rehabilitation Act,*

(iv) Part I of *The War Veterans' Allowance Act, 1946*, and

(v) *The Unemployment Insurance Act, 1940:*

Explanatory Notes

Foreword

Under Order in Council P.C. 3228 of the 3rd of May, 1944, dealing with the Auxiliary Services Supervisors, it was recognized that these personnel because of their condition of service, terms of engagement and basis of remuneration in many respects similar to those of members of the armed forces, were entitled to certain additional benefits on termination of their services. This Bill purports to give statutory authority with respect to the granting of those benefits. In addition to those benefits authorized in the said Order in Council, this Bill extends the benefits of certain other Acts to the supervisors.

The purpose is to grant to supervisors on their termination of service the same benefits as they would have received under the several statutes mentioned had they been members of the forces with service overseas. The new material is underlined or indicated by a vertical line in the margin. (See section three.)

2. This is the definition section. Reference relating to the service of the supervisor will provide evidence of selection and approval and of attachment on service with the forces.

3. New in part. P.C. 3228 authorized the benefits under *(a)* (i) and *(a)* (iii) only to supervisors who were pensioners (see paragraphs six and seven of P.C. 3228). *(a)* (ii) authorized under paragraph five of P.C. 3228. *(a)* (iv) is new.

(a) (v)—New.

1944, c. 19.

(b) for the purposes of *The Department of Veterans Affairs Act*, to have served in the naval, military or air forces of His Majesty;

1944-45, c. 51.

(c) for the purposes of *The War Service Grants Act, 1944*, to be a discharged member of the forces;

R.S., c. 22.

(d) for the purposes of the *Civil Service Act*, to have served on active service overseas with the naval, military or air forces of His Majesty; and

R.S., c. 157.

(e) for the purposes of the *Pension Act*, to have been a member of the forces who performed service as Captain (Military) in a theatre of actual war.

Date of commencement of service for purposes of *The Reinstatement in Civil Employment Act, 1942*.

4. Every supervisor shall, upon termination of his service as such, if he became employed by Canadian Legion War Services Inc., The National Council of the Young Men's Christian Associations of Canada, Knights of Columbus Canadian Army Huts or Salvation Army Canadian War Services on or after the first day of September, one thousand nine hundred and thirty-nine, be deemed to have been on service in His Majesty's forces for the purposes of *The Reinstatement in Civil Employment Act, 1942*, and for the purposes of that Act shall be deemed to have been accepted for service on the day he became so employed.

1942-43, c. 31.

Only service outside Western Hemisphere to count.

5. In any case where the benefits under this Act or any Act referred to in section three of this Act are calculated with reference to length of service, a supervisor shall be entitled to such benefits only in respect of service performed outside the Western Hemisphere, except that nothing in this section shall deprive a supervisor of any benefits to which he would otherwise be entitled in respect of his service as supervisor during the thirty days immediately preceding the termination of such service.

Exception.

Regulations.

6. The Governor in Council may make regulations for carrying the purposes and provisions of this Act into effect.

(b) New. This is the source of jurisdiction of the Minister of Veterans Affairs to provide for the care, treatment, training or re-establishment in civil life of any personnel who serve in the naval, military or air forces of His Majesty.

(c) New in part. P.C. 3228, paragraph three, authorizes gratuity only to be paid.

(d) New. Supervisors to get preference in the Civil Service as now granted members of His Majesty's forces who saw active service overseas.

4. This is a redraft of paragraph five of P.C. 3228. It is necessary to deal with supervisors in this manner for the reason that they may have been employed by their respective organizations prior to becoming "supervisors" within the meaning of this Act. The purpose is to ensure that their reinstatement will be with respect to employment which they had immediately before becoming employed by any such organization on or after the first day of September, one thousand nine hundred and thirty-nine.

5. Some of the Acts mentioned in clause three depend on length of service for benefits and this clause is necessary in order to exclude from the calculation of the amount of such benefits any time spent by the supervisor inside the Western Hemisphere except his pre-discharge leave.

6. This is the usual clause enabling the Governor in Council to make regulations.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 326.

An Act respecting Benefits to Fire Fighters who served in the United Kingdom.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

63942

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 326.

An Act respecting Benefits to Fire Fighters who served in the United Kingdom.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Fire Fighters War Service Benefits Act.*

Definitions.

2. In this Act and in any order or regulation made thereunder, unless the context otherwise requires,

"discharge."

(a) "discharge" means ceasing to serve as a fire fighter;

"fire fighter."

(b) "fire fighter" means a member of the Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom who was on service;

"gratuity."

(c) "gratuity" means a gratuity payable under section three of this Act;

"service."

(d) "service" means service while in receipt of pay and allowances as a fire fighter outside the continents of North and South America, the islands adjacent thereto and the territorial waters thereof, and includes service in Greenland, Iceland or the Aleutian Islands but does not include service in Newfoundland, Bermuda or the West Indies.

Entitlement to gratuity.

3. (1) Subject to the provisions of this Act, every fire fighter shall, upon discharge, be entitled to be paid a gratuity of fifteen dollars for every thirty days of service.

Payment by monthly instalments.

(2) Payment of a gratuity shall be made in monthly instalments, payable in arrear, not exceeding the amount of pay and allowances paid to, or in respect of the fire fighter for the thirty days immediately preceding his discharge.

"pay and allowances."

(3) For the purposes of subsection two of this section the expression "pay and allowances" includes allowance in lieu of rations and quarters at the standard rates payable in Canada notwithstanding that at the date of his discharge the fire fighter was not receiving such allowance, and dependents' allowance.

Explanatory Notes

Foreword

In Order in Council P.C. 3229 of the 3rd of May, 1944, dealing with members of the Corps of Canadian Fire Fighters serving in the United Kingdom, it was recognized that such members because of their conditions of service, terms of engagement and basis of remuneration, in many respects similar to those of members of the armed forces, were entitled to certain additional benefits on the termination of their services. This Bill purports to give statutory authority with respect to the grant of those benefits. Where new benefits are proposed, the new material is indicated by a vertical line in the margin. (See section six).

2. This is the definition section and on the whole is self-explanatory. It may be pointed out, however, that "service" as defined is to the same effect territorially as in *The War Service Grants Act, 1944.*

3. (1) Provides for gratuity at the same rate as that paid members of the armed forces for overseas service. No gratuity is paid for period not spent overseas. See subparagraph (1) of paragraph (3) of P.C. 3229 dated 3rd of May, 1945.

(2) and (3)—see subparagraph (2) of paragraph 3 of P.C. 3229.

Application of sections of The War Service Grants Act, 1944. 1944-45. c.51.

(4) Sections four, five, eleven, twelve, twelve A, twelve B, thirteen, eighteen and twenty of *The War Service Grants Act, 1944*, shall *mutatis mutandis* apply to the payment of gratuities under this Act.

Necessity for application.

(5) Payment of a gratuity shall be made only upon application therefor by or on behalf of the fire fighter claiming the gratuity.

Directions by Minister.

(6) The Minister of Veterans Affairs may issue directions relating to the manner of payment of the gratuity and generally for carrying this section into effect.

Entitlement to insurance. 1944-45 c.49.

4. Every fire fighter shall, upon discharge, be deemed to have been engaged in service as defined in *The Veterans Insurance Act* and, subject to the provisions of that Act, shall be entitled to all the rights, privileges and benefits provided by that Act as if he were a veteran within the meaning of that Act.

Entitlement to rehabilitation grant. 1945 c.35.

5. Every fire fighter who performed service for a period of not less than one hundred and eighty-three days, exclusive of time in cells, detention prison, in a state of desertion, and complete days of absence without leave, shall, upon discharge, be entitled to a rehabilitation grant as defined in paragraph *(f)* of section two of *The Veterans Rehabilitation Act* of the same amount and subject to the same conditions as he would have received had he been a member of the naval, military or air forces of Canada.

Entitlement to vocational and technical training benefits. 1945, c.35.

6. Every fire fighter shall, upon discharge be entitled to

(a) vocational and technical training benefits under *The Veterans Rehabilitation Act*, including allowances incidental thereto, as if he were a veteran within the meaning of that Act;

Entitlement under The Unemployment Insurance Act, 1940. 1940, c.44.

(b) the rights, privileges and benefits under *The Unemployment Insurance Act, 1940*, as if he were a veteran within the meaning of that Act.

Further entitlement as pensioners. R.S. c.157.

7. Every fire fighter who is in receipt of a pension under the *Pension Act* with respect to a disability arising out of the war that commenced in September, one thousand nine hundred and thirty-nine, shall, upon discharge, in addition to the rights, privileges and benefits under section six of this Act, be entitled to the rights, privileges and benefits under *The Veterans' Land Act, 1942*, as if he were a veteran within the meaning of that Act.

Under The Veterans' Land Act, 1942. 1942-43, c.33.

Regulations.

8. The Governor in Council may make regulations for carrying the purposes and provisions of this Act into effect.

Coming into force.

9. This Act shall come into force on the day of 194 .

(4) this subsection is based on P.C. 3229 "*mutatis mutandis*" means "with necessary changes." The sections of *The War Service Grants Act, 1944*, referred to, deal with gratuity matters, deductions from gratuities and exceptions to entitlement.

4. Grants permission for discharged fire fighters who have seen service to obtain insurance under *The Veterans Insurance Act.* See paragraph 4 of P.C. 3229.

5. Grants to certain fire fighters rehabilitation grants of the same amount and subject to the same conditions as if they had been members of the armed forces. See paragraph 5 of P.C. 3229.

6. Section six is new.

By said Order in Council P.C. 3229 the vocational and technical training benefits given in this section were only given to fire fighters who were in receipt of a pension under the provisions of Order in Council P.C. 100/2757 of the 11th day of April, 1942. This training, together with Unemployment Insurance Benefits, are extended to all fire fighters.

The authority for granting Unemployment Insurance to veterans is contained in *The Veterans Rehabilitation Act* but is now being taken out of *The Veterans Rehabilitation Act* and placed in *The Unemployment Insurance Act, 1940*, under section one hundred and five of the Act as amended.

7. See paragraph 6 of P.C. 3229. In paragraph 6 of P.C. 3229 reference is made to Order in Council P.C. 100/2757 of 11th April, 1942. This Order in Council authorized that certain pensions be provided to fire fighters under certain terms and conditions.

327.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 327.

An Act to amend The Veterans Rehabilitation Act.
(University Grant)

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

63829

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 327.

An Act to amend The Veterans Rehabilitation Act. (University Grant)

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section eleven of *The Veterans Rehabilitation Act*, chapter thirty-five of the statutes of 1945, is amended by adding thereto the following subsection:—

Supplementary grants to universities.

"(4) The Minister may, with the approval of the Governor in Council and subject to regulations, make a supplementary grant to any university for the purpose of assisting such university to meet expenses incurred in the training of veterans in respect of whom tuition fees are payable under this Act, provided, however, that the amount of such grant to any one university shall not exceed one hundred and fifty dollars in respect of any one veteran for a twelve month period, and where tuition fees are payable under this Act in respect of a veteran for only part of an academic year, the amount of this supplementary grant in respect of that veteran shall not exceed a sum which bears the same relation to the sum of one hundred and fifty dollars as such period bears to the whole academic year, and provided further that in no case shall the total payments made by the Minister to a university in respect of any one veteran for any one academic year exceed five hundred dollars."

Proviso.

Proviso.

Explanatory Notes.

Section 1.

11. (4) The purpose of this amendment is to allow the Minister, with the approval of the Governor in Council, to make money grants to universities to help defray extraordinary expenses of such universities resulting from demands under the rehabilitation programme being carried out by the Department of Veterans Affairs. These grants would be in addition to such moneys as are paid to universities as the tuition and incidental costs of the course of individual veterans. The regulations mentioned would set out the conditions under which the grants might be made and it is contemplated that the universities would in every case have to prove extra expenses caused by the influx of students under the training programme. It is not intended that grants would be made for capital expenditures other than for temporary buildings and equipping them for the training of veterans.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 328.

An Act respecting Veterans of Forces Allied with Canada.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
65394 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 328.

An Act respecting Veterans of Forces Allied with Canada.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The Allied Veterans Benefits Act.*

Definitions. "allied veteran". "enemy". "Minister". "war".

2. In this Act, unless the context otherwise requires,

(a) "allied veteran" means a person who, subsequent to the tenth day of September, 1939, served in the armed forces of any of the nations allied with His Majesty in active operations against the enemy in the war and who, at the time he joined any such forces, was domiciled in Canada;

(b) "enemy" means Germany and Japan and the other nations associated with those nations in the war;

(c) "Minister" means the Minister of Veterans Affairs;

(d) "war" means the war which commenced on the tenth day of September, 1939.

Allied veterans entitlement under certain statutes.

1946, c. 1942-43, c. 33. 1944-45, c. 19.

3. Subject to the provisions of this Act, every allied veteran who within two years from the date of his discharge from service or the eighth day of May, 1945, whichever is the later, is domiciled and resident in Canada shall be deemed to have served in the forces of His Majesty other than Canadian forces, for the purposes of *The Veterans Rehabilitation Act, The Veterans' Land Act, 1942,* and *The Department of Veterans Affairs Act,* and by reason of such service entitled to all rights, privileges and benefits thereunder, subject to such conditions as are in the said statutes contained.

Explanatory Notes.

This Bill is designed to put into statutory form Order in Council P.C. 7516 of the 22nd of January, 1946. It has, however, certain distinctly new features which will be noted upon the examination of the clauses of the Bill.

2. These definitions are in precisely the same terms as were used in the above mentioned Order in Council.

3. This clause gives the allied veteran the same rights under these three Acts as he had under the Order in Council with the exception that the time during which he may resume domicile in Canada has been extended. This extension is proposed for the reason that it has since been discovered that many allied veterans became discharged from their respective allied forces about the time of the armistice in 1940. It is not desired to debar such veterans from the benefits.

Entitlement of surviving veteran under The War Service Grants Act, 1944.

4. Subject to the provisions of this Act, every allied veteran who, within two years from the date of his discharge from service or the eighth day of May, 1945, whichever is the later, is domiciled and resident in Canada or who dies on service shall be deemed to have served in the forces of His Majesty other than those raised in Canada for the purposes of *The War Service Grants Act, 1944*, and by reason of such service, entitled to all rights, privileges and benefits thereunder, subject to all conditions contained in said statute except those contained in section four and subsection three of section seventeen thereof.

1944-45, c. 51.

Entitlement of widow of surviving veteran.

5. (1) Where an allied veteran, after establishing domicile in Canada within two years from the date of his discharge or the eighth day of May, 1945, whichever is the later, dies before he has received in full the rights, privileges and benefits to which he may have been entitled under *The War Service Grants Act, 1944*, and leaves a widow, such widow, if resident in Canada and being maintained by the veteran at the time of his death, shall, if she has not remarried and subject to the provisions of the said Act, be entitled to receive such rights, privileges and benefits or such remaining part of them as the allied veteran did not receive.

Entitlement of widow of veteran who died on service.

(2) Where an allied veteran dies on service leaving a widow who was married to him at the time he joined the said forces, and if such widow has not remarried, and if she was domiciled and resident in Canada at a time within two years from his death or the eighth day of May, 1945, whichever is the later, and is so domiciled and resident at the time of her application, such widow shall be entitled to receive the rights, privileges and benefits under Part I of *The War Service Grants Act, 1944*, to which the allied veteran would have been entitled at the time of his death.

Entitlement of mother of deceased veteran.

(3) Where no person qualifies under the two immediately preceding subsections of this section to receive the rights, privileges and benefits to which the deceased veteran was in his lifetime entitled and such veteran leaves a mother resident in Canada who, in the opinion of the Minister or such person as the Minister may designate, was wholly dependent on the veteran immediately prior to his death, such mother shall be entitled to such rights, privileges and benefits or such remaining part of them as the allied veteran did not receive.

Eligible widow or mother dying before receiving benefits in full.

(4) Where a widow or a mother eligible to receive the rights, privileges and benefits in respect of any veteran pursuant to this section dies before receiving such rights,

4. This clause is exactly the same as in the Order in Council except for the extension of time mentioned in the preceding paragraph of these notes.

5. (1) This clause is new and is designed to give to the widow of a veteran who gets back to Canada within the time mentioned but who dies before receiving his rights under *The War Service Grants Act, 1944*, the whole of the rights to which the veteran himself was entitled and did not receive.

5. (2) This is new and is designed to ensure that the widow of an allied veteran who dies on service shall get the gratuity to which the veteran would have been entitled at the time of his death. It may be noted that the widow herself must be domiciled in Canada within the same period as would have been applicable to the veteran if he had lived.

5. (3) If no widow to qualify under 5 (1) or 5 (2), rights pass to dependent mother.

5. (4) Rights expire on death of widow or mother as case may be.

Benefits to expire.

privileges and benefits, those rights, privileges and benefits or such of them as have not been granted or paid shall not pass to the heirs of the widow or the mother, as the case may be, but shall on the death of the person so eligible cease to exist.

Deduction of benefits payable by another government.

6. Where rights, privileges and benefits of the same nature as are in this Act provided are available at the time of application to or in respect of any allied veteran domiciled in Canada, from the government of a nation with whose armed forces the veteran served, the Minister shall deduct the value of such rights, privileges and benefits from those available to the veteran under this Act, unless arrangements have been made with the said government for reimbursement to Canada of the cost, exclusive of administrative costs, of providing to such allied veteran, his widow or mother, the rights, privileges and benefits available to or in respect of him from said government and such arrangements have been approved by the Governor in Council.

Reciprocal treatment.

7. (1) The Minister may make arrangements with the government of a nation with whose armed forces any allied veteran served to ensure, so far as possible, reciprocal treatment by such nation to former members of His Majesty's Canadian forces resident within the territories of such nation.

Administrative facilities available to allied governments.

(2) The Minister may make arrangements with the government of a nation with whose armed forces any allied veteran served whereby the administrative facilities of the Department of Veterans Affairs or of any other agency under the administrative authority of the Minister, may be made available without cost to such government in carrying out any plans of such government for the rehabilitation of any allied veteran.

Regulations by Governor in Council.

8. The Governor in Council may make such rules and regulations as may be necessary or advisable to give effect to the provisions of this Act.

Coming into force.

9. This Act shall be deemed to have come into force on the twenty-second day of January, 1946.

6. This clause is an attempt to clarify the meaning of paragraph three of the Order in Council and at the same time enable the Minister to work out an agreement with the appropriate government for reimbursement to Canada of the cost of providing benefits to the veteran which are available under the laws of the allied nation concerned. Paragraph four of the Order in Council is no longer necessary.

7. (1) This clause is the same as in the Order in Council. It is thought that there may some time be Canadians in the territory of an allied government with respect to whom the Minister may desire to make reciprocal arrangements.

7. (2) This is new and enables the Minister to provide administration facilities without cost to an allied government and thereby assist such government in carrying out its plans for rehabilitation of allied veterans.

8. This is the usual clause under which authority is given for the making of regulations.

9. This is new and is designed to ensure that allied veterans should not lose anything by reason of possible omissions in the Order in Council.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 329.

An Act to amend the Pension Act.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 329.

R.S., c. 157; 1928, c. 38; 1930, c. 35; 1931, c. 44; 1932-33, c. 45; 1934, c. 58; 1935, cc. 8, 45; 1936, c. 44; 1939, c. 32; 1940-41, c. 23.

An Act to amend the Pension Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(dd)* of section two of the *Pension Act*, chapter one hundred and fifty-seven of the Revised Statutes of Canada, 1927, as enacted by section three of chapter thirty-eight of the statutes of 1928, is repealed and the following substituted therefor:—

"Department."

"*(dd)* "Department" means the Department of Veterans Affairs, and includes in respect of matters antecedent to this Act, the Military Hospitals Commission, the Department of Soldiers' Civil Re-establishment and the Department of Pensions and National Health;"

2. Paragraph *(ggg)* of section two of the said Act, as enacted by section one of chapter forty-five of the statutes of 1932-33, is repealed and the following substituted therefor:—

"Hospital allowance."

"*(ggg)* "hospital allowance" means pay and allowances or compensation payable or paid by the Department to or on behalf of a person while undergoing treatment."

3. Paragraph *(o)* of section two of the said Act, as enacted by section one of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

"Service in a theatre of actual war."

"*(o)* "service in a theatre of actual war" means:—

(i) in the case of the military or air forces during World War I, service in the zone of the allied armies on the continents of Europe, Asia or Africa or in any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy;

Explanatory Notes.

The purpose of the present Bill is to incorporate into the *Pension Act* various changes which were made thereto by Orders in Council and proposed changes for which an explanation is given in the notes opposite the relevant clause.

1. Paragraph *(dd)* of section two of the *Pension Act* is amended by substituting the underlined words on the opposite page for the words in italics below. This change is necessitated by the change in the name of the Department of Pensions and National Health to the Department of Veterans Affairs.

The paragraph to be repealed at present reads as follows:—

"*(dd)* 'Department' means the 'Department of *Pensions and National Health*,' and includes in respect of matters antecedent to this Act, the Military Hospitals Commission and the Department of *Soldiers' Civil Re-establishment;*"

2. This amendment re-defines "hospital allowances". The re-definition is necessitated by section 19 of the Bill, which provides that pension shall be continued in payment when a pensioner is admitted to hospital for treatment—previously pension was suspended and hospital allowances were substituted.

The paragraph to be repealed at present reads as follows:—

"*(ggg)* 'hospital allowance,' *or 'pay and allowances' or 'compensation,' means the payment made to a pensioner in lieu of pension while undergoing treatment, under the control of the Department, for a pensionable disability;*"

3. Paragraph *(o)* of section two of the *Pension Act* made provision for certain localities to be designated by the Governor in Council as zones of hostilities; or service in certain units in respect of which hazard had been incurred by reason of contact with hostile forces of the enemy. As no locality or unit has been so designated during World War II, this provision now becomes obsolete. The designation Great War, and War with the German Reich, is changed to World War I, and World War II. The term "high seas" in subparagraph (iii) is changed to "sea".

The paragraph to be repealed at present reads as follows:—

"*(o)* 'service in a theatre of actual war' means:—

(i) in the case of the military or air forces during the *Great War*, service in the zone of the allied armies on the continents of Europe, Asia or Africa or in any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy;

(ii) in the case of the naval forces during World War I, service on the high seas or wherever contact has been made with hostile forces of the enemy, or in any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy;

(iii) in the case of the naval, military or air forces during World War II, service on the sea, in the field or in the air, in any place outside of Canada; or service in any place in Canada at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy."

4. Paragraphs *(p)* and *(q)* of section two of the said Act, as enacted by section two of chapter twenty-three of the statutes of 1940-41, are repealed and the following substituted therefor:—

"World War I."

"*(p)* "World War I" means the war waged by the German Emperor and His Allies against His Majesty and His Majesty's Allies; and the period denoted by the term "World War I" is the period between the fourth day of August, one thousand nine hundred and fourteen, and the thirty-first day of August, one thousand nine hundred and twenty-one, both dates inclusive;

"World War II."

(q) "World War II" means the war waged by His Majesty and His Majesty's Allies against Germany and Germany's Allies which for the purposes of this Act shall be deemed to have commenced on the first day of September, one thousand nine hundred and thirty-nine, the date or dates, as the case may be, of termination of which will be such date or dates, as may be proclaimed by the Governor in Council;"

5. Section two of the said Act, as amended by chapter thirty-eight of the statutes of 1928, chapter thirty-five of the statutes of 1930, chapter forty-five of the statutes of 1932-33, chapter forty-four of the statutes of 1936, chapter thirty-two of the statutes of 1939 (First Session), chapter twenty-three of the statutes of 1940-41 and by this Act, is further amended by adding the following subsections thereto:—

"World War I" and "World War II" substituted.

"(2) The expressions 'World War I' and 'World War II' are substituted, respectively, for the expressions 'Great War' and 'War with the German Reich' wherever the latter expressions appear in this Act.

Title of Department.

"(3) The title 'Department of Veterans Affairs' is substituted for the title 'Department of Pensions and National Health' wherever the latter title appears in this Act."

(ii) in the case of the naval forces during the *Great War*, service on the high seas or wherever contact has been made with hostile forces of the enemy, or in any other place at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy;

(iii) in the case of the naval, military or air forces during *the war with the German Reich*, service on the *high seas*, in the field or in the air in any place outside Canada; *or service in Canada, in such coastal or inland waters, or in such localities, whether in the field or in the air, as may from time to time be designated by the Governor in Council as zones of hostilities during any particular period or periods; or service in Canada in such naval, military or air force units as may, from time to time and with respect to any particular period or periods, be designated by the Governor in Council as units in respect of which hazards have been incurred, during such particular period or periods, by reason of contact with hostile forces of the enemy;* or service in any *other* place in Canada at which the member of the forces has sustained injury or contracted disease directly by a hostile act of the enemy."

4. Paragraphs *(p)* and *(q)* of section two of the *Pension Act*, defined respectively "Great War", and "War with the German Reich". The proposed amendment designates these wars respectively as, "World War I", and "World War II", to conform with the practice throughout the Department.

The paragraphs to be repealed at present read as follows:—

"*(p)* '*Great War*' means the war waged by the German Emperor and His Allies against His Majesty and His Majesty's Allies; and the period denoted by the term 'Great War' is the period between the fourth day of August, one thousand nine hundred and fourteen, and the thirty-first day of August, one thousand nine hundred and twenty-one, both dates inclusive;

(q) '*war with the German Reich*' means the war waged by His Majesty and His Majesty's Allies against Germany and Germany's Allies which for the purposes of this Act shall be deemed to have commenced on the first day of September, one thousand nine hundred and thirty-nine, the date or dates, as the case may be, of termination of which will be such date or dates, as may be proclaimed by the Governor in Council;"

5. "(2) This new subsection becomes necessary to effect uniformity in designation of the wars.

"(3) This new subsection becomes necessary to give effect to the change in the title of the Department.

6. Subsection three, as enacted by section two of chapter forty-five of the statutes of 1932-33, subsection seven, as enacted by section two of chapter forty-four of the statutes of 1936, and subsection nine, as enacted by section three of chapter twenty-three of the statutes of 1940-41, of section three of the said Act are repealed and the following substituted therefor:—

Chairman and Deputy.

"(3) The Governor in Council shall appoint one of the Commissioners to be Chairman and another of the Commissioners to be Deputy Chairman of the Commission.

Salaries.

"(7) The Chairman shall be paid a salary of Nine Thousand Dollars per annum, the Deputy Chairman shall be paid a salary of Seven Thousand Five Hundred Dollars per annum and each of the other Commissioners, including *ad hoc* Commissioners, shall be paid a salary at the rate of Seven Thousand Dollars per annum; such salaries shall be paid monthly out of any unappropriated moneys forming part of the Consolidated Revenue Fund of Canada."

Chairman to have rank of Deputy head.

"(9) *(a)* The Chairman of the Commission shall have the rank and the powers of a deputy head of a department for the purposes of this Act and shall have control and direction over the disposition of and duties to be performed by the other Commissioners and shall have control over the duties to be performed by such staff as may be assigned to the Commission by the Department.

In case of absence of Chairman.

(b) In case of the absence of the Chairman or his inability to act, the Deputy Chairman shall exercise the powers of the Chairman for him or in his stead, and in such case, all regulations, orders and other documents signed by the Deputy Chairman shall have the like force and effect as if signed by the Chairman.

(c) Whenever the Deputy Chairman appears to have acted for or instead of the Chairman, it shall be conclusively presumed that he so acted in the absence or disability of the Chairman within the meaning of Paragraph *(b)* of this subsection.

(d) When the Chairman deems it necessary for the more speedy and convenient despatch of business he may, in writing, delegate to the Deputy Chairman, from time to time, the performance of any of the duties imposed upon him under the provisions of this Act or arising out of the administration of the same, and when the performance of such duties has been so delegated, the performance thereof shall have like force and effect as if performed by the Chairman."

7. Section ten of the said Act, as enacted by section six of chapter forty-five of the statutes of 1932-33, is amended by adding thereto the following subsections:—

Duties of Veterans' Bureau.

"(6) The Veterans' Bureau, in addition to such duties in connection with the preparation and presentation of pension cases as are prescribed by the procedural sections of the Act,

6. This amendment provides for increases in the salary of the Chairman and the Commissioners and the establishment of the position of Deputy Chairman.

These increases have been in effect, by Order in Council (P.C. 2/3962, 31st May, 1945), since January 1, 1945.

The office of "Assistant to the Chairman" was created at the same time, but no additional salary was then authorized.

The functions and duties of the "Deputy Chairman" have now been more precisely defined, and the salary has been increased by $500 a year above that of the other Commissioners.

There are two reasons for establishing the position of Deputy Chairman:—

(a) The increase in the volume of work and consequent increase in the number of Commissioners; and

(b) The desirability of having available, in the absence or illness of the Chairman, somebody who can act in his place. It is considered that the Chairman should be more free to visit the various district offices in the interests of the efficient operation of the Act.

The subsections to be repealed read:—

"(3) *One of the Commissioners shall be appointed by the Governor in Council to be Chairman of the Commission.*"

"(7) The Chairman shall be paid a salary of *seven* thousand dollars per annum, and each of the other Commissioners, including *ad hoc* Commissioners, shall be paid a salary at the rate of *six* thousand dollars per annum; such salaries shall be paid monthly out of any unappropriated moneys forming part of the Consolidated Revenue Fund of Canada."

"(9) The Chairman of the Commission shall have the rank and the powers of a deputy head of a department for the purposes of this Act and shall have control and direction over the disposition of and duties to be performed by the other Commissioners and shall have control over the duties to be performed by such staff as may be assigned to the Commission by the Department."

7. This amendment adds a new subsection to section ten of the Act.

The new subsection sets out the duties of the Veterans' Bureau. Up to the present, the duties and functions of the Bureau have not been defined in the Act.

The new subsection gives effect to the existing practice, as it has been understood by inference.

The advantage of inserting this section is that it removes ambiguity as to the rights and privileges of an advocate acting on behalf of an applicant.

shall upon request advise pensioners and applicants upon any provision of the Act or phase of pension law or administration which may have a bearing upon their pension claims, whether in respect of entitlement to pension under section eleven or otherwise, and when deemed by the Chief Pensions Advocate necessary or advisable shall make written or oral representations to the Commission in furtherance of such claims.

Pensions' Advocates.

"(7) For the purposes of the next preceding subsection of this section Pensions Advocates shall be empowered to attend and assist the pensioner or applicant, or, in his absence represent him, at any hearing before the Commission or an Appeal Board thereof at which he is entitled to be present."

8. The introductory words of subsection one of section eleven of the said Act, as enacted by section six of chapter twenty-three of the statutes of 1940-41, are repealed and the following substituted therefor:—

Disabilities in respect of which pension claimed.

"**11.** (1) In respect of military service rendered during World War I or during World War II and subject to the exception contained in subsection two of this section:—"

9. (1) Paragraph *(c)* of subsection one of section eleven of the said Act is repealed and the following substituted therefor:—

Pre-enlistment disabilities.

"*(c)* no deduction shall be made from the degree of actual disability of any member of the forces, who has served in a theatre of actual war during World War I or during World War II, on account of any disability or disabling condition which existed in him prior to his period of service in either of the aforesaid wars: Provided that service by a member of the forces in a theatre of actual war may only be counted for the purposes of this paragraph when it has been rendered in the particular war with reference to service in which pension has been awarded: And further provided that no pension shall be paid for a disability or disabling condition which, at the time he became a member of the forces, was wilfully and deliberately concealed, was obvious or was recorded on medical examination prior to enlistment."

Proviso.

Proviso.

(2) Paragraph *(e)* of subsection one of section eleven of the said Act is repealed and the following substituted therefor:—

Pension for disability or death during treatment.

"*(e)* when a member of the forces, who has seen service during World War I or during World War II, is, upon retirement or discharge from such service, passed directly to the Department of Veterans Affairs for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment;"

8. (1) This amendment is to permit of the application of the "Insurance Principle" to members of the forces whose military service was wholly restricted to Canada in World War II.

This purpose is accomplished by deleting certain words from the introductory part of subsection one of section eleven of the Act.

The introductory words to this subsection at present read:—

"**11.** (1) In respect of military service rendered during *the Great War* or during *the war with the German Reich*, and subject to the exception contained in subsection two of this section:—"

9. (1) This amendment makes two changes in paragraph *(c)* of subsection one of section eleven of the Act.

The first is the substitution of the new terminology, "World War I" and "World War II", and the second is the addition of the words "and deliberately" to the provision previously described as "wilfully concealed". The amendment will cause the paragraph to read, "wilfully and deliberately concealed".

The paragraph to be repealed reads:—

"*(c)* no deduction shall be made from the degree of actual disability of any member of the forces, who has served in a theatre of actual war during *the Great War* or during *the war with the German Reich*, on account of any disability or disabling condition which existed in him prior to his period of service in either of the aforesaid wars; provided that service by a member of the forces in a theatre of actual war may only be counted for the purposes of this paragraph when it has been rendered in the particular war with reference to service in which pension has been awarded; and further provided that no pension shall be paid for a disability or disabling condition which, at the time he became a member of the forces, was wilfully concealed, was obvious or was recorded on medical examination prior to enlistment;"

(2) The paragraph to be repealed at present reads as follows:—

"*(e)* when a member of the forces, who has seen service during *the Great War, or who has seen service in a theatre of actual war during the war with the German Reich*, is, upon retirement or discharge from such service, passed directly to the Department of *Pensions and National Health* for treatment, a pension shall be paid to or in respect of him for disability or death incurred by him during such treatment;"

The purpose of this amendment is to bring a member of the forces who has seen service during World War II on a parity with a member of the forces who has seen service during World War I.

10. Subsection two of section eleven of the said act is repealed and the following substituted therefor:—

Military service in n.p.a.m. in reserve army and in peace time.

"(2) In respect of military service rendered in the non-permanent active militia or in the reserve army during World War II and in respect of military service in peace time, pension shall be awarded to or in respect of members of the forces who have suffered disability, in accordance with the rates set out in Schedule A to this Act, and in respect of members of the forces who have died, in accordance with the rates set out in Schedule B to this Act, when the injury or disease or aggravation thereof resulting in disability or death in respect of which the application for pension is made arose out of or was directly connected with such military service."

11. Subsection three of section eleven of the said Act is repealed and the following substituted therefor:—

Date from which pension may be paid.

"(3) Notwithstanding sections twenty-seven and thirty-seven of the said Act, in the case of a pension awarded for disability or death in respect of military service during World War II that was wholly rendered in Canada on and after the twenty-first day of May, one thousand nine hundred and forty, and no part of which was rendered in a theatre of actual war, when the injury or disease or aggravation thereof resulting in disability or death in respect of which the application for pension is made did not arise out of or was not directly connected with such military service, the pension shall not take effect on any day prior to the first day of June, one thousand nine hundred and forty-six."

12. Paragraph *(c)* of section twelve of the said Act, as enacted by section seven of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

Improper conduct.

"*(c)* that in the case of venereal disease contracted prior to enlistment and aggravated during service, pension shall be awarded for the total pensionable disability existing at the time of discharge in all cases where the member of the forces saw service in a theatre of actual war, and no increase in disability after discharge shall be pensionable, but, if it subsequently appears upon examination that such disability has decreased in extent, pension shall be decreased accordingly; Provided that pension may thereafter be increased or decreased, subject to the limitation hereinbefore prescribed, in accordance with the degree of disability which may be shown to exist upon any subsequent examination."

Proviso.

10. This is another amendment following from the adoption of the "Insurance Principle".

Subsection two of section eleven of the Act governs the awarding of pension to members of the forces serving in Canada only, and in peace time. The disability or death had to arise out of or be directly connected with military service.

The amendment retains this principle for peace time service and for members of the non-permanent militia and the reserve army, with respect to service rendered in war time. The terms "non-permanent militia" and "reserve army" are both included because this organization had its name changed midway during the war.

The principal effect of this amendment, however, is to exclude from its terms, members of the Active Army who served in Canada only.

The subsection to be repealed reads:—

"(2) In respect of military service, *during the war with the German Reich, which has been wholly rendered in Canada on and after the twenty-first day of May, one thousand nine hundred and forty*, and *no part of which has been rendered in a theatre of actual war;* and in respect of military service in peace time, pension shall be awarded to or in respect of members of the forces who have suffered disability, in accordance with the rates set out in Schedule A to this Act, and in respect of members of the forces who have died, in accordance with the rates set out in Schedule B to this Act, when the injury or disease or aggravation thereof resulting in disability or death in resepct of which the application for pension is made arose out of or was directly connected with such military service."

11. This amendment does two things:—

(a) It repeals the former subsection three of section eleven of the Act.

This was the compassionate subsection affecting members of the forces incurring death or serious disability during service in Canada only. Since members of the Active Force are now entitled to the Insurance Principle, subsection three of section eleven, enacted in 1941, now becomes obsolete and redundant, and is therefore repealed.

(b) It enacts a new subsection three for the purpose of providing the effective date from which pension shall be paid where the award is consequent upon the adoption of the Insurance Principle. The effective date is, not prior to the first day of June, 1946.

The subsection to be repealed reads:—

"(3) If a member of the forces has, while on service during the war with the German Reich, incurred an injury or disease in respect of which a pension is not awardable under the provisions of the two subsections next preceding and if such member of the forces is in necessitous circumstances, or, in the case of his death, if his widow and/or children are in necessitous circumstances, or if, there being no widow or children, his dependent parent or parents are in necessitous circumstances, the Commission may in its discretion award such pension, not exceeding the rates payable under Schedule A or B to this Act, as it may, from time to time, deem to be adequate in the circumstances."

12. The change effected in this paragraph is indicated by the word underlined. It makes no change in the law as at present interpreted but the present wording is ambiguous. The new wording makes it quite clear that this paragraph is subject to the provisions of section 11. (1) *(c)*.

13. Section sixteen of the said Act, as enacted by section seven of chapter forty-five of the statutes of 1932-33, is repealed and the following substituted therefor:—

Administration of pension by Commission.

"**16.** When a pensioner appears to be incapable of expending or is not expending the pension in a proper manner or is not maintaining the members of his family to whom he owes the duty of maintenance, or, in the discretion of the Commission, when a retroactive pension is awarded or a pensioner is receiving treatment or care from the Department, the Commission may direct that the pension be administered for the benefit of the pensioner and/or the members of his family by the Commission or the Department or by some person selected by the Commission."

14. Subsection seven of section twenty-two of the said Act, as enacted by section twelve of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

Children of deceased pensioner.

"(7) The children of a pensioner who has died and who at the time of his death was in receipt of pension in any of the classes one to eleven mentioned in Schedule A to this Act, shall be entitled to a pension as if he had died on active service whether his death was attributable to his service or not."

The paragraph to be repealed at present reads as follows:-

"*(c)* that in the case of venereal disease contracted prior to enlistment and aggravated during service, pension shall be awarded for the total disability existing at the time of discharge in all cases where the member of the forces saw service in a theatre of actual war, and no increase in disability after discharge shall be pensionable, but, if it subsequently appears upon examination that such disability has decreased in extent, pension shall be decreased accordingly; provided that pension may thereafter be increased or decreased, subject to the limitation hereinbefore prescribed, in accordance with the degree of disability which may be shown to exist upon any subsequent examination."

13. This is an administrative amendment consequent upon section 19 of the Bill.

Section 19 provides that when a pensioner is admitted to hospital for treatment of his pensionable disability, his pension shall not be suspended. Under the Act, pension was suspended and the veteran was paid treatment or hospital allowances.

The section to be repealed reads:—

"**16.** When a pensioner appears to be incapable of expending or is not expending the pension in a proper manner or is not maintaining the members of his family to whom he owes the duty of maintenance, or, in the discretion of the Commission, when a retroactive pension is awarded or a pensioner is admitted under the regulations of the Department to an institution for Veterans' care, the Commission may direct that the pension be administered for the benefit of the pensioner and/or the members of his family by the Commission or the Department or by some person selected by the Commission."

14. This amendment is also administrative and is consequential upon section 19 of the Bill.

Subsection seven of section twenty-two of the Act insures the continuation of pension to the children of certain pensioners when the pensioner dies. Since pension was suspended if the pensioner was in hospital, subsection seven made provision for the protection of the pension rights of the children, when pension was thus suspended.

Section 19 of the Bill does away with the suspension while in hospital for treatment, hence the words used to protect the children when death occurs in hospital are no longer needed and have been struck out.

The subsection to be repealed at present reads:—

"(7) The children of a pensioner who has died and who at the time of his death was in receipt of pension in any of the classes one to eleven mentioned in Schedule A to this Act, *or who, except for the provisions of subsection one of section twenty-nine of this Act, would have been in receipt of a pension in one of the said classes*, shall be entitled to a pension as if he had died on service whether his death was attributable to his service or not."

15. (1) Subsections nine and ten of section twenty-two of the said Act, as enacted by section thirteen of chapter twenty-three of the statutes of 1940-41, are repealed and the following substituted therefor:—

Pension continued of minor children on death of wife.

"(9) On and after the death of the wife of a pensioner pensioned on account of disability, the additional pension for a married member of the forces may, in the discretion of the Commission, be continued to him for so long as there is a minor child or are minor children of pensionable age,

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provided there exists a daughter or other person competent to assume and who does assume the household duties and

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care of the said child or children.

On death of widow.

"(10) On and after the death of a widow of a member of the forces who has been in receipt of a pension, the pension for the widow may, in the discretion of the Commission, be continued for so long as there is a minor child or there are minor children of pensionable age, to a daughter competent to assume and who does assume the household duties

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and care of the other child or children, provided that in such cases the pension payable for children shall continue, but the rate payable for orphan children shall not apply."

Discretion of Commission.

(2) Section twenty-two of the said Act is further amended by adding thereto the following subsection:—

"(11) The Commission may, in its discretion, award or refuse to award additional pension, to or in respect of a child or children of a female member of the forces."

15. (9) Subsection nine of section twenty-two provides for the payment of a housekeeper allowance equivalent to the additional pension for a wife when the latter dies and the household duties are performed by a daughter or other person when there are minor children of pensionable age.

(10) Subsection ten of the same section makes similar provision when a pensioned widow dies and a daughter assumes the household duties.

Both of these amendments conform to the general provisions governing awards of additional pension, as provided in section 31 of this Bill.

Subsection (2) of the amendment makes no change in the law as this was effected by Order in Council under the *War Measures Act*, dated the tenth day of January, 1945 (P.C. 213/185).

The maintenance of children is the responsibility of the husband. There may be a number of cases where both husband and wife would be in receipt of pension and this section is necessary to avoid duplication of payments.

The purpose of the amendment is to permit the Commission to make an award in respect of the children of a female member of the forces in cases of extreme hardship.

The subsections to be repealed at present read as follows:—

"(9) On and after the death of the wife of a pensioner pensioned on account of disability, the additional pension for a married member of the forces may, in the discretion of the Commission, be continued to him for so long as there is a minor child or are minor children of pensionable age, provided there exists a daughter or other person competent to assume and who does assume the household duties and care of the said child or children, *and further provided that in cases in which the pensioner in question is pensioned in respect of service during the Great War, such children were born prior to the first day of May, 1933.*

"(10) On and after the death of a widow of a member of the forces who has been in receipt of a pension, the pension for the widow, may, in the discretion of the Commission, be continued for so long as there is a minor child or there are minor children of pensionable age, to a daughter competent to assume and who does assume the household duties and care of the other child or children, provided that in such cases the pension payable for children shall continue, but the rate payable for orphan children shall not apply, *and further provided that, in cases in which the widow in question was in receipt of pension in respect of service during the Great War, such children were born prior to the first day of May, 1933.*"

16. Section twenty-three of the said Act is repealed and the following substituted therefor:—

Orphan child.

"**23.** When pension is awardable under the provisions of this Act in respect of the death of a member of the forces and when such member of the forces has died leaving an orphan child, or when his widow, divorced wife, parent or the woman awarded a pension under subsection three of section thirty-two of this Act, has died leaving an orphan child of such member of the forces, such orphan child shall be entitled to a pension in accordance with the provisions of Schedule B."

17. Subsection three of section twenty-four of the said Act, as enacted by section fourteen of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:

Pensions for pulmonary tuberculosis.

"(3) Pensions for disability resulting from pulmonary tuberculosis when during the treatment of a member of the forces the presence of tubercle bacilli has been discovered in the sputum or it has been proved that the disease is moderately advanced and clinically active, shall be awarded and continued as follows:—

(a) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to or was incurred or was aggravated during service, either during World War I or World War II, and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred during service during either of the said wars, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(b) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated during service, either during World War I or World War II, a pension of ninety per cent. shall be

16. The present section 23 is ambiguous. The change suggested in this section is indicated by the words underlined. The alteration is for the purpose of clarification only and conforms with the practice of the Commission.

Section 23 at present reads as follows:—

"**23.** When a member of the forces has died leaving an orphan child, or when his widow, divorced wife, parent, or the woman awarded a pension under subsection three of section thirty-two of this Act, has died leaving an orphan child of such member of the forces, such orphan child shall be entitled to a pension in accordance with the provisions of Schedule B."

17. This is another amendment giving effect to the insurance principle with respect to members of the forces who served in Canada only during World War II. Subsection three of section 24 of the Act deals with pensions for pulmonary tuberculosis. The essential provisions of this subsection are not changed but it has been redrafted in order that the Insurance Principle might now be applicable to members of the forces whose service was wholly restricted to Canada in World War II.

awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(c) In the case of a member of the forces who has seen service in the non-permanent active militia or in the reserve army during World War II or in the case of a member of the forces who has seen service in peace time, whose disease occurred on service and arose out of or was directly connected with such service, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(d) In the case of a member of the forces who has seen service in the non-permanent active militia or in the reserve army during World War II or in the case of a member of the forces who has seen service in peace time, whose disease was aggravated during service and the aggravation arose out of or was directly connected with such service, a pension of ninety per cent. shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

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Provided that after the expiry of two years no pension awarded in respect of pulmonary tuberculosis shall be reduced by more than twenty per cent. at any one time, nor shall reductions be made at intervals of less than six months; and that the provisions of paragraphs *(b)* and *(d)* of this subsection shall not apply if the disease manifested itself within a period of three months after enlistment."

18. Section twenty-seven of the said Act, as enacted by section eleven of chapter thirty-two of the statutes of 1939, is amended by adding thereto the following subsection:—

Additional award in certain cases.

"(3) Notwithstanding any limitations contained in this section, the Commission may, in its discretion, in respect of service during World War II, make an additional award not exceeding an amount equivalent to an additional eighteen months' pension where, through delays in securing service or other records, or through other administrative difficulties, beyond the applicant's control, it is apparent that an injustice might otherwise ensue."

The subsection to be repealed at present reads as follows:—

"(3) Pensions for disability resulting from pulmonary tuberculosis when during the treatment of a member of the forces the presence of tubercle bacilli has been discovered in the sputum or it has been proved that the disease is moderately advanced and clinically active, shall be awarded and continued as follows:—

(a) In the case of a member of the forces who served in a theatre of actual war and whose disease was attributable to or was incurred or was aggravated during service, during the Great War, and in the case of a member of the forces who did not serve in a theatre of actual war whose disease was incurred during service during the said Great War, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(b) In the case of a member of the forces who did not serve in a theatre of actual war whose disease was aggravated during service during the Great War, a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required

(c) In the case of a member of the forces who has seen service in a theatre of actual war during the war with the German Reich, whose disease was attributable to or was incurred or was aggravated during service during the said war, and in the case of a member of the forces who has not seen service in a theatre of actual war, whose disease was incurred during service in Canada prior to the twenty-first day of May, one thousand nine hundred and forty during the said war, or whose disease, in the case of service wholly in Canada on and after the twenty-first day of May, one thousand nine hundred and forty during the said war, arose out of or was directly connected with such service, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years unless further treatment is required;

(d) In the case of a member of the forces who has not seen service in a theatre of actual war, whose disease was aggravated during service in Canada prior to the twenty-first day of May, one thousand nine hundred and forty, during the war with the German Reich, or, in the case of service wholly in Canada on and after the twenty-first day of May, one thousand nine hundred and forty, during the said war, the aggravation of whose disease arose out of or was directly connected with such service, a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years unless further treatment is required;

(e) In the case of a member of the forces who has seen service in peace time, whose disease occurred on service and arose out of or was directly connected with such service, a pension of one hundred per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

(f) In the case of a member of the forces who has seen service in peace time, whose disease was aggravated during service and the aggravation arose out of or was directly connected with such service, a pension of ninety per cent shall be awarded as from the date of completion of such treatment and shall be continued without reduction for a period of two years, unless further treatment is required;

Provided that after the expiry of two years no pension awarded in respect of pulmonary tuberculosis shall be reduced by more than twenty per cent at any one time, nor shall reductions be made at intervals of less than six months; and that the provisions of paragraphs *(b)*, *(d)* and *(f)* of this subsection shall not apply if the disease manifested itself within a period of three months after enlistment."

18. This amendment adds a new subsection to this section. It makes no change in the law as this was effected by Order in Council under the *War Measures Act* dated April 9, 1945 (P.C. 2395).

The provisions governing the date from which pension is payable for disability were introduced in to the *Pension Act* in 1936 to eliminate large retroactive payments in claims arising out of World War I, the majority of which were initiated many years subsequent to the applicant's discharge from the forces.

19. Section twenty-nine of the said Act, as enacted by section twelve of chapter forty-five of the statutes of 1932-33, and amended by section sixteen of chapter forty-four of the statutes of 1936, is repealed and the following substituted therefor:—

Pension reduced during treatment.

"**29.** (1) During such time as, under departmental regulations in that behalf, a pensioner is entitled to hospital allowance while an in-patient under treatment from the Department and his pension including the pension, if any, for his dependents, is greater than the hospital allowance awardable by the department, pension shall be reduced by an amount which will make such pension equal to the hospital allowance.

Pension in excess of hospital allowance to be reduced.

(2) During such time as, under the departmental regulations in that behalf, a pensioner is an in-patient under treatment in respect of a disability other than his pensionable disability, his pension, if in excess of the amount he would have been entitled to receive by way of hospital allowance, if the disability for which he is under treatment had been pensionable, shall be reduced to such amount; pending a fresh award, the payment of pension in full shall recommence forthwith upon the pensioner's ceasing to be an in-patient as aforesaid.

Payment of hospital allowance.

(3) Hospital allowance shall be paid from any appropriation granted by Parliament for this purpose or from moneys provided by Parliament for the payment of pensions under this Act.

Blind pensioners.

(4) Notwithstanding the provisions of subsections one and two of this section, any addition to pension granted under subsections one or two of section twenty-six of this Act to a member of the forces who is blind shall be paid during the time he is an in-patient under treatment or care from the Department."

Applied to World War II it has been found that occasionally these provisions are too restrictive and in certain awards arising out of the latter war, due to circumstances beyond the applicant's control, have resulted in lack of uniformity in awards and injustice to the applicant.

Section twenty-seven at present reads as follows:—

"**27.** (1) A pension awarded for disability shall be payable with effect as hereinafter set forth:—

(a) When entitlement to pension is granted by the Commission, or by an Appeal Board thereof, upon a date less than twelve months subsequent to the date upon which application therefor was made to the Commission; from the date of grant, or, in the discretion of the Commission, from a date not earlier than the date of application;

(b) When entitlement to pension is granted by the Commission, or by an Appeal Board thereof, upon a date more than twelve months subsequent to the date upon which application therefor was made to the Commission; from the date of grant, or, in the discretion of the Commission, from a date twelve months prior to the date upon which the decision of the Commission or of the Appeal Board was rendered.

(2) Notwithstanding any limitation contained in this section, the Commission may, in its discretion, make an additional award not exceeding an amount equivalent to an additional six months' pension in cases where it is apparent that hardship and distress might otherwise ensue."

19. The amendment repeals section 29 of the Act and enacts the new section 29 divided into four subsections. The first three subsections deal with the payment of pension while the pensioner is undergoing treatment in hospital, and provide that pension shall not be suspended when a veteran enters hospital for treatment for his pensionable disability. Section 29 of the Act provided that pension should be suspended in these circumstances and that the department should pay hospital allowance. The amendment will not affect in any way the income of the pensioner and it is hoped that it will save a lot of clerical work in transferring pensioners from one account to another and will also remove any delay in restoring the pensioner to pension upon completion of treatment. The pensioner will not suffer any loss of income because the hospital allowances will still be paid in amount sufficient to bring the combined pension and hospital allowances up to the scale that has always been paid.

The fourth subsection in the amendment is for the purpose of continuing helplessness allowance to a blind pensioner while he is under veterans' care by the Department. The new subsection provides that helplessness allowance shall be continued under these circumstances.

The section to be repealed reads:—

"**29.** (1) During such time as, under the departmental regulations in that behalf, a pensioner is entitled to hospital allowance from the Department, payment of the pension then in force shall be suspended, and the hospital allowance, shall stand in lieu thereof; pending a fresh award, payment of the pension shall recommence forthwith after the termination of such suspension.

(2) During such time as, under the departmental regulations in that behalf, a pensioner is an in-patient under treatment in respect of a disability other than his pensionable disability, his pension, if in excess of the amount he would have been entitled to receive by way of hospital allowance, if the disability for which he is under treatment had been pensionable, shall be reduced to such amount; pending a fresh award, the payment of pension in full shall recommence forthwith upon the pensioner's ceasing to be an in-patient as aforesaid.

(3) Hospital allowance shall be paid from any appropriation granted by Parliament for this purpose or from moneys provided by Parliament for the payment of pensions under this Act.

(4) Notwithstanding the provisions of subsections one and two of this section any addition to pension granted under subsections one or two of section twenty-six of this Act to a member of the forces who is blind shall not be suspended during the time he is entitled to hospital allowance or is an in-patient under treatment."

20. (1) Subsection one of section thirty-two of the said Act, as enacted by section twenty-four of chapter thirty-eight of the statutes of 1928, and amended by section twelve of chapter thirty-five of the statutes of 1930, is repealed and the following substituted therefor:—

No pension to widow unless living or maintained by member of the forces.

"**32.** (1) *(a)* No pension shall be paid to the widow of a member of the forces unless she was living with him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.

No pension to widower.

(b) No pension shall be paid to a widower of a member of the forces."

(2) Subsection two of the said section, as enacted by section sixteen of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

Date for entitlement.

"(2) Subject as in this Act otherwise provided, the widow of a member of the forces who was at the time of his death in receipt of a pension in any of the classes one to eleven, inclusive, mentioned in Schedule A to this Act shall be entitled to a pension as if he had died on service whether his death was attributable to his service or not,

(a) in the case of service during World War I, if she was married to him prior to the first day of May, 1944; and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had at the date of such marriage a reasonable expectation of surviving for at least one year thereafter;

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provided that in awards made to widows married on or after the first day of January, 1930, no payment shall be made hereunder for any period prior to the first day of May, 1944;

(b) in the case of service during World War II and in the case of service during peace time, if she was married to such member of the forces before he was granted a pension; provided that in cases in which marriage has taken place subsequent to grant of such pension, she shall be entitled to pension,

(i) if the death of her husband has occurred more than one year subsequent to the date of marriage, or,

(ii) if the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had, at the date of such marriage, a reasonable expectation of surviving for at least one year thereafter;

and further provided that no payment shall be made under

20. (1) The change made in this subsection is indicated by the words underlined. It makes no change in the present law as this was effected by Orders in Council under the *War Measures Act*, dated the 27th of April, 1944, and the 10th of January, 1945 (P.C. 117/3088 and 213/185).

The subsection to be repealed, at present reads as follows:—

> "**32.** (1) No pension shall be paid to the widow of a *pensioner* unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto."

The use of the word "pensioner" caused little difficulty in the consideration of pension entitlement pertaining to World War I largely because the *Pension Act* was not passed until after the signing of the Armistice. Difficulties, however, have arisen in relation to World War II because under the Act as it now reads a widow of a member of the forces other than a pensioner is eligible for pension entitlement irrespective of her worthiness.

A further change is made by adding a new paragraph "*(b)*" to the subsection and lettering the first paragraph as "*(a)*".

Under Schedule B of the Act, a widow eligible for pension is automatically entitled to the amount fixed by the schedule irrespective of her financial circumstances. This is based on the theory that the head of the house and the breadwinner had been removed by death. No such considerations pertain in regard to a widower of a female member of the forces and in consequence, this prohibition is introduced into the Act.

(2) The proposed amendment makes no change in the law as this was effected by Order in Council under the *War Measures Act* dated the fifteenth day of May, 1944 (P.C. 5/3655).

Where the pensioner, at the time of his death, was in receipt of pension in any of the classes one to eleven inclusive, his widow, in order to be entitled to pension, must have been married to him prior to the first day of January, 1930.

This amendment advances the date line before which marriage must have been contracted to the first day of May, 1944. This advancement in date line conforms to the changes in respect to wives and children.

It provides that in awards to widows married on or after the first day of January, 1930, no payment shall be made for any period prior to the first day of May, 1944.

The changes consist in substituting " May, 1944 " as underlined on the opposite page, for "January, 1930" and in adding to paragraph *(a)* the subparagraphs (i) and (ii), and the proviso, indicated as new matter by a vertical line in the margin.

this subsection from a date prior to that from which pension is payable under the provisions of section thirty-seven of this Act."

21. Subsection four of section thirty-two of the said Act, as enacted by section sixteen of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

Pension to a divorced, legally separated woman, etc., awarded alimony.

"(4) *(a)* A woman who has been divorced, legally separated or separated by agreement from a member of the forces who has died shall not be entitled to pension unless she was awarded alimony or an alimentary allowance, or is entitled to an allowance under the terms of the separation agreement, in which case she shall be entitled, if she is in a dependent condition, to the equivalent of the widow's pension or to the equivalent of the alimony or alimentary allowance which she was awarded, or of the allowance to which she is entitled under the terms of the separation agreement, whichever is the smaller in amount: Provided that when such amount is smaller than the widow's pension it may, in the discretion of the Commission, be increased to an amount not exceeding the rates set forth in Schedule B to this Act.

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(b) Notwithstanding anything contained in paragraph *(a)* of this subsection, when a woman has been divorced from a member of the forces, and such woman is in a dependent condition, the Commission may, in its discretion, award such pension not exceeding the rates set out in Schedule B to this Act, as it deems fit in the circumstances, although such woman has not been awarded alimony, if in the opinion of the Commission, she would have been entitled to an award of alimony had she made application therefor under due process of law."

22. Paragraph *(a)* of subsection one of section thirty-two A of the said Act, as enacted by section seventeen of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

Pension to widow.

"*(a)* in the case of service during World War I, if she was married to such member of the forces either before he was granted a pension for the injury or disease

The words "or who, except for the provisions of subsection one of section twenty-nine of this Act, would have been in receipt of a pension in one of the said classes", are deleted from the amendment on account of pension being continued during the period the pensioner is undergoing treatment in hospital.

The subsections to be repealed at present read as follows:—

"**32.** (1) No pension shall be paid to the widow of a pensioner unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.

(2) Subject as in this Act otherwise provided, the widow of a member of the forces who was at the time of his death in receipt of a pension in any of the classes one to eleven inclusive mentioned in Schedule A to this Act *or who, except for the provisions of subsection one of section twenty-nine of this Act, would have been in receipt of a pension in one of the said classes,* shall be entitled to a pension as if he had died on service whether his death was attributable to his service or not,

(a) in the case of service during the *Great War*, if she was married to him prior to the first day of *January, 1930;*

(b) in the case of service during the war with the German Reich and in the case of service during peace time, if she was married to such member of the forces before he was granted a pension; provided that in cases in which marriage has taken place subsequent to grant of such pension, she shall be entitled to pension,

(i) if the death of her husband has occurred more than one year subsequent to the date of marriage, or,

(ii) if the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had, at the date of such marriage, a reasonable expectation of surviving for at least one year thereafter;

and further provided that no payment shall be made under this subsection from a date prior to that from which pension is payable under the provisions of section thirty-seven of this Act."

21. The proposed change in this subsection is indicated by the words underlined on the opposite page.

Under the Act as at present in force when a separated wife survives her husband and is eligible for widow's pension, the maximum rate payable shall be the amount of the widow's pension or of the alimony or alimentary allowance, whichever is the smaller in amount.

Paragraph *(a)* of the amendment gives the Commission discretion to pay the full widow's pension if such woman is in a dependent condition.

Paragraph *(b)* is new and gives the Commission power to award pension even though no alimony has been provided for if, in the opinion of the Commission, the divorced woman would have been entitled to alimony had she applied for it.

22. The proposed amendment makes no change in the law as this was effected by Order in Council under the *War Measures Act* dated the fifteenth day of May, 1944 (P.C. 5/3655).

Under this section of the Act as it now reads, no pension may be awarded to a widow of a member of the forces in respect of service during World War I unless she was married either before he was granted a pension, or her marriage was contracted before the first day of January, 1930.

which has resulted in his death or, if the marriage took place subsequent to the grant of such pension, she shall be entitled to a pension if she was married to him prior to the first day of May, 1944, and

(i) the death of her husband has occurred more than one year subsequent to the date of marriage, or,

(ii) the death of her husband has occurred less than one year subsequent to the date of marriage and the Commission is of the opinion that he had, at the date of such marriage, a reasonable expectation of surviving for at least one year thereafter;

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provided that in awards made to widows married on and after the first day of January, 1930, no payment shall be made for any period prior to the first day of May, 1944;"

23. Subsection two of section thirty-three of the said Act is repealed and the following substituted therefor:—

Discretion to award pensions to parents and foster parents not exceeding $360 per annum.

"(2) In cases in which a member of the forces has died leaving a widow or a widow and children or orphan children entitled to pension in addition to a parent or person in the place of a parent who previous to his enlistment or during his service was wholly or to a substantial extent maintained by him, the Commission may, in its discretion, award a pension to each such parent or person not exceeding three hundred and sixty dollars per annum."

24. (1) Subsection two of section thirty-seven of the said Act, as enacted by section thirteen of chapter thirty-two of the statutes of 1939, is repealed and the following substituted therefor:—

Additional award.

"(2) Notwithstanding any limitation contained in this section, the Commission may, in its discretion, make an additional award not exceeding an amount equivalent to an additional six months' pension, where it is apparent that hardship and distress might otherwise ensue; provided that no payments may be made under this section in respect of any member of the forces who has died, for any period prior to the date of death, or for any period in excess of eighteen months prior to the date on which pension is finally awarded, except as otherwise provided in subsection three of this section."

Proviso.

(2) Section thirty-seven is further amended by adding thereto the following subsection:—

In regard to those married after the grant of pension, it advances the date before which marriage must be contracted from the first day of January, 1930, to the first day of May, 1944, in cases where the husband lived more than a year after marriage, or there was reasonable expectancy at the time of marriage that he would live that long.

It provides that in awards to widows married on or after the first day of January, 1930, no payments shall be made for any period prior to the first day of May, 1944.

Paragraph *(a)* to be repealed, at present reads as follows:—

> "*(a)* in the case of service during the Great War, if she was married to such member of the forces either before he was granted a pension for the injury or disease which has resulted in his death or before the first day of *January, one thousand nine hundred and thirty.*"

23. The proposed change in this subsection is indicated by the words underlined. It does not affect the present law as this was effected by Order in Council under the *War Measures Act* approved April 27, 1944 (P.C. 117/3088).

The said change provides for a maximum payment under the subsection of three hundred and sixty dollars instead of *one hundred and eighty dollars.* No variation in the rate had been made since 1920 although increased rates of military pay and the provisions for dependents' allowances permitted members of the forces serving in World War II to contribute to a much larger extent than was possible during World War I. January 1, 1944 was chosen as the effective date of change as it was the beginning of the year in which the said Order in Council was passed, and a date early enough for the inclusion of awards made in respect of the present war.

The purpose of the change is, therefore, to have the rate payable under this subsection conform to the increased rates prevailing generally in the armed forces, and to those for widows' allowances and old age pensions.

24. "(1) The change in this subsection is indicated by the words underlined on the opposite page, the reason for the change being the addition of a new subsection to this section.

"(2) This amendment adds a new subsection to this section. It makes no change in the law as this was effected by Order in Council under the *War Measures Act,* dated April 9, 1945, which came into force on January 1, 1945, (P.C. 2395).

The provisions governing the date from which pension is payable in the event of death were introduced into the *Pension Act* in 1936 to eliminate large retroactive payments in claims arising out of World War I, the majority of which were initiated many years subsequent to the applicant's discharge from the forces.

Additional award.

"(3) Notwithstanding limitations contained in this section, the Commission may, in its discretion, in respect of service during World War II, make an additional award not exceeding an amount equivalent to an additional eighteen months' pension where, through delays in securing service or other records or through other administrative difficulties, beyond the applicant's control, it is apparent that an injustice might otherwise ensue: Provided that no such payment may be made in respect of any member of the forces who has died for any period prior to the date of death."

Proviso.

Section 46A renumbered as sec. 46.

25. Sections forty-five and forty-six of the said Act as enacted by sections eighteen and nineteen respectively, of chapter twenty-three of the statutes of 1940-41, are repealed and the following substituted therefor as section forty-five, and section forty-six A of the said Act is renumbered as section 46.

Benefits to persons who served in allied forces and were domiciled in Canada at commencement of World War I.

"**45.** The benefits of this Act, in so far only as the same or equivalent benefits are not provided under the laws or regulations of members of the British Commonwealth of Nations, other than the Dominion of Canada, or under the laws and regulations of the several countries allied with His Majesty, shall be conferred upon all persons domiciled in Canada on the date of commencement of World War I, who, subsequent to that date, have served in the naval, military or air forces of any of the said members of the British Commonwealth of Nations, or in any of the aforesaid forces of any of the countries allied with His Majesty, and who, while so serving during the said war have suffered disability or death in respect of which a gratuity or pension has been awarded under the laws or regulations of any of the aforementioned countries; and the widows, children and other dependents of such persons shall be entitled to the benefits of this Act in so far as the same or equivalent benefits are not provided in respect of them under the laws or regulations of any of the aforementioned countries; provided that payments may be made under the provisions of this section only to such persons as are residents of Canada and during the continuance of their residence therein; and further provided that no payments may be made under these provisions in respect of any period prior to June first, one thousand nine hundred and forty-six."

Proviso

Proviso.

26. The said Act is further amended by adding thereto the following sections.

Benefits to persons who served in allied forces and were domiciled in Canada at commencement of World War II.

"**46A.** The benefits of this Act, in so far only as the same or equivalent benefits are not provided under the laws and regulations of members of the British Commonwealth of Nations, other than the Dominion of Canada and the United Kingdom of Great Britain and Northern Ireland, or

Applied to World War II it has been found that occasionally these provisions are too restrictive and in certain awards arising out of the latter war, due to circumstances beyond the applicant's control, have resulted in lack of uniformity in awards and injustice to the applicant.

Section thirty-seven at present reads as follows:—

"**37.** (1) Pensions awarded with respect to the death of a member of the forces shall be payable with effect as hereinafter set forth:—

(a) To or in respect of his widow, or child, or to his parent or any person in place of a parent who was wholly or to a substantial extent maintained by him at the time of his death,

(i) when pension is awarded by the Commission, or by an Appeal Board thereof, upon a date less than twelve months subsequent to the date of death, from the day following the date of death;

(ii) when pension is awarded by the Commission, or by an Appeal Board thereof, upon a date more than twelve months subsequent to the date of death, from the date of award, or, in the discretion of the Commission, from a date twelve months prior thereto.

(b) To a parent or person in place of a parent who was not wholly or to a substantial extent maintained by him at the time of his death, from a day to be fixed in each case by the Commission.

(c) In respect of his posthumous child, from the date of its birth.

(2) Notwithstanding any limitation contained in this section, the Commission may, in its discretion, make an additional award not exceeding an amount equivalent to an additional six months' pension, where it is apparent that hardship and distress might otherwise ensue; provided that no payments may be made under this section in respect of any member of the forces who has died, for any period prior to the date of death, or for any period in excess of eighteen months prior to the date on which pension is finally awarded."

25. The purpose of this amendment is to ensure that all Canadians who served in allied forces, other than those of Canada, in World War I, receive equivalent benefits to those who served with the Canadian forces.

The above benefits apply to World War II and the amendment provides equality for those who so served in World War I.

The sections to be repealed at present read as follows:—

"**45.** When a person of the rank of Warrant Officer, or of a higher rank who was domiciled in Canada at the commencement of the Great War has been awarded a smaller pension than he would have been entitled to under this Act for a disability incurred during the Great War in any of His Majesty's naval, military or air forces other than the naval, military or air forces of Canada, he shall, on resuming his residence in Canada and during the continuance of such residence, be entitled to such additional pension as will make the total of the two pensions received by him equal to the pension he would have been awarded in respect to such disability had he been serving in the military service of Canada.

"**46.** When a person of the rank of Warrant Officer, or of a higher rank in any of His Majesty's naval, military or air forces other than the naval, military or air forces of Canada, or when a person in the naval, military or air forces of one of His Majesty's Allies who was domiciled in Canada at the commencement of the Great War has died during the Great War or thereafter as the result of a disability incurred during the Great War or demobilization and his widowed mother, mother whose husband is both physically helpless and in a dependent condition, widow or children, have been awarded a smaller pension than they would have been entitled to under this Act in respect of his death, such widowed mother, mother whose husband is both physically helpless and in a dependent condition, widow or children shall be entitled during the continuance of their residence in Canada to such additional pension as will make the total of the two pensions received by them equal to the pension they would have been awarded if the person aforesaid had died in the military service of Canada."

26. This amendment adds two new sections to the Act. The new section 46A extends the benefits of the *Pension Act* to all persons domiciled in Canada at the date of the commencement of World War II who subsequent to that date

under the laws and regulations of the several countries allied with His Majesty, shall be conferred upon all persons domiciled in Canada at the date of the commencement of World War II, who subsequent to that date have served in the naval, military or air forces of any of the said members of the British Commonwealth of Nations, or in any of the aforesaid forces of any of the countries allied with His Majesty, and who, while so serving during the said war have suffered disability or death in respect of which a gratuity or pension has been awarded under the laws or regulations of any of the aforementioned countries; and the widows, children and other dependents of such persons shall be entitled to the benefits of this Act in so far as the same or equivalent benefits are not provided in respect of them under the laws or regulations of any of the aforementioned countries: Provided that payments may be made under the provisions of this section only to such persons as are residents of Canada and during the continuance of their residence therein.

Proviso.

Applicant required to seek maximum award from other country.

"**46B.** In the consideration of any claim or the authorization of an award under the provisions of any of the three sections next preceding, the Commission shall require the applicant or pensioner to take all or any steps to claim payment or additional payment under the laws or regulations of the several countries by authority of which the original grant of pension was made, or under the terms of any agreement which may have been or may hereafter be made with any of the countries concerned."

27. Subsection one of section fifty-two of the said Act, as enacted by section twenty-one of chapter forty-four of the statutes of 1936, is repealed and the following substituted therefor:—

Duties of Commission on receipt of application.

"**52.** (1) When an application with respect to service in World War I is first made to the Commission after the coming into force of the amending Act of 1936, the Commission shall expeditiously consider such application and shall collect such relevant information, if any, as may be available in the records of any department of the Government of Canada and make, through its medical and other officers, such enquiry as appears advisable into the facts upon which the application is based; if satisfied on the material available, that the applicant is entitled to a pension, the Commission shall then award such pension, and shall take the necessary steps to cause payment of such pension to be made."

have served in the naval, military or air forces of Members of the British Commonwealth of Nations, other than the Dominion of Canada and the United Kingdom of Great Britain and Northern Ireland, or in any of the several countries allied with His Majesty, in so far only as the same or equivalent benefits are not provided under the laws or regulations of any of these countries. Provision is also made for the dependents of such persons.

This section makes no change in the law as this was effected by an Order in Council under the *War Measures Act*, dated the 30th day of November, 1945 (P.C. 7164).

Section 46B must be read in conjunction with sections 45, 46 and 46A. This section requires that the pensioner of another country who applies for augmentation to Canadian rates shall be required to seek from the other country the maximum award that the law of that country provides in the circumstances. Pensions and other benefits are only payable in most countries upon application.

27. The only change in the subsection is the addition of the words underlined on the opposite page. They limit the scope of the section to applications for pension entitlement pertaining to World War I (P.C. 9553).

This is necessitated by the amendment creating section 52A of the Act setting out a procedure to apply exclusively to applications for entitlement to pension pertaining to World War II.

28. Subsection five of section fifty-two of the said Act is amended by adding thereto the following:

Proviso.

"Provided, however, that where the applicant is suffering from a neuropsychiatric disease it shall be within the discretion of the Chief Pensions Advocate whether the summary of evidence be furnished to the applicant."

29. The said Act is further amended by adding thereto the following section immediately after section fifty-two thereof:—

Procedure governing applications for entitlement.

"**52A.** (1) In respect of all applications for entitlement to pension arising out of World War II the Commission shall expeditiously consider each application and shall collect such relevant information, if any, as may be available in the records of any department of the Government of Canada and make, through its medical and other officers, such enquiry as appears advisable into the facts upon which the application is based; if satisfied, on the material available, that the applicant is entitled to a pension, the Commission shall then award such pension, and shall take the necessary steps to cause payment of such pension to be made.

Decision and reasons to be given in writing.

(2) Whenever such application is not wholly granted, the Commission shall promptly notify the applicant, in writing, of its decision, stating the grounds therefor, and shall inform such applicant that he may renew his claim, before the Commission on the submission of additional evidence, or before an Appeal Board of the Commission in person or by or with a representative, with or without additional evidence, and that he may have the assistance of the Veterans' Bureau free of charge or of a service bureau of a veteran organization, or other representative at his own expense, in the preparation and presentation of his application.

Renewal of claim.

(3) When the applicant renews his claim before the Commission, as provided for in subsection two hereof, and the Commission is satisfied, on the material available, that the applicant is entitled to pension, it shall then award such pension and shall take the necessary steps to cause payment of such pension to be made, but if this renewed application is not wholly granted, the Commission shall notify the applicant in writing, of its decision, stating as before, the grounds therefor, and shall inform him that he may, if he so desires, appear before an Appeal Board of the Commission.

Appeal.

Commission may entertain further application.

(4) The Commission may, in its discretion, entertain a further application in respect of any injury or disease resulting in disability, prior to a hearing by an Appeal Board of the Commission, but after a hearing by an Appeal Board, the Commission may entertain no further applica-

28. This amendment will give the Chief Pensions Advocate discretion to withhold a Summary of Evidence from an applicant if he is suffering from a neuropsychiatric disease. This amendment will make for uniform practice in this regard with respect to service in World War I and World War II.

29. This amendment adds a new section to the Act, altering the procedure governing applications for entitlement to pension arising out of World War II. It makes no change in the law as this was effected by an Order in Council under the *War Measures Act*, dated the twenty-seventh day of December, 1944 (P.C. 9553).

The procedure governing applications for entitlement to pension under section eleven of the *Pension Act* is prescribed by sections fifty-one to sixty-one inclusive, of the *Pension Act*.

It was enacted in 1936 to bring some degree of finality to pension claims arising out of World War I, the majority of which claims were initiated many years subsequent to the applicant's discharge from the forces.

This procedure, while satisfactory for the purposes for which it was intended, is cumbersome in meeting the entirely new demands placed upon it as a result of World War II and compels the applicant, by time-limit, to proceed to finality before latent disabilities may have become manifest.

It is apparent that Commission decisions on pension entitlement in respect to service in World War II will be rendered very largely on information contained in the applicant's service documents, and the present amendment permits the Commission to render a decision with a minimum of delay.

The amended procedure has been in operation since December, 1944, and has worked out extremely well.

The procedure governing applications in respect of service in World War I remains unchanged.

Subsection (6) of this amendment provides that the Chief Pensions Advocate, instead of the Commission shall have discretion regarding the furnishing of summary where the applicant is suffering from a neuropsychiatric disease.

This establishes uniformity of procedure with World War I.

tion in respect of any injury or disease whatsoever, subject, however, to the provisions of subsection four of section fifty-seven of this Act, respecting leave to reopen an application in certain instances.

Procedure before an Appeal Board.

(5) After a decision has been rendered by the Commission, upon the applicant's written request, the Commission will arrange for a hearing by an Appeal Board of the Commission subject to the following conditions:—

(a) That additional evidence may be submitted;

(b) That prior to an Appeal Board hearing, the applicant has submitted to the Commission a statement, signed by himself, setting forth all disabilities which have been previously ruled on adversely by the Commission, and which he claims to be the result of injury or disease or aggravation thereof attributable to or incurred during military service, in regard to which he may desire to claim pension;

(c) That no member of an Appeal Board of the Commission shall adjudicate upon any case coming before an Appeal Board pursuant to the provisions of this section, if such member has previously sat as a member of the Commission at any hearing of such case, as herein provided, unless the applicant's consent thereto has first been obtained.

Summary of evidence.

(6) Upon request of an applicant for an Appeal Board hearing the Commission shall notify the Veterans' Bureau accordingly and the Veterans' Bureau shall thereupon prepare a summary of all available evidence relating to the claim and shall mail a copy of the same to the applicant, or to such representative as he may direct: Provided, however, that where the applicant is suffering from a neuropsychiatric disease it shall be within the discretion of the Chief Pensions Advocate whether the summary of evidence be furnished to the applicant."

30. Section sixty-three of the said Act, enacted as section seventy-three by section fourteen of chapter thirty-five of the statutes of 1930, and renumbered as section sixty-three by section twenty-nine of the statutes of 1939, is repealed and the following substituted therefor:—

Benefit of doubt.

"**63.** Notwithstanding anything in this Act, on any application for pension the applicant shall be entitled to the benefit of the doubt, which shall mean that it shall not be necessary for him to adduce conclusive proof of his right to the pension applied for, but the body adjudicating on the claim shall be entitled to draw and shall draw from all the circumstances of the case, the evidence adduced and medical opinions, all reasonable inferences and presumptions in favour of the applicant."

30. This amendment enacts that the adjucating body shall draw all reasonable inferences *and presumptions* in favour of the applicant.

The section to be repealed at present reads as follows:—

"**63.** Notwithstanding anything in this Act, on any application for pension the applicant shall be entitled to the benefit of the doubt, which shall mean that it shall not be necessary for him to adduce conclusive proof of his right to the pension applied for, but the body adjudicating on the claim shall be entitled to draw and shall draw from all the circumstances of the case, the evidence adduced and medical opinions, all reasonable inferences in favour of the applicant."

31. Section sixty-seven of the said Act, as enacted by section twenty-two of chapter twenty-three of the statutes of 1940-41, is repealed and the following substituted therefor:—

When certain pensions not payable.

"**67.** Notwithstanding anything contained in this or any other Act, no pension or additional pension, awardable or payable under the provisions of this Act, shall be awarded or paid,

(a) in respect of service during World War I, under Schedule A or Schedule B to this Act, to or in respect of any child of a member of the forces or pensioner if such child shall have been born on or after the first day of May, 1944, of a marriage contracted on or after that date;

(b) in respect of service during World War I, under Schedule A to this Act, to or in respect of the wife of a member of the forces or pensioner, if she shall have been married to him on or after the date aforementioned, unless there is a minor child or there are minor children of the pensioner of pensionable age born of a previous marriage and the said wife assumes the household duties and care of such child or children, when additional pension for a married member of the forces may, in the discretion of the Commission, be awarded or paid during the time such child or children are of pensionable age."

32. The said Act is further amended by adding thereto the following section:—

Female members of the forces.

"**68.** When provision is made in this Act for members of the forces, such provision shall be deemed to include female members of the forces and members of the Canadian Women's Army Corps, except as otherwise expressly enacted in this Act: Provided that any payment or additional payment authorized for any period prior to the tenth day of January, 1945, in respect of female members of the forces shall be at the rates previously prescribed by the Governor in Council."

Proviso.

31. The proposed amendment makes a change in the law as this was effected by Order in Council under the *War Measures Act*, dated the fifteenth day of May, 1944 (P.C. 5/3655).

The Order in Council advanced the date-line for eligibility for pension for children and wives from the first day of May, 1933 to the first day of May, 1944.

The amendment, in so far as children are concerned, removes the restriction of the date-line, provided they were born of marriages contracted before the first day of May, 1944.

To give full effect to the change, it is necessary to delete the words "prior to the said date" from paragraph *(b)*.

The section to be repealed reads:—

"**67.** Notwithstanding anything contained in this or any other Act, no pension or additional pension, awardable or payable under the provisions of this Act, shall be awarded or paid,

(a) in respect of service during the Great War, under Schedule A or Schedule B of this Act, to or in respect of any child of a member of the forces or pensioner if such child shall have been born on or after the first day of May, 1933;

(b) in respect of service during the Great War, under Schedule A to this Act, to or in respect of the wife of a member of the forces or pensioner, if she shall have been married to him on or after the date aforementioned, unless there is a minor child or there are minor children of the pensioner of pensionable age born of a previous marriage *prior to the said date* and the said wife assumes the household duties and care of such child or children, when additional pension for a married member of the forces may, in the discretion of the Commission, be awarded or paid during the time such child or children are of pensionable age."

32. This amendment makes no change in the law as this was effected by Order in Council under the *War Measures Act* dated the tenth day of January, 1945 (P.C. 213/185).

The purpose of the amendment is to make provision in the Act for female members of the forces. It provides that the rates for such female members shall be the same as for male members.

It is considered that the scale of pensions should be in amounts which are considered to be sufficient to maintain the standard of living for the individual and that generally speaking, living costs are the same for a woman as for a man in civilian life. It was further considered that physical disfigurements or loss of arms or limbs would, in most cases, reduce a woman's prospects of rehabilitation and earning capacity to as great an extent as a man's under similar handicap.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 330.

An Act respecting benefits to certain persons who were recruited in Canada by United Kingdom authorities for special duties in war areas.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 330.

An Act respecting benefits to certain persons who were recruited in Canada by United Kingdom authorities for special duties in war areas.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short title.

1. This Act may be cited as *The Special Operators War Service Benefits Act.*

Definitions.

2. In this Act and in any regulations made thereunder, unless the context otherwise requires,

"Special operator".

(a) "special operator", means a person certified by the Under-Secretary of State for External Affairs as having been enrolled in Canada by United Kingdom authorities for special duty in war areas outside the Western Hemisphere during the war which commenced in September, one thousand nine hundred and thirty-nine, and who, at the time of such enrolment, was resident in Canada;

"Western Hemisphere".

(b) "Western Hemisphere", means the continents of North and South America, the islands adjacent thereto and the territorial waters thereof, including Newfoundland, Bermuda and the West Indies, but excluding Greenland, Iceland and the Aleutian Islands.

Deemed a "veteran".

3. Every special operator on the termination of his service as such shall be deemed

(a) to be a "veteran" within the meaning and for the purposes of

1942-43, c. 33. (i) *The Veterans' Land Act, 1942,*

1944-45, c. 49. (ii) *The Veterans Insurance Act,*

(iii) *The Veterans Rehabilitation Act,*

(iv) Part I of *The War Veterans' Allowance Act, 1946*, and

1940, c. 44. (v) *The Unemployment Insurance Act, 1940;*

Explanatory Note.

The Bill is designed to put into statutory form the provisions of Order in Council, P.C. 988 of the 19th March, 1946, whereby certain persons domiciled in Canada and enrolled by the United Kingdom authorities for special duty in war areas were given all rehabilitation rights, benefits, and privileges available to Canadians who served in His Majesty's forces other than Canadian.

These persons did not necessarily wear uniform, but received the pay of an army sergeant. Consequently wherever rank is of importance with regard to benefits the rank of sergeant is to be used.

It is understood that there are about 51 of these men now recorded with the Department of External Affairs, but as there is a possibility of some other persons of the kind or who saw similar service turning up later, it is deemed advisable that the Governor in Council be given power to provide for them in a similar way.

1944-45, c. 19

(b) for the purposes of *The Department of Veterans Affairs Act*, to have served in the naval, military or air forces of His Majesty;

R.S., c. 22.

(c) for the purposes of the *Civil Service Act*, to have served on active service overseas with the naval, military or air forces of His Majesty;

R.S., c. 157.

(d) for the purposes of the *Pension Act*, to have been a member of the forces who performed service as a sergeant in the military forces in a theatre of actual war;

R.S., c. 97.

(e) for the purposes of the *Income War Tax Act*, and during the period of his service as such, to have been a member of the Canadian Military Forces while in Canadian Active Service Forces and overseas on the strength of an Overseas Unit outside the Western Hemisphere;

1942-43, c. 31.

(f) for the purposes of *The Reinstatement in Civil Employment Act, 1942*, to have been on service in His Majesty's forces.

Discharge rank for purposes of *The War Service Grants Act, 1944.* 1944-45, c. 51.

4. Every special operator, on the termination of his service as such, shall be deemed to be a discharged member of the forces with the rank of a sergeant in the military forces, for the purposes of *The War Service Grants Act, 1944*, without prejudice to any rights, privileges or benefits to which he is entitled under that Act for service in any of His Majesty's forces.

Rehabilitation grant and clothing allowance.

5. Every special operator who is not as a member of His Majesty's forces entitled thereto shall, on the termination of his service as such, be entitled to receive a rehabilitation grant and clothing allowance equal to that which he would have received if he had been a member of the Canadian Army Overseas with the rank of sergeant.

Extension of time for applying benefit Acts.

6. For the purpose of applying any Act mentioned in sections three and four of this Act to special operators the Minister administering the same may extend any time limited therein for the doing of anything, but not beyond one year from the time so limited.

Regulations.

7. The Governor in Council may make regulations for carrying the purposes and provisions of this Act into effect and, in addition, may declare any other person, who has had war service of a kind comparable with that of a special operator, to be a special operator of whatever rank may be deemed proper for any or all of the purposes of this Act.

Period of service as certified.

8. For the purposes of this Act and any Act mentioned therein the period of a special operator's service as such shall be the period certified by the Under-Secretary of State for External Affairs.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 331.

An act respecting Allowances for War Veterans and Dependents.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 331.

An Act respecting Allowances for War Veterans and Dependents.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *The War Veterans' Allowance Act, 1946.*

Definitions.

2. In this Act, unless the context otherwise requires:

"allowance." *(a)* "allowance" means an allowance under this Act;

"applicant." *(b)* "applicant" means any person who has made application for an allowance or any person on whose behalf application for an allowance has been made;

"Board." *(c)* "Board" means the War Veterans' Allowance Board constituted by this Act;

"child." *(d)* "child" includes a step-child, an adopted child or a foster child of a veteran;

"Department." *(e)* "Department" means the Department of Veterans Affairs;

"Minister." *(f)* "Minister" means the Minister of Veterans Affairs;

"orphan." *(g)* "orphan" means a child of a veteran who is bereft by death of both father and mother;

"recipient." *(h)* "recipient" means any person to whom or on whose behalf payment of an allowance is authorized by the Board;

"the war." *(i)* "the war" means

North West Rebellion. (i) the North West Rebellion of the year one thousand eight hundred and eighty-five;

South African War. (ii) the South African War, which for the purposes of this Act shall be deemed to have commenced on the eleventh day of October, one thousand eight hundred and ninety-nine and to have concluded on the thirty-first day of May, one thousand nine hundred and two;

World War I. (iii) World War I, which for the purposes of this Act shall be deemed to have commenced on the fourth

Explanatory Notes

Wherever the word "New" is used in these notes, it means that the subject matter to which it refers has not been found in either the old statute or in any Order in Council affecting such statute. New material is underlined.

Subject matter which has already been dealt with is indicated by reference to the appropriate Order in Council.

Section **2.** This is the definition section. By recasting this section, the terms used in *The War Veterans' Allowance Act* are made applicable to present conditions and the meaning of the said terms is clarified.

(g) See Order in Council P.C. 164/7746 of the 4th October, 1944.

(i)

(i) See Order in Council P.C. 162/7746 of the 4th of October, 1944.

day of August, one thousand nine hundred and fourteen and to have concluded on the thirty-first day of August, one thousand nine hundred and twenty-one; or

World War II.

(iv) World War II which commenced in September, one thousand nine hundred and thirty-nine;

"theatre of actual war."

(j) "theatre of actual war" means:—

(i) in the case of the North West Rebellion, wherever the veteran served;

(ii) in the case of the South African War, the zone of the military operations in South Africa in which the forces of the United Kingdom of Great Britain and Ireland were engaged prior to the first day of June, one thousand nine hundred and two;

(iii) in the case of World War I:

(a) as applied to the military or air forces, the zone of the allied armies on the continents of Europe, of Asia, or of Africa, or wherever the veteran has sustained injury or contracted disease directly by a hostile act of the enemy;

(b) as applied to the naval forces, the high seas or wherever contact has been made with hostile forces of the enemy, or wherever the veteran has sustained injury or contracted disease directly by a hostile act of the enemy;

(iv) in the case of World War II, any place outside of the Western Hemisphere, any place in a seagoing ship of war, or any place in an aircraft outside of Canada and the United States of America and the territorial waters thereof; for the purposes of this subparagraph the expression "Western Hemisphere" means the continents of North and South America, the islands adjacent thereto and the territorial waters thereof, including Newfoundland, Bermuda and the West Indies, but excluding Greenland, Iceland and the Aleutian Islands;

"widow."

(k) "widow" means the widow of a veteran.

War Veterans' Allowance Board.

3. (1) There shall be a Board to be known as the War Veterans' Allowance Board which, subject to subsection four of this section, shall consist of not less than three nor more than five members to be appointed by the Governor in Council: Provided that the Governor in Council may appoint to be additional members of the board without remuneration as such, the Deputy Minister and as his alternate the Assistant Deputy Minister and one other person who is not on the staff of the Department.

Proviso.

(iv) See Order in Council P.C. 162/7746 of 4th October, 1944.

(j)

(i) See Order in Council P.C. 162/7746 of the 4th October, 1944.

(iv) See Order in Council P.C. 162/7746 of 4th October, 1944.

Section **3.** This section deals with the Board and is self-explanatory. The main new feature in this amendment is the provision for the appointment by the Governor in Council of not more than three additional temporary members with periods of duty to be for one year and eligible for re-appointment as provided in subsections (4) and (5). An increase in salary for Chairman and members is also proposed.

Chairman of Board.

(2) One of the members shall be appointed by the Governor in Council to be Chairman of the Board.

Chairman and members to continue to hold office.

(3) The person now holding the office of Chairman of the Board and each person now holding office as a member of the Board shall continue to hold such office during pleasure.

Additional temporary members.

(4) The Governor in Council may from time to time appoint not more than three additional temporary members.

Temporary members term of office.

(5) Every temporary member shall be appointed for a period not exceeding one year but on the expiration of his term of office shall be eligible for re-appointment.

Powers of Chairman of Board

(6) The Chairman of the Board shall have control and direction over the disposition of and duties to be performed by the other members and shall have control over the duties to be performed by such staff as may be assigned to the Board by the Department.

Salaries.

(7) The Chairman shall be paid a salary of eight thousand dollars per annum and each of the other members including temporary members, shall be paid at the rate of six thousand five hundred dollars per annum.

Quorum.

(8) Two members of the Board shall constitute a quorum.

Full time duty.

(9) Each member shall devote the whole of his time to the performance of his duties under this Act, and shall not accept or hold any office or employment which the Governor in Council may declare to be inconsistent with the performance of his duties under this Act.

Pension to members of Board.

(10) The Governor in Council, upon the retirement of any member of the Board who has served upon the Board

(a) at least twenty years; or

(b) at least ten years; and

(i) has reached the age of sixty-five years; or

(ii) is physically or mentally incapacitated

and is not entitled to superannuation under the *Civil Service Superannuation Act*, may grant to him a pension for his life not exceeding one-third of the salary to which he was entitled as such member.

R.S., c. 24.

Regulations.

(11) On the advice of the Board and with the approval of the Governor in Council the Minister may make regulations relating to the manner of payment of allowances and the procedure to be followed in matters coming before the Board for adjudication.

Powers of Board.

(12) Subject to the provisions of this Act, the Board shall have full and unrestricted power and authority and exclusive jurisdiction to deal with and adjudicate upon all matters and questions relating to the award, increase, decrease, suspension or cancellation of any allowance under this Act, and to the recovery of any overpayment which may have been made.

Subsection (6). Is taken from old subsection (7) of section 3.

Subsection (7). *The War Veterans' Allowance Act* was first enacted by chapter 48 of the Statutes of Canada of 1930 at which time the salary of the Board was—Chairman—six thousand dollars—members—five thousand dollars. By chapter 48 of the statutes of 1936 the salaries were raised to Chairman — seven thousand dollars — members — six thousand dollars. There has been no change in the past ten years, the salaries at present being at the 1936 figure.

Subsection (8). Same as subsection (3) of section 3 of the Act.

Subsection (9). New.

Subsection (10). Redraft of subsection (6) of section 3 of the old Act.

Subsection (11). New. The Board, while composed of from three to five members with their work having to do with veterans only, found it unnecessary to make regulations but now with the Act broadened in the last five years to take in veterans of two wars and in addition the widows and orphans of those veterans, together with the fact that new temporary members will probably not be conversant with established practices, it is considered necessary from the viewpoint of administration to provide for the making of regulations.

Subsection (12). Redraft of section 3A of the old Act.

PART I

ALLOWANCES PAYABLE TO A VETERAN

"veteran" defined.

4. In this Part, unless the context otherwise requires "veteran" means

(a) any former member of the North West Field Force who served in a theatre of actual war in the North West Rebellion;

(b) any former member of a Canadian contingent who served in a theatre of actual war during the South African war, or any former member of His Majesty's forces, other than Canadian forces, who served in a theatre of actual war during the South African war and was domiciled in Canada immediately prior to the eleventh day of October, one thousand eight hundred and ninety-nine, if in either case the former member landed in South Africa prior to the first day of June, one thousand nine hundred and two;

(c) any former member of His Majesty's Canadian forces who served during World War I or World War II, in a theatre of actual war, or who is in receipt of a pension for injury or disease incurred or aggravated during his service in such forces, or who, pursuant to the provisions of the *Pension Act* has accepted a final payment in lieu of annual pension in respect of a disability rated at five per centum or more of total disability;

R.S., c. 157.

(d) any former member of any of His Majesty's forces, other than Canadian forces, or of any of the forces of any of His Majesty's allies who was domiciled in Canada at the time he joined any such force for the purpose of the war and who served during such war in a theatre of actual war, or is in receipt of a pension for an injury or disease incurred or aggravated during his service in such force, or has, in respect of a disability rated at more than five per centum of total disability, received, pursuant to the laws affecting the members of the forces with which he served, a final payment similar or analogous to the final payment authorized by the *Pension Act*.

R.S., c. 157.

Veteran to whom allowance payable.

5. Subject to the provisions of this Act allowances under this Part shall on application be payable with the approval of the Board to

(a) any male veteran who has attained the age of sixty years;

Section **4.** This amendment re-defines "veteran" and combines the original and subsequent statutory definitions with those made by Order in Council P.C. 162/7746 of the 4th of October, 1944.

Section **5.** This section is based on subsection (1) of section 4 of the Act, wording is changed slightly, and domicile dealt with under section 12. (*b*) is new. Under P.C. 101/6395 of 13th August, 1945, widows of veterans were authorized to receive an allowance on attaining the age of fifty-five years. It is considered that a female veteran is normally unable to earn a livelihood at an earlier age than a male veteran.

(*b*) any female veteran who has attained the age of fifty-five years;

(*c*) any veteran who, in the opinion of the Board,

(i) is permanently unemployable because of physical or mental disability; or

(ii) is incapable and unlikely to become capable of maintaining himself or herself because of economic handicaps combined with mental or physical disability or insufficiency.

Maximum allowance respecting an unmarried veteran and similar persons.

6. (1) The maximum allowance payable in any year to an unmarried veteran or a veteran bereft by death of his or her spouse, without child or children, shall be three hundred and sixty-five dollars less the amount of any income of the recipient in excess of one hundred and twenty five dollars per annum.

Maximum allowance respecting a married veteran and similar persons.

(2) The maximum allowance payable in any year to

(*a*) a married veteran shall be seven hundred and thirty dollars less the total amount of any incomes of such veteran and his or her spouse in excess of two hundred and fifty dollars per annum;

(*b*) a veteran bereft by death of his or her spouse with a child or children shall be seven hundred and thirty dollars less the amount of any income of such veteran in excess of two hundred and fifty dollars per annum.

PART II.

Allowances Payable to Widows and Orphans.

Application of Part II.

7. (1) This Part applies to widows of veterans as defined in section four of this Act and to orphans who are children of veterans so defined.

Widows to whom allowances payable; orphans.

(2) Subject to the provisions of this Act, allowances shall on application be payable with the approval of the Board to

(*a*) a widow who

(i) has attained the age of fifty-five years; or

(ii) is, in the opinion of the Board, permanently unemployable because of physical or mental disability; or

(iii) is, in the opinion of the Board, incapable and unlikely to become capable of maintaining herself because of economic handicaps combined with physical or mental disability or insufficiency;

(*b*) an orphan.

Maximum allowance respecting a widow without children.

8. (1) The maximum allowance payable in any year to a widow without child or children shall be three hundred and sixty-five dollars less the amount of any income of

Section **6.** New.—The maximum allowances of three hundred and sixty-five dollars and of seven hundred and thirty dollars are made up of the present basic rates plus supplementary allowances as authorized by Orders in Council. This section is based on section five and subsection (1) of section six of the Act—wording is changed to include female veterans.

There is a change in the wording respecting deductions from the allowance to a veteran of income. The definite inclusion of the words "and his or her spouse" does not mean a change in the policy of the Board as it has always been the practice to take into consideration a wife's income when awarding an allowance to a veteran.

Sections **7** and **8.** The provisions of these two sections are self-explanatory. These provisions are taken from the following Orders in Council:—

P.C. 101/6395 of 13th August, 1943.
P.C. 2/602 of 31st January, 1944.
P.C. 164/7746 of 4th October, 1944.
P.C. 191/8990 of 29th November, 1944.

The wording is changed from the Orders in Council to make the wording with respect to widows the same as under Section 5 *(c)* with respect to veterans.

the recipient in excess of one hundred and twenty-five dollars per annum.

Maximum allowance respecting a widow with children.

(2) The maximum allowance payable in any year to a widow with a child or children shall be seven hundred and thirty dollars less the amount of any income of the recipient in excess of two hundred and fifty dollars per annum.

Maximum allowance respecting an orphan.

(3) The maximum allowance payable in any year to or on behalf of an orphan or orphans shall be three hundred and sixty dollars in the case of one child of a veteran, six hundred and forty-eight dollars in the case of two children of the veteran and seven hundred and thirty dollars in the case of more than two children of the veteran, less the amount of any income of the orphan or orphans.

PART III.

ALLOWANCES PAYABLE IN RESPECT OF CERTAIN OTHER EX-SERVICE PERSONS.

"veteran" defined.

9. In this Part, unless the context otherwise requires, "veteran" means

(a) a person who served during World War I and World War II as a member of His Majesty's Canadian forces;

(b) a person who served during World War I as a member of His Majesty's forces other than Canadian forces, was domiciled in Canada when he became a member of the said forces and was a member of His Majesty's Canadian forces during World War II.

Allowances respecting other persons.

10. Subject to the provisions of this Act, allowances under this part shall on application be payable with the approval of the Board to

(a) any male veteran who has attained the age of sixty years;

(b) any female veteran who has attained the age of fifty-five years;

(c) any veteran who, in the opinion of the Board,

(i) is permanently unemployable because of physical or mental disability; or

(ii) is incapable and unlikely to become capable of maintaining himself or herself because of economic handicaps combined with physical or mental disability or insufficiency;

(d) a widow who

(i) has attained the age of fifty-five years; or

(ii) is, in the opinion of the Board, permanently unemployable because of physical or mental disability; or

Sections **9**, **10** and **11**. The proposed provisions of these sections are self-explanatory. By Order in Council P.C. 160/7746 of the 4th of October, 1944, the term "veteran" was enlarged to include a person who served in the forces in the two world wars although not necessarily in an actual theatre of war. The said Order in Council made provision for awarding these veterans, their widows and orphans, the same allowances as that granted to veterans so defined originally under the Act and later extended to the widows and orphans of said veterans by Order in Council P.C. 101/6395 of August 13th, 1943.

(iii) is, in the opinion of the Board, incapable and unlikely to become capable of maintaining herself because of economic handicaps combined with physical or mental disability or insufficiency;

(e) an orphan.

Maximum allowance respecting an unmarried veteran and similar persons.

11. (1) The maximum allowance payable in any year to an unmarried veteran or a veteran bereft by death of his or her spouse or a widow, without child or children, shall be three hundred and sixty-five dollars less the amount of any income of the recipient in excess of one hundred and twenty-five dollars per annum.

Maximum allowance respecting a married veteran and similar persons.

(2) The maximum allowance payable in any year to

(a) a married veteran shall be seven hundred and thirty dollars less the total amount of any incomes of such veteran and his or her spouse in excess of two hundred and fifty dollars per annum;

(b) a veteran with a child or children and bereft by death of his or her spouse, or a widow with a child or children, shall be seven hundred and thirty dollars less the amount of any income of such recipient in excess of two hundred and fifty dollars per annum.

Maximum allowance respecting an orphan.

(3) The maximum allowance payable in any year to or on behalf of an orphan or orphans shall be three hundred and sixty dollars in the case of one child of a veteran, six hundred and forty-eight dollars in the case of two children of the veteran and seven hundred and thirty dollars in the case of more than two children of the veteran, less the amount of any income of the orphan or orphans.

PART IV.

General.

Domicile requirements of applicant.

12. (1) No allowance shall be paid unless the applicant has been domiciled in Canada for three months immediately preceding the date of the proposed commencement of the allowance.

Recipient of old age pension not entitled.

(2) No allowance shall be awarded or continued while the applicant or recipient is in receipt of an old age pension under the laws of any province.

Certain deductions not to be made.

13. Notwithstanding anything in this Act no deduction shall be made from any allowance by reason of—

R.S., c. 157.

(a) any sum payable under section twenty-six of the *Pension Act;*

(b) any additional allowance payable under the *Pension Act* on account of any children;

(c) any pension or grant received by reason of a military decoration;

(d) any casual earnings of the recipient to the extent of one hundred and twenty-five dollars in any year;

Section **11.** Subsection (2). Although the Order in Council from which this subsection is taken did not specifically mention the income of the spouse of the veteran to be deducted yet it has been the practice of the Board to take into consideration both the income of the recipient and his or her spouse when awarding an allowance.

Section **12.** Subsection (1) of this section is based on subsection (1) of section 4 of the Act. "three" underlined is New. Under the Act six months domicile was required. The proposed change is to three months as the shorter period is considered sufficient to qualify with respect to domicile.

Subsection (2)—same provision as contained in subsection 3 of section 4 of the Act as amended.

Section **13.**

Clause *(a)*—same as clause *(a)* of section 7 of the Act.

Clause *(b)*—same as clause *(b)* of section 7 of the Act.

Clause *(c)*—based on clause *(bb)* of section 7 of the Act as amended—enlarged to take care of all military decorations.

Clause *(d)*—same as first two lines of clause *(c)* of section 7 of the Act.

(e) any interest in premises in which the recipient resides unless the value of such interest exceeds four thousand dollars in which case there shall be deducted from the allowance the annual value of such interest in excess of four thousand dollars;

1944, c. 51.

(f) any gratuity paid or credit granted under *The War Service Grants Act, 1944;*

(g) Receipt of money or assistance from any province or municipality by way of Mothers' Allowance or by way of relief to dependent children;

1944-45, c. 40.

(h) any allowance paid under *The Family Allowances Act, 1944;*

(i) receipt of moneys of the class specifically excepted from the meaning of "income" as defined in the Regulations under the *Old Age Pensions Act;*

R.S., c. 156.

(j) the receipt of unearned income to the extent of twenty-five dollars per annum.

Assignment or transfer for the purpose of qualifying.

14. When it appears to the Board that any applicant or recipient has made a voluntary assignment or transfer of property for the purpose of qualifying for an allowance or for a larger allowance than he might otherwise have been entitled to, the income derivable from such property shall in determining the amount of allowance, if any, which such person should receive, be taken into account as if the assignment or transfer had not been made.

Payments to other persons to adminster.

15. Where in any case the Board is of opinion that the recipient would be likely to apply the amount of any allowance otherwise than to the best advantage, it may direct the payments to be made to and administered by such person as it selects.

R.S., c. 188. 1942-43, c. 33.

Part of allowance to the Director of Soldier Settlement or to The Director, The Veterans' Land Act.

16. For the purpose of ensuring continued occupancy by a recipient of a home acquired by him under the *Soldier Settlement Act* or *The Veterans' Land Act, 1942*, the Board may, with the consent in writing of the recipient, enter into an arrangement with the Director of Soldier Settlement, or The Director, *The Veterans' Land Act*, as the case may be, to pay to him out of the recipient's allowance an amount not exceeding fifteen dollars per month to be applied against the indebtedness of the recipient under the *Soldier Settlement Act* or *The Veterans' Land Act, 1942.*

R.S., c. 188, 1942-43 c. 33.

Payments continued after death of recipient.

17. (1) After the death of any recipient an amount not exceeding the sum of twelve monthly instalments of the allowance which the recipient was receiving at the time of his death may, at the discretion of the Board, be paid to his widow or for the benefit of any child of the recipient.

Clause *(e)* same as last five lines of clause *(c)* of section 7 of the Act.

The value of premises allowable without deduction of interest is raised to $4,000. from $2,000., as a house formerly worth $2,000., is today valued at $4,000.

Clause *(f)*—self-explanatory—taken from Orders in Council 160/7746 and P.C. 161/7746, both of 4th of October, 1944.

Clause *(g)*—self-explanatory—taken from Orders in Council P.C. 2/602 of the 31st January, 1944 and P.C. 160/7746 of 4th of October, 1944.

Clause *(h)*—self-explanatory—Order in Council P.C. 6752 of 1st November, 1945.

Clause *(i)*—self-explanatory—taken from Orders in Council P.C. 2/602 of 31st January, 1944, and P.C. 160/7746 of 4th October, 1944.

Clause *(j)*—self-explanatory—taken from Orders in Council P.C. 2/602 dated 31st January, 1944 and P.C. 160/7746 of 4th October, 1944.

Section **14.** Same as section 8 of the Act.

Section **15.** Same as section 12 of the Act.

Section **16.** New. This section is self-explanatory and follows a recommendation of a Parliamentary Committee of 1942 on Soldier Settlement.

Section **17.** Subsection 1 of this section is the same as section 9 of the Act.

Payments continued after death of wife or child of recipient.

(2) After the death of the wife or child of a recipient the allowance which the recipient was receiving by reason of the wife or child, may at the discretion of the Board, be continued to be paid thereafter for a period of one month.

Child to whom or on whose behalf allowance payable.

18. (1) No allowance shall be paid to or on behalf of a child unless such child is

(a) a male child under the age of sixteen years;

(b) a female child under the age of seventeen years;

(c) under the age of twenty-one years and is following and making satisfactory progress in a course of instruction approved by the Board; or

(d) under the age of twenty-one years and is prevented by physical or mental incapacity from earning a livelihood.

Child over 21 incapacitated and living with parent.

(2) Notwithstanding anything contained in subsection one of this section, allowance may be paid under this Act on behalf of a child over the age of twenty-one years who is prevented by physical or mental incapacity from earning a livelihood where such child is residing with his or her surviving parent: provided that no allowance shall be paid unless such incapacity occurred before such child attained the age of twenty-one years.

Residence with spouse.

19. (1) No allowance in excess of three hundred and sixty-five dollars in any one year shall be paid to a married person without a child or children unless such person resides with his or her spouse.

Residence of child with recipient.

(2) No allowance in excess of three hundred and sixty-five dollars in any one year shall be paid to a person bereft by death of his or her spouse but having a child or children, unless the child or children reside with such person.

Widow living with or being maintained by husband on his death.

(3) Subject to subsection four of this section, no allowance shall be paid to a widow unless she was living with or being maintained by her husband at the time of his death.

Exception to residence rule.

(4) The Board may exempt any widow from the operation of subsection three of this section in any case where it deems it just and reasonable so to do.

Death of veteran within one year from date of marriage.

19A. Notwithstanding anything in this Act, no allowance shall be paid to a widow of a veteran who died within one year from the date of his marriage unless such veteran was at the time of his marriage, in the opinion of the Board, in such a condition of health as would justify him having a reasonable expectation of life for at least a year.

Subsection 2 is self-explanatory. New.

Section **18.** The restrictions in clauses *(a)* *(b)* and *(d)* of subsection (1) are contained in the definition of "child" under clause *(b)* of section 2 of the Act as amended and clause *(c)* is taken from Order in Council P.C. 2971 of 24th April, 1945. Age changed from nineteen. The provisions of subsection (2) are new. Under the Act allowances were paid until such child became twenty-one years of age. It is realized that a child with an infirmity, no matter what age, is a financial burden to the surviving parent.

Section **19.** This section is based on subsection 2 of section 6 of the Act. Subsection (1) provides that married persons must reside together to qualify for an allowance in excess of the maximum allowance payable to an unmarried person without children which is the sum of three hundred and sixty-five dollars.

Subsection (2) provides that any person applying for or receiving an allowance on behalf of a child or children, the child or children must be residing with such person.

Subsections (3) and (4) are self-explanatory. Taken from Order in Council P.C. 101/6395 of the 13th of August, 1943.

Section **19A.** is New. The purpose of this subsection is to prevent a widow being paid the widow's allowance where she entered into what may be termed a "death-bed marriage" with a veteran. This in no way prevents a veteran from marrying at any time he so wishes, but does prevent a widow receiving the allowance who has married a veteran, when he was about to die, for the purpose of being paid an allowance for the rest of her life.

Allowance subject to review.

20. (1) Every allowance shall be subject to review from time to time and the Board may, for the purpose of any such review, require the recipient to submit a statement of such facts as it may consider relevant to determine his right to have any allowance continued.

Verification of statement.

(2) Such statement shall be verified in such manner as the Board may direct and in the event the recipient fails to furnish a statement as required, the Board may reduce or suspend payment of the allowance.

Suspension of allowance.

21. (1) Subject to the provisions of subsections two and three of this section, payment of an allowance shall be suspended while the recipient is:—

(a) a prisoner undergoing punishment for an offence;

(b) resident out of Canada; or

(c) being maintained at the expense of the Department as an inmate of any institution.

Part of allowance continued to dependents.

(2) The Board may, in its discretion, continue payment of part of the allowance to the dependents of any recipient:—

(a) for a period not exceeding twelve months, when such recipient is a prisoner undergoing punishment; or

(b) during such time as any recipient is maintained at the expense of the Department as an inmate of any institution.

Part of allowance continued to recipient without dependents.

(3) The Board may in its discretion continue payment for a period not exceeding three months of part of the allowance to a recipient without dependents when such recipient is maintained at the expense of the Department as an inmate of any institution, and who would otherwise suffer hardship if no part of the allowance were paid.

Board to have powers of a Commissioner. R.S., c. 99.

22. The Board, and any person acting under its authority in that behalf, shall have all the powers of a commissioner under Part II of the *Inquiries Act* for the purpose of any investigation required to be made in order to determine whether any allowance should be made, suspended or revoked, what should be the amount of any allowance, or whether payment of any allowance should be made to the recipient or to some other person for administration on his behalf.

Information from the Bureau of Statistics.

23. The Board shall have the right, for the purpose of ascertaining the age of any applicant, to obtain any information from the Dominion Bureau of Statistics on the subject of the age of such applicant which may be contained in the returns of any census taken more than twenty years before the date of the application for such information.

Section **20.** Same as section 11 of the Act.

Section **21.** Subsections (1) and (2) are the same as section 13 of the Act.

Subsection (3)—New. The provisions of this subsection are thought necessary due to the extreme housing shortage and likelihood of a recipient without dependents losing his lodging on entering an institution.

Section **22.** The same as section 15 of the Act.

Section **23.** The same as section 15A of the Act.

Effect of fraud by recipient.

24. The amount of any payments of allowance made by reason of wilful non-disclosure of facts or of fraudulent misrepresentations shall be recoverable from the recipient as a debt due to the Crown.

No alienation allowed.

25. Except as provided in section sixteen of this Act, no allowance shall be subject to alienation or transfer by the recipient, or to seizure in satisfaction of any claim against him.

Administration of Act.

26. Except as to the power, authority, and jurisdiction of the Board to deal with and adjudicate upon applications for allowances under this Act, the Minister shall be charged with administration of this Act.

Right to pension not affected R.S., c. 157.

27. The right of any veteran to receive a pension under the *Pension Act* shall not be affected by anything in this Act or by the receipt of any allowance thereunder.

Acts and Orders in Council are repealed.

28. *The War Veterans' Allowance Act*, and the Orders in Council mentioned in the Schedule to this Act are repealed.

Coming into force.

29. This Act shall come into force on the first day of August, one thousand nine hundred and forty-six.

Section **24.** The same as section 17 of the Act.

Section **25.** The same as section 16 of the Act.

Section **26** based on section 18 of the Act.

Section **27.** The same as section 19 of the Act.

Section **28.** This repeals *The War Veterans' Allowance Act*, the amending Acts and all the Orders in Council passed under the War Measures and other Acts, having to do with *The War Veterans' Allowance Act*, chapter 48 of the statutes of 1930 and amendments thereto excepting P.C. 324 of January 17th, 1941, which dealt with certain alien veterans.

SCHEDULE

Orders in Council Repealed

Number	*Date*
P.C. 113/9400	December 3, 1941
P.C. 1/3241	April 20, 1943
P.C. 101/6395	August 13, 1943
P.C. 2/602	January 31, 1944
P.C. 160/7746	October 4, 1944
P.C. 161/7746	October 4, 1944
P.C. 162/7746	October 4, 1944
P.C. 164/7746	October 4, 1944
P.C. 191/8990	November 29, 1944
P.C. 2971	April 24, 1945.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 332.

An Act respecting Loans to Veterans to assist in their Establishment in Business or Professionally.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

68064

2nd Session, 20th Parliament, 10 George VI, 1946.

HOUSE OF COMMONS OF CANADA.

BILL 332.

An Act respecting Loans to Veterans to assist in their Establishment in Business or Professionally.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

SHORT TITLE.

Short title.

1. This Act may be cited as *The Veterans' Business and Professional Loans Act.*

INTERPRETATION.

Definitions.

2. In this Act unless the context otherwise requires,

"application".

(a) "application" means application for a guaranteed loan that has been signed by the veteran making the application for the guaranteed loan;

"bank".

1944-45, c. 30.

(b) "bank" means a bank incorporated by or under the provisions of *The Bank Act;*

"borrower".

(c) "borrower" means a veteran to whom a guaranteed loan has been made;

"business".

(d) "business" includes trade, industry, or profession;

"guaranteed loan".

(e) "guaranteed loan" means a loan that complies with all the requirements of paragraphs *(a)* to *(n)* inclusive, of subsection one of section three of this Act;

"insurance".

(f) "insurance" means insurance that a bank may carry to cover any loss sustained by it as the result of a guaranteed loan;

"Minister".

(g) "Minister" means the Minister of Finance acting for or on behalf of His Majesty;

"prescribed".

(h) "prescribed" means prescribed by regulation;

"purchase of business".

(i) "purchase of a business" includes the purchase of an interest in an existing partnership and the advance of capital for a new partnership, if the partnership business is to be the main occupation of the veteran and he intends to participate actively in that business;

Explanatory Notes.

Under *The War Service Grants Act* a veteran may use his re-establishment credit *inter alia* for the purchase and repair of tools, instruments and equipment and for the purchase of a business or profession. The purpose of the present Bill is to encourage banks to provide additional funds at a comparatively low rate of interest for appropriate periods to veterans seeking to establish themselves in a business or profession.

The Bill provides that a veteran may apply to a bank for a business or professional loan up to two-thirds of his proposed total expenditure but not exceeding $3,000. Terms and conditions of repayment will be governed by regulations subject to a maximum term of 10 years. The rate of interest on a loan in good standing is fixed at 5 per cent. It is intended to require the taking of appropriate security, usually on the property, real or personal, acquired with the proceeds of the loan.

The guarantee to the banks follows the pattern of *The Farm Improvement Loans Act, 1944* and Part IV of *The National Housing Act, 1944*, the Government paying any losses suffered by a bank up to 25 per cent of the first $1,000,000 of loans plus 15 per cent of any additional loans made by that bank. This limited guarantee is available in respect of $25,000,000 of loans made by all banks within a 5 year period from the date of commencement of the Act.

"regulation". *(j)* "regulation" means a regulation made under this Act;

"veteran". *(k)* "veteran" means a person resident and domiciled in Canada who has received, or is entitled to a gratuity under *The War Service Grants Act, 1944*, and who has not elected to take benefits under *The Veterans' Land Act, 1942*.

1944-45, c. 51.

1942-43, c. 33.

GUARANTEED LOANS.

Minister to pay losses of banks within certain limits and under certain conditions.

3. (1) The Minister shall, subject to the provisions of this Act, pay to a bank, the amount of loss sustained by it as a result of a loan made to a veteran in pursuance to an application by such veteran in any case where:

(a) the application stated that the loan was required by the veteran for any of the following purposes:

(i) the purchase of a business;

(ii) the purchase or repair of machinery, tools, instruments or other equipment for his business;

(iii) the construction, repair or alteration of or making of additions to any building or structure used or to be used in the carrying on of his business;

(iv) any purpose as prescribed which may be deemed to benefit his business;

(b) the application was in the form prescribed;

(c) a responsible officer of the bank certified that he had scrutinized and checked the application for the loan with the care required of him by the bank in the conduct of its ordinary business;

(d) the sum of the principal amount of loan, the amount of any loan applied for by the veteran and concurred in by the Minister and the amount of any guaranteed loan previously made to the veteran as disclosed in the application of the veteran or of which the bank had other knowledge did not exceed the sum of three thousand dollars;

(e) the principal amount of the loan did not exceed two-thirds of the proposed total expenditure by the veteran for the purpose stated in the application;

(f) the loan was repayable in full by the terms thereof in not more than ten years;

(g) the rate of interest charged by the bank on the loan did not exceed five per centum per annum simple interest so long as the veteran was not in default on the loan;

(h) no fee, service charge or charge of any kind other than interest, except such charge for insurance as may be authorized by the regulations, was, by the terms of the loan, payable to the bank in respect of the loan so long as the veteran was not in default on the loan;

(i) the application for the loan was concurred in by the Minister of Veterans Affairs or his authorized representative as defined by the regulations before the loan was made;

(j) repayment of the loan was secured in such manner as may be prescribed;

(k) the loan was made on such terms and in accordance with such provisions in addition to those specified in the preceding paragraphs as may be prescribed;

(l) the loan was made within five years after commencement of this Act;

(m) the loan was made on a date prior to the termination of the liability of the Minister in the manner set out in subsections one and two of section five of this Act.

Concurrence of Minister of Veterans Affairs.

(2) Concurrence in the application by the Minister of Veterans Affairs or his authorized representative as defined by the regulations is conclusive evidence that the applicant for the guaranteed loan is a veteran.

Crown bound by Act.

4. His Majesty is bound by this Act.

Provision for terminating Minister's liability.

5. (1) The Minister may, by notice in writing to the head office, of a bank, terminate his liability to such bank under this Act with respect to loans made by such bank after a date not less than fourteen days following the date of dispatch of such notice in any case where:

(a) the aggregate principal amount of guaranteed loans made by all banks has reached twenty-five million dollars; or

(b) the prior approval of the Governor in Council has been obtained.

Contents of notice.

(2) The notice in writing referred to in subsection one of this section, shall take the form either of a telegram or a registered letter and shall contain:

(a) the authority for terminating the Minister's liability with respect to loans made by the bank receiving such notice in writing; and

(b) the date on which the termination of the Minister's liability with respect to loans made by such bank is to take effect.

Prior loans not affected.

(3) This action does not relieve the Minister of any liability imposed on him under this Act in respect of any guaranteed loan made by a bank before the Minister has terminated his liability with respect to loans made by such bank in the manner set out in subsections two and three of this section.

Extent of Minister's liability where loans do not exceed million dollars.

6. (1) Where the aggregate principal amount of guaranteed loans made by a bank does not exceed one million dollars the Minister is not liable to pay to such bank a total

amount in excess of twenty-five per centum of such aggregate principal amount of guaranteed loans regardless of whether or not any portion of such aggregate principal amount of guaranteed loans has been recovered.

Extent of Minister's liability where loans do exceed million dollars.

(2) Where the aggregate principal amount of guaranteed loans made by a bank exceeds one million dollars the Minister is not liable to pay to such bank

(a) an amount in excess of twenty-five per centum of the portion of such aggregate principal amount of guaranteed loans that does not exceed one million dollars regardless of whether or not any portion of such aggregate principal amount of guaranteed loans has been recovered, and

(b) an amount in excess of fifteen per centum of the amount by which such aggregate principal amount of guaranteed loans exceeds one million dollars regardless of whether or not any portion of such aggregate principal amount of guaranteed loans has been recovered.

Regulations.

Governor in Council may make regulations.

7. (1) The Governor in Council may on the recommendation of the Minister and the Minister of Veterans Affairs make regulations for any purpose for which regulations are contemplated by this Act and generally for carrying the purposes and provisions of this Act into effect and without restricting the generality of the foregoing may make regulations

(a) to define for the purposes of this Act the following expressions:

(i) "responsible officer of the bank",

(ii) "authorized representative of the Minister of Veterans Affairs";

(b) to prescribe a form of application;

(c) to prescribe any purpose in addition to the purposes mentioned in subparagraphs (i), (ii) and (iii) of paragraph *(a)* of section three of this Act which may be deemed to benefit a veteran's business.

(d) to prescribe the security, if any, to be taken by the bank for the repayment of any guaranteed loan;

(e) to prescribe the terms of repayment and other terms not inconsistent with this Act upon which guaranteed loans are to be made;

(f) to prescribe the amount of the fee which may be charged for insurance;

(g) to prescribe the forms of receipts notes and documents to be used in connection with the guaranteed loans or for the effective operation of this Act;

(h) to provide, notwithstanding anything to the contrary contained in this Act, that in the event of an impending default in the repayment of a guaranteed loan the bank may with the approval of the borrower authorize or revise any of the terms of the guaranteed loan or any document connected therewith so long as any such authorization or revision does not increase the rate of interest as specified in paragraph *(g)* of subsection one of section three, of this Act;

(i) to provide, notwithstanding anything contrary contained in this Act, that in the event of an actual default in the repayment of a guaranteed loan the bank may with the approval of the borrower revise any of the terms of the guaranteed loan or any document connected therewith;

(j) to prescribe in the event of default in the repayment of a guaranteed loan, the legal or other measures to be taken by the bank and the procedure to be followed for the collection of the amount of the loan outstanding, the disposal or realization of any security for the repayment thereof held by the said bank and the rate of interest to be charged on overdue payments;

(k) to prescribe the method of determination of the amount of loss sustained by a bank as a result of a guaranteed loan and the procedure to be followed by a bank in making a claim for loss sustained by it in respect of a guaranteed loan;

(l) to prescribe the steps to be taken by a bank to effect on behalf of the Minister collection of any guaranteed loan in respect of which payment has been made by the Minister to the bank under this Act, and to provide that on failure by the said bank to take such steps the amount of such payment may be recovered by the Minister;

(m) to require reports to be made periodically to the Minister by a bank in respect of guaranteed loans.

Effect of alteration on Minister's liability.

(2) Where any of the terms of a guaranteed loan or any document connected therewith have been altered or revised under paragraphs *(h)* and *(i)* of subsection one of this section such alteration or revision shall not discharge the liability of the Minister in respect of such guaranteed loan.

Force and effect of regulations.

(3) A regulation shall be effective when published in the *Canada Gazette* and thereafter shall have the same force and effect as if it had been enacted in this Act.

Special Powers of Bank.

Bank may take security on property on which loan expended.

8. (1) Notwithstanding anything contained in *The Bank Act* or any other statute, if a bank makes a guaranteed loan in respect of which it is required by regulation to take

security on real or immovable property, the bank may at the time of making such loan take as security for the repayment thereof and the payment of interest thereon,

(a) a mortgage or hypothec upon the real or immovable property in respect of which all or part of the proceeds of the guaranteed loan are to be expended;

(b) an assignment of the rights and interest of a purchaser under an agreement for sale of the real or immovable property in respect of which all or part of the proceeds of the guaranteed loan are to be expended.

Power of bank respecting security taken.

(2) A bank shall have and may exercise, in respect of any mortgage, hypothec or assignment taken under this section and the real or immovable property affected thereby, all rights and powers that it would have or might exercise if such mortgage, hypothec or assignment had been taken by the bank by way of additional security under *The Bank Act.*

Offences.

False statements, conviction and fine.

9. (1) Any person who makes in an application a statement that is false in any material respect, or who uses the proceeds of a guaranteed loan for a purpose other than that stated in his application, is guilty of an offence under this section, and is liable on summary conviction to a fine of not more than five hundred dollars.

Additional penalty equal to balance owing on loan.

(2) When any person is convicted of an offence under this section, there shall be imposed on him, in addition to any fine, a penalty equal to such amount of the guaranteed loan made to him in respect of which such offence was committed as has not been repaid by him, with interest thereon to the date of payment of such penalty, and such penalty shall be paid to the bank by which the guaranteed loan was made, or if payment has been made by the Minister to the said bank in respect of the guaranteed loan, the said penalty shall be paid to the Receiver General of Canada and such payment to the bank or the Receiver General shall discharge the liability of such person to repay the loan.

General.

Subrogation of Minister to bank on payment of loss.

10. (1) Where payment is made by the Minister to a bank under this Act in respect of any loss sustained by the bank as a result of a guaranteed loan, the bank shall execute a receipt in favour of the Minister in such form as may be prescribed and the Minister shall thereupon be subrogated in and to all rights of the bank in respect of the guaranteed loan and, without limiting the generality of the foregoing, all rights and powers of the bank in respect of the guaranteed loan, and in respect of any judgment in respect thereof

obtained by the bank, and in respect of any security taken by the bank for the repayment thereof, shall thereupon be vested in the Minister, and the Minister shall be entitled to exercise all the rights, powers and privileges which the bank had or might exercise in respect of such loan, judgment or security, and to commence or continue any action or proceeding in respect thereof, and to execute any documents necessary by way of release, transfer, sale or assignment thereof, or in any way to realize thereon.

Evidence of payment.

(2) Any document purporting to be a receipt in the prescribed form and purporting to be signed on behalf of the bank shall be evidence of the payment by the Minister to the bank under this Act in respect of the guaranteed loan therein mentioned and of the execution of such document on behalf of the bank.

Losses to be paid out of Consolidated Revenue; administration costs out of appropriations.

11. The Minister may pay any amount payable to a bank under this Act out of unappropriated moneys in the Consolidated Revenue Fund and the Minister and the Minister of Veterans Affairs may pay any amount necessary to meet the expenses incurred in the administration of this Act out of moneys appropriated by Parliament for the purpose.

Report to Parliament and tabling of regulations.

12. The Minister shall, as soon as possible after the thirty-first day of March in each year, and in any event within three months thereof prepare a report with regard to the administration of this Act during the twelve-month period ending on the thirty-first day of March and the Minister shall lay the said report, together with any regulations made pursuant to this Act during the past fiscal year, before Parliament, if Parliament is then in session, or within fifteen days of the next session of Parliament.

Effective date.

13. This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 333.

An Act to amend The Veterans Rehabilitation Act.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

68060

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 333.

An Act to amend The Veterans Rehabilitation Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1945, c. 35.

1. Section five of *The Veterans Rehabilitation Act*, chapter thirty-five of the statutes of 1945, is amended by adding thereto the following subsection:

Computation of time while waiting for training facilities.

"(3) Where a veteran has been paid allowances under this section while waiting for training facilities to be available for him, the period during which such allowances are so paid shall not be included in any computation of time so as to limit or affect training benefits available to him under section seven of this Act."

2. Subsection three of section seven of the said Act is repealed and the following substituted therefor:

Period for payment except in special cases.

"(3) No allowance may be paid to a veteran under this section for a total period of more than twelve months except that, in special cases prescribed by regulation, the allowance may be paid for a period not exceeding the period of service of the veteran."

3. Subsection two of section eight of the said Act is repealed and the following substituted therefor:

Period for payment except in special cases.

"(2) The total period for which an allowance may be paid to a veteran under this section shall not exceed his period of service, except that, if the Minister is of opinion that a veteran's progress and achievements in the course he is taking are such that it is in the interest of the veteran and in the public interest that payment of the allowance be continued during a longer period, the Minister may, pursuant to regulations made in that behalf, extend the period during which it may be paid."

Explanatory Notes.

Clause **1.**

This is a re-enactment in statute form of Order in Council P.C. 254 of the 7th February, 1946, permitting out-of-work allowances to be paid to veterans while awaiting the commencement of training without affect on their entitlement period of training.

Clause **2.**

The repealed subsection reads:

> "(3) No allowance may be paid to a veteran under this section for a total period of more than twelve months except that, in special cases prescribed by regulation, the allowance may be paid for a period exceeding twelve months but not exceeding the period of service of the veteran."

The underlined words have been dropped to enable the Minister, in certain special cases to be prescribed by regulation, to pay allowances for a total period of more than twelve months, but not for a period longer than the veteran's period of service.

Clause **3.**

The only change in this section is the addition of the words "pursuant to regulations made in that behalf" in order that regulations may be established setting out the conditions governing the extension of training allowances to worthy students beyond their period of service.

4. The said Act is further amended by adding immediately after section nine thereof the following section:

No duplication of allowances or benefits under this Act and *The Veterans' Land Act, 1942.* 1942-43, c. 33.

"**9A** (1) Except as otherwise provided in this Act and notwithstanding any other Act or law, no allowance may be paid under sections eight or nine of this Act to a veteran who has received benefits under *The Veterans' Land Act, 1942*, and no benefits may be provided under *The Veterans' Land Act, 1942*, for a veteran who has received allowances under either of the two sections aforesaid.

Exception.

(2) This section does not apply to a veteran to whom an allowance is paid under this Act for the purpose of taking a diploma course in agriculture or other vocational training in agriculture.

Effective date.

(3) This section shall be effective as at the first day of June, one thousand nine hundred and forty-six:

Proviso.

Provided, however, that in the case of a veteran, who prior to such date, commenced a course in agriculture and received allowances under sections eight or nine aforesaid the Minister may, by regulation, on the application of such veteran and on being satisfied that the veteran commenced such course in the belief that he would be eligible for benefits under *The Veterans' Land Act, 1942*, give such veteran the option of continuing such course or receiving benefits under the said Act."

1942-43, c. 33.

5. Section eleven of the said Act is amended by adding thereto the following subsections:

"(5) The Minister may, with the approval of the Governor in Council and subject to regulations,

Loans to students.

(a) provide any university in Canada with moneys, whereby and wherefrom the university may make small loans to meet emergency conditions among veterans who are being paid allowances pursuant to sections eight and nine of this Act, and

Repatriation and transportation expenses.

(b) pay expenses of repatriation of a veteran described in clause (i) of paragraph *(m)* of section two of this Act who was discharged in the United Kingdom in order to take a course of training outside Canada approved by the Minister and the expenses of transportation of the wife and child of any such veteran from the United Kingdom to Canada or to any place designated by such veteran outside of Canada in which he was resident immediately prior to joining the forces.

Payment not to affect entitlement under *The War Service Grants Act, 1944.*

(6) A payment pursuant to the immediately preceding section shall not affect the amount of benefit to which a veteran would otherwise be entitled under *The War Service Grants Act, 1944.*"

Clause **4.**

This contains a new section to provide for the exclusion of benefits under *The Veterans' Land Act* to veterans in receipt of training allowances for university courses and vice versa. It may be noted that an exception is made with respect to short courses in agriculture.

Clause **5.**

This contains a new subsection

Para. *(a)* is to enable the Governor in Council to provide money to universities with which small loans may be made to veteran students to meet emergency conditions. These loans would only be made pursuant to conditions prescribed by Order in Council.

Para. *(b)* is a re-enactment in statutory form of Order in Council P.C. 255 of the 24th January, 1946, providing for the payment of the expenses of repatriation of a veteran who was discharged in the United Kingdom to take advantage of training facilities there and, also, the expenses of transportation of his wife and child to Canada or any other place outside Canada in which the veteran was resident before joining the Canadian forces.

Subsection (6) is intended to make it perfectly clear that no moneys paid to universities as loans or paid as expenses of repatriation or transportation shall affect the re-establishment credit to which the veteran may be entitled.

6. The said Act is further amended by adding immediately after section eleven thereof the following section:

Pensioner requiring training resulting from increased disabilities.

"**11A.** Where, in the opinion of the Minister, a pensioner requires training or re-training by reason of an increase in his pensionable or non-pensionable disabilities, the Minister may, pursuant to regulations made in that behalf, provide such training or re-training and pay allowances, and the provisions of section ten of *The War Service Grants Act, 1944*, shall not apply to such pensioner."

1944-45, c. 51.

7. The said Act is further amended by adding immediately after section seventeen thereof the following sections:

Closed service dates for entitlement.

"**17A.** (1) No member or former member of the naval, military or air forces of His Majesty shall be entitled to allowances or benefits under this Act in respect of service in such forces subsequent to

(a) the day of his acceptance as a member of the permanent naval or military forces or the regular air force of Canada if he is so accepted after the thirty-first day of March, one thousand nine hundred and forty-six;

(b) the thirty-first day of March, one thousand nine hundred and forty-six, if on that day he is a member of the permanent naval or military forces or the regular air force of Canada serving on active service; or

(c) the thirty-first day of March, one thousand nine hundred and forty-six, if he volunteers and is accepted for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, unless he was serving on overseas service on the thirty-first day of August, one thousand nine hundred and forty-five, and remains continuously on the strength of an establishment, unit or ship on overseas service, in which case he shall be entitled to allowances and benefits in respect of all such service.

(2) A member or former member of the naval, military or air forces of Canada entitled to allowances or benefits under this Act shall be entitled to such allowances or benefits in respect of all of his full-time service as such, if he is not accepted as a member of the permanent naval or military forces or the regular air force of Canada, or is not accepted for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven.

(3) For the purposes of subsection one of this section the expression 'overseas service' has the same meaning as that expression has in *The War Service Grants Act, 1944*.

1944-45, c. 51.

Clause **6.**

This contains a new section designed to provide for the retraining of a pensioner without affect on his re-establishment credit.

Clause **7.**

This contains 2 new sections.

Section 17A is a re-enactment in statutory form of Order in Council P.C. 909 of the 13th March, 1946, whereby definite "cut-off" dates were set for the earning of allowances or benefits under *The Veterans Rehabilitation Act.* The only change occurs in subsection (2) restricting the application of the section to Canadian veterans,—subsection (4) providing that the Governor in Council may decide on "cut-off" dates respecting other persons.

(4) The Governor in Council may make such regulations as he may deem advisable to provide for the termination of entitlement under this Act of persons not mentioned in subsection one or subsection two of this section.

Personal injury by accident in training.

"**17B.** Any veteran who is caused personal injury by accident arising out of or in the course of training with respect to which he is being paid allowances under section seven of this Act and who is not eligible for compensation under the workmen's compensation laws of the province in which the accident occurred shall, while pursuing such training, be deemed to be an employee in the service of His Majesty within the meaning and for the purposes of the *Government Employees Compensation Act*, and the Minister, with the approval of the Governor in Council, may determine the amount of direct monthly wage which the veteran shall be deemed to have been receiving at the time of his injury for the purposes of computing compensation."

R.S., c. 30.

8. The said Act is further amended by adding immediately after section eighteen thereof the following section:

"Termination of the war" may be defined.

"**18A.** The Governor in Council may define the expression 'termination of the war' for the purposes of this Act."

Section 17B is new. It provides for compensation in the case of a veteran who is killed or injured while taking vocational training. He shall be deemed to have been an employee of His Majesty within the meaning of the *Government Employees Compensation Act* at a wage to be determined by the Governor in Council.

Clause **8.**

This contains a new section designed to allow the Governor in Council to decide when the war may be considered to be terminated for the purposes of this Act.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 334.

An Act to amend The War Service Grants Act, 1944.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
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CONTROLLER OF STATIONERY
1946

65695

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 334.

An Act to amend The War Service Grants Act, 1944.

1944-45, c. 51; 1945, (2nd Sess.), c. 38.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Subsection two of section three of *The War Service Grants Act, 1944*, chapter fifty-one of the statutes of 1944-45, as enacted by section two of chapter thirty-eight of the statutes of 1945, (second session), is repealed and the following substituted therefor:—

Pay and allowances, supplement gratuity.

"(2) In addition to the amounts mentioned in subsection one of this section, every member of the forces whose service includes overseas service shall, upon discharge, be entitled to be paid for each period of one hundred and eighty-three days of overseas service and proportionately for any less period, an amount computed on the basis of seven days' pay and allowances that were payable to or in respect of him at the date of discharge.

Members of permanent or interim force.

Computation of supplementary gratuity.

"*(2a)* Where a member joined the permanent naval or military forces or the regular air force of Canada on or before the thirty-first day of March, one thousand nine hundred and forty-six, or volunteers and is accepted for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, the amount payable to such member under subsection two of this section shall be computed on the basis of the rates of pay and allowances payable to him or on his behalf at the commencement of his service excluded by section three A of this Act.

Where member required to accept pay and allowances at lower rates

"*(2b)* Where a member has been required, prior to the date on which he ceases to be entitled to gratuity, to accept pay and allowances at lower rates, by reason of reversion in rank or appointment, or otherwise as

Explanatory Notes.

1. The purpose of this amendment is to ensure that a member who has joined the permanent forces or has been accepted for service in the interim forces prior to the thirty-first day of March, 1946, is not adversely affected in the amount of supplementary gratuity by reason of reduction in rank or appointment as a condition of such service.

Computation of supplementary gratuity.

a condition of acceptance for service in the permanent naval or military forces or regular air force of Canada, or in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, the rates of pay and allowances payable to him or on his behalf immediately prior to the date of his joining the permanent naval or military forces or the regular air force of Canada, or his acceptance for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, may be used for the purpose of computing the amount paid to him under subsection two of this section."

2. The said Act is further amended by inserting immediately after section three thereof the following section:—

Cessation of entitlement to gratuity or credit.

"**3A.** (1) No member or former member of the naval, military, or air forces of His Majesty shall be entitled to any gratuity or credit under this Act in respect of service in such forces subsequent to

(a) the day of his acceptance as a member of the permanent naval or military forces or the regular air force of Canada if he is so accepted after the thirty-first day of March, one thousand nine hundred and forty-six;

(b) the thirty-first day of March, one thousand nine hundred and forty-six, if on that day he is a member of the permanent naval or military forces or the regular air force of Canada serving on active service;

(c) the thirty-first day of March, one thousand nine hundred and forty-six, if he volunteers and is accepted for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven, unless he was serving on overseas service on the thirty-first day of August, one thousand nine hundred and forty-five, and remains continuously on the strength of an establishment or unit or ship on overseas service, in which case he shall be entitled to such gratuity and credit in respect of all such service.

Full gratuity and credit unless accepted for permanent or interim force.

(2) A member or former member of the naval, military or air forces of Canada entitled to a gratuity or credit under this Act shall be entitled to such gratuity and credit in respect of all his full-time service as such, if he is not accepted as a member of the permanent naval or military forces or the regular air force of Canada or is not accepted for service in the naval, military or air forces of Canada for a special period terminating on or after the thirtieth day of September, one thousand nine hundred and forty-seven.

2. This is in effect a re-enactment of Order in Council (P.C. 908) of the 13th March, 1946, whereby definite "cut-off" dates were set for entitlement to gratuity or credit under *The War Service Grants Act, 1944*. The only change in clauses (1) and (2) occurs in clause (2) in which legislation by Order in Council has now been restricted to Canadian service personnel. Clause (3) enables the Governor in Council to provide for the termination of entitlement under this Act of all persons other than Canadian service personnel.

Regulations.

(3) The Governor in Council may make such regulations as may be advisable to provide for the termination of entitlement under this Act of persons not mentioned in subsections one or two of this section."

3. Section seven of the said Act as enacted by section seven of chapter thirty-eight of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Entitlement to re-establishment credit by veteran.

"**7.** Subject to the provisions of this Act, every member of the forces who does not elect to take benefits under *The Veterans' Land Act, 1942*, except section thirteen thereof, or any educational, vocational or technical training benefits under the provisions of *The Veterans Rehabilitation Act* shall, in order to assist in his re-establishment, be eligible, in addition to the war service gratuity, for a re-establishment credit in an amount equal to the total amount payable to him under subsection one of section three of this Act."

1942-43, c. 33.

1945, c. 35.

4. The said Act is further amended by inserting immediately after section seven thereof the following sections:—

Entitlement to credit by widow or mother of male member.

"7A. (1) Where a male member who has deferred his application for re-establishment credit dies after discharge, but before he has used his re-establishment credit in full, his widow, or, in case he leaves no widow, his mother, if the mother in the opinion of the Minister or such person as the Minister may designate, was wholly dependent on the member immediately prior to his death, is eligible for the unused credit, unless, in the opinion of the Minister, the delay in the use of such credit was not due to advice given by, or on behalf of, the Minister.

Mother of female member.

(2) Where a female member who has deferred her application for re-establishment credit dies after discharge, but before she has used her re-establishment credit in full, her mother, if the mother, in the opinion of the Minister or such person as the Minister may designate, was wholly dependent on the member immediately prior to her death, is eligible for the unused credit, unless, in the opinion of the Minister, the delay in the use of such credit was not due to advice given by, or on behalf of, the Minister.

Credit available on conditions.

(3) No credit shall be made available under this section to a widow or mother unless she is resident in Canada and the Minister is satisfied that the credit will be used for one or more of the purposes specified in section nine of this Act.

Minister may designate person to apply the credit.

(4) With the consent of the Minister the credit for which a widow or mother is eligible under this section may be made available to such person as the Minister may designate, to be used for the benefit of the widow or mother, as the case may be, for such of the purposes authorized by or under this Act as the person so designated may in his discretion determine.

3. Redraft of section seven of the Act eliminating reference to moneys "appropriated by Parliament" such benefits now provided under *The Veterans Rehabilitation Act*, and to exception therefrom of benefits under *The Department of Veterans Affairs Act*. No change in effect.

4. Sections 7A and 7B are new. Under the Act as it now stands there are no provisions for making available to the dependent the re-establishment credit of a member who dies before he has used his said credit in full. Where a member delays making application for use of his credit, then dies, the immediate family are deprived of the benefits that otherwise would have been theirs had the member received his credit before death. This amendment will remedy such a situation in cases where the veteran has deferred his application as a result of advice from the Department of Veterans Affairs.

7A. (1) Under this subsection the classes of persons who will be entitled to the credit of a deceased male member include only the widow, and if no widow, the dependent mother.

(2) Under this subsection the class of persons who will be entitled to the credit of a deceased female member includes only the mother.

(3) Self-explanatory.

(4) In some cases the widow or dependent mother may be of unsound mind or otherwise incapable of properly handling the credit, in which case the Minister may authorize a person to act for and on behalf of such widow or dependent mother.

No widow or mother then credit expires.

(5) Where no widow or mother is eligible for the credit under this section the credit shall cease to exist.

Death of widow or mother or re-marriage of widow.

(6) Where, before using the credit for which she is eligible under this section, a widow or mother dies or a widow remarries the credit shall cease to exist.

Provisions of Act to apply.

"7B. Sections nine, ten, fourteen, and twenty to twenty-five inclusive, of this Act shall *mutatis mutandis* apply to and in respect of the credit provided for by section seven A of this Act."

5. Subparagraph (i) of paragraph *(a)* and paragraph *(c)* of subsection one of section nine of the said Act are repealed and the following substituted therefor respectively:—

"*(a)* (i) under *The National Housing Act, 1944*, in an amount not exceeding two-thirds of the difference between the total cost of the home and the amount of the loan made under that Act; or

"*(c)* the reduction or discharge of indebtedness under any agreement for sale, mortgage or other encumbrance on his home, in an amount not exceeding twice the amount that the member himself contributes or has contributed to such purpose:"

6. Section ten of the said Act is repealed and the following substituted therefor:—

Other benefits subject to adjustment.

"**10.** If there has been made available to or on behalf of a member of the forces all or any part of the re-establishment credit under the provisions of section seven of this Act, he shall not be eligible for a grant of any of the benefits under *The Veterans' Land Act, 1942*, or any educational, vocational or technical training benefits provided under *The Veterans Rehabilitation Act*, except subject to a compensating adjustment in an amount which, in the opinion of the Minister, is equivalent to the re-establishment credit already made available to him or on his behalf. If a member has been granted any of the aforesaid benefits, the amount of which as determined by the Minister is less than the amount of any re-establishment credit which would otherwise be available to him, the difference between the amount of such re-establishment credit and such amount of any of the aforesaid benefits may be made available to him under section nine of this Act."

1942-43, c. 33.

1945, c. 35.

(5) Self-explanatory. In no case does the credit go to the service estate of the member or to the estate of widow or dependent mother.

(6) Self-explanatory. In no case does the credit go to the service estate of the member or to the estate of widow or dependent mother, or to the widow in the event of remarriage.

7B. Section nine of the Act sets out purposes for, and time within which, the credit is made available to a member.

Section ten of the Act sets out additional benefits subject to adjustment to which a member is entitled.

Section fourteen of the Act sets out that application by a member must be made for the credit.

Section twenty of the Act provides for the immunity from attachment of the credit of a member.

Sections twenty-one to twenty-five inclusive deal with offences, penalties, etc., for infractions of the provisions of the Act and regulations thereunder respecting credit.

5. The purpose of 9(1) *(a)* (i) is to enable the veteran to take more complete advantage of the facilities of *The National Housing Act, 1944.* Now the extent to which he may use his credit is limited to two-thirds of the difference between the lending value of the home and the amount of the loan made under the Act. The proposal is to allow him to use it to the extent of two-thirds of the difference of the total cost of the home and the amount of the loan.

The purpose of the amendment in nine (1) *(c)* is to permit a member to use his credit where he has already reduced indebtedness and to remove the restriction imposed by having to "simultaneously" provide funds of his own in order to make use of credit. It has been found that members were not able to immediately raise sufficient funds to make a simultaneous payment, although they may have previously created a large equity by having reduced indebtedness. The words "or has contributed" are substituted for the word "simultaneously".

6. This amendment is intended to bring section ten in line with section seven as proposed to be amended. Refers to benefits which were provided out of "moneys appropriated by Parliament" now within *The Veterans Rehabilitation Act.*

Does not change the law.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 335.

An Act respecting Civilian War Pensions and Allowances.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

60205

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 335.

An Act respecting Civilian War Pensions and Allowances.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short title.

1. This Act may be cited as *The Civilian War Pensions and Allowances Act.*

Definitions. "Commission."

"War."

2. In this Act, unless the context otherwise requires,

(a) "Commission" means the Canadian Pension Commission;

(b) "War" means the war waged by His Majesty and His Majesty's Allies against Germany and Germany's Allies which for the purposes of this Act shall be deemed to have commenced on the first day of September, one thousand nine hundred and thirty-nine, the date or dates, as the case may be, of termination of which will be such date or dates as may be proclaimed by the Governor in Council.

Claims to be dealt with as claims under Pension Act. R.S., c. 157.

3. All claims for pensions, allowances and compensation under this Act shall be dealt with and adjudicated upon in like manner as claims under the *Pension Act* and all the provisions of the *Pension Act* not inconsistent with this Act shall, with such modifications as circumstances may require, apply to every claim under this Act.

Information and material.

4. Every department of Government shall furnish the Commission with such information and material as the Commission may from time to time require for the purpose of considering applications for pensions, allowances and compensation under this Act.

PART I

Canadian Merchant Seamen, Salt-Water Fishermen.

Interpretation.

Definitions. "Canadian national." R.S., c. 21.

5. In this Part, unless the context otherwise requires,

(a) "Canadian national" means a Canadian National as defined in the *Canadian Nationals Act;*

Explanatory Notes.

General.

The Bill submitted is designed to give statutory authority to a group of Orders in Council passed during the war conferring pension benefits on various classes of persons other than members of the armed forces.

Additional groups have been added on the recommendation of the Special Committee on Veterans Affairs.

Contents.

Part I—Canadian Merchant Seamen and Salt-Water Fishermen.
Part II—Auxiliary Services Personnel.
Part III—The Corps of (Civilian) Canadian Fire Fighters for service in the United Kingdom.
Part IV—Royal Canadian Mounted Police.
Part V—Royal Canadian Mounted Police—Special Constables.
Part VI—Air Raid Precaution Workers.
Part VII—Injury during Remedial Treatment.
Part VIII—Voluntary Aid Detachment.
Part IX—Overseas Welfare Workers.
Part X—Canadian Civilian Air Crew of the Royal Air Force Transport Command.

Section **2.** *(b)* "War" is as defined for "World War II" in the *Pension Act.*

Section **3.** This is a general section applicable to all parts of this Bill and is designed to make all the provisions of the Pension Act not inconsistent with this Bill applicable to all claims coming within the scope of this Bill.

Section **4.** This is another general section, the purpose of which is to facilitate the Commission in securing the necessary records and other relevant information essential to proper preparation and consideration of the claim.

Part I.

This Part provides pension benefits and detention allowances for Canadian merchant seamen and salt-water fishermen.

Part I makes no change in the law which has been in effect under an Order in Council dated the 30th of April, 1942 (P.C. 104/3546, as amended) and an Order in Council dated the 12th of June, 1941 (P.C. 12/4209, as amended).

Section **5.** These definitions are self-explanatory.

"Canadian salt-water fisherman."

(b) "Canadian salt-water fisherman" means a British subject who served upon a ship engaged in the fishing industry of Canada in Canadian tidal waters;

"Canadian ship."

(c) "Canadian ship" means a ship of Canadian registry or licence certified as such by the Director of Marine Services of the Department of Transport, but does not include a ship under bareboat charter to any charterer resident outside Canada;

"Certified non-Canadian ship."

(d) "certified non-Canadian ship" means a ship, other than a Canadian ship, when employed on a voyage that the Director of Marine Services of the Department of Transport certifies was essential to the prosecution of the War on behalf of His Majesty or His Majesty's allies;

"enemy action, or counter-action against the enemy."

(e) "enemy action, or counter-action against the enemy" includes extraordinary marine hazards occasioned by the War and encountered by a Canadian ship or by a certified non-Canadian ship when employed on a voyage that in the opinion of the Commission was essential to the prosecution of the War on behalf of His Majesty or His Majesty's allies;

"ship."

(f) "ship" includes every description of vessel used in navigation not propelled by oars.

Canada Shipping Act, 1934 to apply.

1934, c. 44.

6. For the purposes of this Part the class of a vessel, the nature of the trade in which a vessel is engaged, and the status of the members of the crew, shall be determined according to the provisions of the *Canada Shipping Act, 1934*, and regulations made thereunder.

Pensions for Disability and Death.

Rates of pension.

R.S., c. 157.

7. (1) Subject to this Part, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for members of the naval forces of Canada, to or in respect of,

(a) persons who, while serving upon any Canadian ship;

(b) Canadian nationals who, while serving upon any certified non-Canadian ship; and

(c) Canadian salt-water fishermen who, while serving upon a ship engaged in the fishing industry of Canada in Canadian tidal waters,

during the War and as a direct result of enemy action, or counter-action taken against the enemy, suffer injury or disease or aggravation thereof resulting in disability or death.

When injury or disease deemed to have been suffered while serving upon Canadian or non-Canadian ship.

(2) For the purposes of this Part, injury or disease or aggravation thereof shall be deemed to have been suffered while serving upon a Canadian ship or upon a certified non-Canadian ship where it is suffered by a person while he is out of Canada and

Section **6.** This section is a re-draft of the footnote to Section 3 of P.C. 104/3546, dated 30th April, 1942, and provides for the method of determining the status of the members of the crew for the purposes of Tables A and B of this Part.

Section **7.** This section conforms generally to the provisions which have been in force under the terms of the Order in Council. It describes the nature of the compensation, to whom such awards apply, and the basis of entitlement.

(a) is proceeding by sea or by land or by air to a Canadian ship or to a certified non-Canadian ship for the purpose of being in the service thereof;

(b) is returning by sea or by land or by air to Canada or to the country of which he is a citizen or national, from a Canadian ship or from a certified non-Canadian ship after being in the service thereof; or

(c) is on leave from a Canadian ship or from a certified non-Canadian ship that is in a port outside Canada.

Rate of pension to be determined according to rank or rating.

8. The rate of pension to be awarded to or in respect of a person mentioned in section seven of this Act shall be determined according to the rank or rating of the naval forces of Canada assigned to such person's status by the following table:

TABLE.

A. *Pensions for Personnel of Canadian Ships or Certified non-Canadian Ships.*

Status.	*Rank or Rating of the Naval Forces.*
(a) Ship in Foreign Trade	
(i) Master	Commander
(ii) Chief Officer	Lieutenant-Commander
(iii) Chief Engineer	Commander
(iv) Second Engineer	Lieutenant-Commander
(v) Other Navigating and Engineer Officers	
Purser, Surgeon, Chief Steward, Wireless Officer of 10 years or more seniority	Lieutenant
(vi) All other officers	Sub-Lieutenant
(b) Ship in Home Trade	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant
(c) Ship in Inland and Minor Waters Trade	
(i) Master	Lieutenant
(ii) All other officers	Sub-Lieutenant
(d) All trades	
(i) All other members of the crew	Able Seaman
(e) Pilots	
(i) Licensed Pilots	Lieutenant
(ii) Licensed Apprentice Pilots	Sub-Lieutenant

Section **8.** This section is a re-draft of Section 3. P.C. 104/3546, dated 30th April, 1942.

It provides a table according to which the rank or rating of persons coming within the scope of this Part shall be determined for pension purposes.

B. *Pensions for Canadian Salt-Water Fishermen*

(a) Master of fishing boats of 60 registered tons or over..Lieutenant

(b) Master of other fishing boats.....Sub-Lieutenant

(c) Other members of the crew.Able Seaman

Application to be made within one year.

9. (1) Subject to subsection two of this section no pension shall be awarded under this Part unless an application is made therefor within one year after the occurrence of the death or disability in respect of which the pension is claimed.

Extension of time.

(2) Where it is established to the satisfaction of the Commission that

(a) lack of communication facilities prevented a person from making an application within the time limited by subsection one of this section; or

(b) a dependent of a person in respect of whose death a pension is claimed did not receive notice of the death in time to enable him to make an application within the time limited by subsection one of this section,

the Commission may, on special application in that behalf, extend the time within which an application for pension may be made.

If compensation otherwise payable.

10. No pension shall be awarded under this Part in respect of any disability or death for which compensation is payable under any workmen's compensation or similar laws unless evidence satisfactory to the Commission is provided that a claim for such compensation has not been made and unless the person entitled to such compensation submits to the Commission a waiver, in a form approved by the Commission, of all claims for such compensation in respect of such disability or death.

Presumption of death.

11. The Commission may for the purposes of this Part presume death in every case where, according to the evidence available as to the circumstances surrounding the disappearance of the person whose death is in question or loss of the ship upon which he was serving, the Commission is satisfied beyond a reasonable doubt that the death has in fact occurred.

Deduction from pension.

12. Notwithstanding anything in this Part, the Commission shall deduct from the pension otherwise payable under this Part to any person in respect of death or disability of a Canadian national who served on a certified non-Canadian ship, the amount of pension payable to such person in respect of such death or disability under the laws of the country in which the ship was registered or licensed or to which it was chartered.

Section **9.** This section imposes the time limitations in which applications must be made.

Section **10.** The purpose of this section is to impose a restriction and preclude duplication of payments for the same death or injury.

Section **11.** The circumstances surrounding the loss of certain ships required that some means be available to presume the deaths of missing members of their crews in order that dependents could be afforded immediate assistance.

Section **12.** This section precludes duplication of compensation payments and carries out the intention of placing the Canadian national serving on a non-Canadian ship in the same position as if he had served on a Canadian ship.

Where person entitled not a Canadian citizen and not a resident of Canada.

13. Notwithstanding anything in this Part, where a person entitled to a pension under this Part is not a Canadian citizen and is not a resident of Canada the Commission may, in lieu of that pension, award such pension or such lump sum as the Commission deems commensurate with the pension that would be payable under this Part to such person if he were a Canadian citizen or a resident of Canada, having regard to comparative living costs and such other matters that may affect the value of the pension, but no pension or amount awarded under this section shall exceed the amount of pension that would be payable to such person under this Part if he were a Canadian citizen or a resident of Canada.

Detention Allowances.

Commission may award detention allowances.

14. (1) In any case where

(a) a person, while serving upon a Canadian ship during the War; or

(b) a Canadian national, while serving upon a certified non-Canadian ship, or upon a ship engaged in the fishing industry of Canada in Canadian tidal waters

is detained by a foreign country and by reason of such detention payment of remuneration to him or on his behalf for such service is discontinued, in whole or in part, by his employer, the Commission may, subject to this section, award to such person a detention allowance equal to the amount by which the remuneration received by him immediately prior to such detention was so diminished.

Average monthly remuneration.

(2) In the case of a person who served upon a ship engaged in the fishing industry and who, at the time of his detention was engaged in a profit-sharing venture, the rate of remuneration received by him immediately prior to his detention shall, for the purposes of subsection one of this section, be deemed to be the average monthly remuneration received by him for the twelve months immediately preceding his detention.

Deduction.

(3) In the case of a Canadian national who served upon a certified non-Canadian ship the Commission shall deduct from the allowance otherwise payable to him under this section the amount of any detention or similar allowance payable to him under the laws of the country in which the ship was registered or licensed or to which it was chartered.

Section **13.** The Order in Council provided a lower rate of pension for

(a) orientals, and

(b) coloured seamen

not domiciled in Canada.

This section achieves the same result without having the distinction based on a matter of colour or race.

Detention Allowances.

Detention allowances are provided in P.C. 12/4209, dated 12th June, 1941, as amended by P.C. 87/5204, dated 16th July, 1941.

Section **14.** This section is a re-draft of Section 4 of the regulations contained in P.C. 87/5204 of the 16th of July, 1941.

Payment to dependents.

15. The Commission may pay to the dependents of a person to whom an allowance is awarded under section fourteen of this Act such portion of the allowance as the Commission in its discretion deems reasonable, and the remainder of the amount so awarded shall be paid to such person or to his legal representatives upon termination of the detention in respect of which the allowance was awarded.

PART II.

Auxiliary Services Personnel.

Interpretation.

Definitions.

"helper."

16. In this Part, unless the context otherwise requires,

(a) "helper" means a person who was employed and paid by Canadian Legion War Services Inc., The National Council of the Young Men's Christian Association of Canada, Knights of Columbus Canadian Army Huts, or Salvation Army Canadian War Services, to assist supervisors and who proceeded from Canada for attachment to

(i) the Canadian naval forces under the authority of the Chief of Naval Personnel;

(ii) active units and formations of the Canadian military forces under the authority of the Adjutant-General; or

(iii) active units and formations of the Canadian air forces under the authority of the Air Member for Personnel;

"member of the Overseas Headquarters Staff."

(b) "member of the Overseas Headquarters Staff" means a person who is not a supervisor or helper and who was a member of the Headquarters Staff of, and was employed and paid by Canadian Legion War Services Inc., The National Council of the Young Men's Christian Association of Canada, Knights of Columbus Canadian Army Huts, or Salvation Army Canadian War Services, and who proceeded from Canada under the authority of the Chief of Naval Personnel, the Adjutant-General or Air Member for Personnel;

"supervisor."

(c) "supervisor" means an authorized field representative of Canadian Legion War Services Inc., The National Council of the Young Men's Christian Association of Canada, Knights of Columbus Canadian Army Huts, or Salvation Army Canadian War Services, who directly provided services and recreational equipment to any of the naval, military or air forces of Canada and who was selected and approved by, and proceeded from Canada under the authority of the Chief of Naval Personnel, the Adjutant-General or Air Member for Personnel.

Section **15.** Provides authority to use the detention allowance for the benefit of dependents.

PART II.

This Part deals with pension benefits for Auxiliary Services personnel. P.C. 44/1555 of the 8th March, 1944, was amended by P.C. 55/5045 of the 18th July, 1945. The Orders in Council at present in force dealing with the Auxiliary Services personnel have been incorporated in Part II of this submission.

The conditions under which pensions are payable were made to conform generally with the provisions of the *Pension Act.*

Section **16.** Self-explanatory.

Supervisors.

Rates of pension to supervisors.

17. In respect of their service as supervisors rendered between the time of embarkation for service outside of Canada and the termination of such service by the appropriate naval, military or air force authorities, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Captain (Military) to or in respect of supervisors who suffer injury or disease or aggravation thereof resulting in disability or death attributable to or incurred during such service.

Helpers.

Rates of pension to helpers.

18. In respect of their service as helpers rendered between the time of embarkation for service outside of Canada and the termination of such service by the appropriate naval, military or air force authorities, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Lieutenant (Military) to or in respect of helpers who suffer injury or disease or aggravation thereof resulting in disability or death attributable to or incurred during such service.

Overseas Headquarters Staff.

Rates of pension to members of Overseas Headquarters Staff.

19. Subject to section twenty of this Act, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Lieutenant (Military) to or in respect of members of the Overseas Headquarters Staff who, during their service as such and as a direct result of enemy action, or counter-action against the enemy during the War, suffer injury or disease or aggravation thereof resulting in disability or death.

If members carried on duties comparable to those of officers of higher rank.

20. Whenever the appropriate naval, military or air force authorities certify that a member of the Overseas Headquarters Staff carried on duties with responsibilities comparable with those of an officer of higher rank than that of Lieutenant, the pension to be awarded under section nineteen of this Act shall be that set forth in Schedules A and B of the *Pension Act* for Captain (Military).

PART III.

Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom.

Rates of pension to Fire Fighters.

21. Subject to this Part, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for members of the military forces of Canada, to or in respect of members of the Corps of (Civil-

Section **17.** This section provides the rates of pension for supervisors, basis of award, and period during which protection is afforded.

Section **18.** This section provides the rates of pension for helpers, basis of award, and period during which protection is afforded.

Section **19.** This section provides the rates of pension applicable to members of the Overseas Headquarters Staff, and the basis of award.

Section **20.** Rate for Captain (Military) may be paid under certain circumstances.

PART III.

This Part deals with pension provision for Canadian fire fighters. The law on this subject as already in force is contained in P.C. 100/2757 of the 11th April, 1942.

Section **21.** Provides for rates of pension and basis of award.

ian) Canadian Fire Fighters for Service in the United Kingdom who suffer injury or disease or aggravation thereof resulting in disability or death attributable to or incurred during their service as members of the said Corps in accordance with the provisions of the *Pension Act*.

Determined according to rank or rating.

22. The rate of pension to be awarded to or in respect of a member of the Corps of (Civilian) Canadian Fire Fighters for Service in the United Kingdom shall be determined according to the rank or rating of the military forces of Canada assigned to such member's status by the following table:—

TABLE.

Status.	*Rank or Rating of the Military Forces.*
Commanding Officer	Lt.-Colonel (Military)
Divisional Officer	Major (Military)
Column Officer	Captain (Military)
Senior Company Officer, Company Officer, Section Leader, Leading Fireman, Senior Fireman, Fireman and Junior Fireman.	Lieutenant (Military)

PART IV.

ROYAL CANADIAN MOUNTED POLICE.

Claims referred to Commission. R.S., c. 160.

23. (1) All claims for compensation under section twenty-one A of the *Royal Canadian Mounted Police Act* shall be referred to the Commission for consideration and adjudication, and the Commission shall assess the degree of disability in respect of which compensation may be awarded under the said section.

Rates of compensation.

(2) Compensation shall be awarded at such rate and in such manner as the Governor in Council may from time to time prescribe under section twenty-one A of the *Royal Canadian Mounted Police Act*.

At the rate when compensation first awarded.

(3) Where an assessment is made under this section and subsequently the Commission re-assesses the degree of disability, the compensation shall be paid according to the rates applicable at the time compensation was first awarded.

PART V.

ROYAL CANADIAN MOUNTED POLICE—SPECIAL CONSTABLES.

Interpretation.

Definitions. "Special constable" defined.

24. In this Part, unless the context otherwise requires, "special constable" means a person specially engaged and employed by the Royal Canadian Mounted Police under

Section **22.** Provides that rates shall be paid to or in respect of ranks on a basis comparable to army ranks.

PART IV.

Section **23.** This Part deals with compensation for personal injury sustained by members of the Royal Canadian Mounted Police.

Para. (1) Section 21A of the Royal Canadian Mounted Police Act referred to reads:—

"Section **21A.** (1) if any member of the Force is caused personal injury by accident arising out of and in the course of his employment he may be granted compensation, including medical and hospital expenses, at such rate and such manner as the Governor in Council may prescribe.

(2) If any such member is invalided from the Force as a result of such an injury and such member has served long enough to qualify for pension he may elect whether he will accept compensation for such injury or a service pension as a result of compulsory retirement.

(3) The provisions of the Government Employees Compensation Act shall not apply to members of the Force."

Para. (2) Provides for rates payable.

Para. (3) This subsection restricts the rates payable to those applicable at the time compensation was first awarded.

PART V.

This Part deals with pension for disability or death sustained by special constables of the Royal Canadian Mounted Police presently payable under Order in Council P.C. 32/1391, dated 10th April, 1940.

Section **24.** A definition section and is self-explanatory.

the authority of the Governor in Council for the particular duty of mounting guard at vulnerable points throughout Canada or for any other similar duty during the War.

Pensions for Disability and Death.

Pensions of special constables.

25. Subject to this Part, pensions shall be awarded to or in respect of special constables who during the War and as a direct result of the performance of their duties as special constables, suffer injury or disease or aggravation thereof resulting in disability or death.

Rate and manner.

26. The pension to be awarded under this Part in respect of disability shall be awarded at such rate and in such manner as the Governor in Council may from time to time prescribe under section twenty-one A of the *Royal Canadian Mounted Police Act.*

Provisions applicable.

27. The pensions to be awarded under this Part in respect of death shall be awarded in accordance with the provisions of section seventy-six of the *Royal Canadian Mounted Police Act* and for the purposes of that section the pay and allowances which would have been permitted for pension purposes shall be the actual pay and allowances of which the special constable was in receipt at the time of his death.

Amount of pension not to exceed that authorized by Pension Act.

28. Where a special constable is in receipt of a disability pension under the *Pension Act* the amount of pension payable under this Part shall not at any time exceed the amount by which the pension authorized by the *Pension Act* for total disability exceeds the pension of which he is in receipt under the *Pension Act.*

Not applicable if Pension Act applies.

29. No pension shall be awarded under this Part for any disability in respect of which a pension is awarded under the *Pension Act.*

Award on ceasing to be special constable.

30. No pension shall be awarded under this Part to or in respect of a special constable until he ceases to be a special constable.

Application to be made within one year after death.

One year after ceasing to be special constable.

31. Unless it is established to the satisfaction of the Commission that the evidence upon which the application for pension is based was not in the possession of the applicant or could not reasonably have been obtained by such applicant within the times hereinafter prescribed, no pension for death shall be awarded under this Part in respect of a special constable unless application is made therefor within one year after his death and no pension for disability

Section **25.** Authorizes the award of pension under certain conditions.

Section **26.** This section deals with the rate and manner of the award in respect of disability.

Section **27.** This section deals with the rate and manner of the award in respect of death.

Section **28.** Ensures that recipient shall not receive more than maximum schedule rate.

Section **29.** Precludes duplication of benefits.

Section **30.** Self-explanatory.

Section **31.** Refers to time limit in which application must be made.

shall be awarded under this Part to or in respect of a special constable unless application is made therefor within one year after he ceased to be a special constable.

Widow and children only.

32. No pension for death shall be awarded under this Part to or in respect of any dependent other than the widow and children of the special constable on account of whose death pension is claimed.

PART VI.

Air Raid Precautions Workers.

Interpretation.

Definitions.

"air raid precautions worker."

33. In this Part, unless the context otherwise requires,

(a) "air raid precautions worker" means a person registered as a volunteer worker in a designated area by an official body organized for air raid precautions purposes, a duly registered voluntary evacuation worker or a person designated as such by the Commission pursuant to section forty-four of this Act;

"designated area."

(b) "designated area" means any area which has been so designated by the Governor in Council;

"serious or prolonged disability."

(c) "serious or prolonged disability" does not include a disability of a degree less than twenty per centum estimated in the manner provided by subsection two of section twenty-four of the *Pension Act;*

"war service injury."

(d) "war service injury" means, in the case of an air raid precautions worker other than a duly registered voluntary evacuation worker, any physical injury sustained during the War and arising out of and in the course of his duties as such as a direct result of enemy action, or counter-action against the enemy or action in apprehension of enemy attack or during a blackout, test or period of training duly authorized by the senior air raid precautions officer in the designated area in which such injury was sustained, and, in the case of a duly registered voluntary evacuation worker, means injuries arising out of and in the course of his duties as an evacuation worker.

Pensions for Disability and Death.

Rates applicable.

34. Subject to this Part, pensions shall be awarded in accordance with the rates set forth in Schedules I and II to this Act in respect of serious or prolonged disability or death caused by a war service injury.

Section **32.** Provides that in the event of death pension for widow and children only, may be awarded.

PART VI.

This Part deals with compensation for Air Raid Precautions personnel. The laws at present in force are contained in P.C. 8110 of the 11th September, 1942, as amended by P.C. 61/500 of the 20th January, 1943, and P.C. 109/3926 of the 13th May, 1943.

Section **33.** This is a definition section and is self-explanatory.

Section **34.** Refers to rates of pension and basis of award.

No pension in case of wilful negligence or improper conduct.

35. No pension shall be awarded under this Part in respect of a war service injury sustained by reason of the wilful negligence or improper conduct of the air raid precautions worker by or in respect of whom pension is claimed.

If other pension or payment made.

36. No pension in respect of a war service injury shall be paid under this Part to or in respect of any person during any period such person receives or is entitled to receive in respect of the same injury any grant, allowance, compensation, pension or other payment of a like nature, payable out of any public funds to which such person has not made a direct financial contribution, unless such grant, allowance, compensation, pension or other payment is less than the amount of the pension that would otherwise be payable under this Part in which case pension equal to the amount by which the pension that would otherwise be payable under this Part exceeds such other grant, allowance, compensation, pension or other payment, may be paid under this Part during such period.

Pensions to widows.

37. (1) No pension shall be awarded under this Part to the widow of any person in respect of the death of such person unless she was wholly or to a substantial extent maintained by him at the time of his death, and unless she was married to him prior to the day the war service injury in respect of which pension is claimed was sustained.

Pension to wife.

(2) No additional pension shall be awarded under this Part to any married man in respect of his wife unless she was wholly or to a substantial extent maintained by him immediately prior to the day the war service injury in respect of which such additional pension is claimed was sustained.

Deduction.

38. The Commission may, in its discretion, deduct from any additional pension payable under this Part in respect of any dependent, any amount payable by way of grant or allowance, whether payable out of public funds or otherwise, for the maintenance of such dependent.

Married pensioner.

39. Where any two persons to whom any pensions may be awarded under this Part are married to one another, pensions may be paid to them under this Part as if they were unmarried, but in every such case the additional pensions, if any, that may be awarded under this Part in respect of any dependent child or children shall be paid in respect of the injury to the husband unless the wife is not wholly or to a substantial extent maintained by him, in which case such additional pensions, if any, shall be paid in respect of the injury to the parent who is responsible for the support of such dependent child or children.

Section **35.** No pension if injury due to improper conduct.

Section **36.** Makes provision to avoid duplication of benefits.

Section **37.** Refers to basis of awards of death benefits and additional pension.

Section **38.** This section provides for certain deductions and is self-explanatory.

Section **39.** Makes provision to avoid duplication of benefits.

Children.

40. No additional pension shall be awarded under this Part in respect of any child born more than nine months after the day the war service injury in respect of which any pension is payable was sustained.

In case of male under 16 years of age or female under 17.

41. Where a person to whom a pension may be awarded under section thirty-four of this Act is a male under the age of sixteen years or a female under the age of seventeen years, no pension shall be paid to such person until such person, if a male, attains the age of sixteen years, or, if a female, attains the age of seventeen years, but the Commission may direct that, until such age is attained, the pension shall be administered for the benefit of such person in the manner provided by section sixteen of the *Pension Act*.

Application to be made within one year.

42. No pension shall be awarded under this Part in respect of any disability unless application is made therefor within one year after the day the war service injury resulting in such disability was sustained, or in the case of a male under the age of sixteen years or a female under the age of seventeen years, within one year after the respective ages are attained, and no pension shall be awarded in respect of death unless application is made therefor within one year after the death.

Burial expenses.

43. Where the death of an air raid precautions worker is attributable to war service injury or where at the time of death such worker was in receipt of a pension under this Part, and where his estate has not sufficient assets to pay the expenses of his burial, the Commission may, if such worker was not an in-patient under treatment in a hospital operated by the Department of Veterans Affairs, direct the payment of an amount not exceeding one hundred dollars in respect of such expenses.

Commission may designate certain persons as air raid precautions workers.

44. The Commission may designate as an air raid precautions worker any person who as an employee in an essential service, although unregistered as a volunteer worker, assisted in air raid precautions work consequent upon enemy action, or counter-action against the enemy or a duly authorized blackout.

Section **40.** This section is self-explanatory.

Section **41.** This section enables the Commission to administer the pension for minors.

Section **42.** Imposes a time limit for making application for pension.

Section **43.** Provides for payment of burial expenses where estate is not sufficient.

Section **44.** Self-explanatory.

PART VII.

Injury During Remedial Treatment.

Rates of pension.

45. Pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Lieutenant (Military) to or in respect of persons who

1940, c. 13.

(a) were called up for training, service or duty under *The National Resources Mobilization Act, 1940*,

(b) accepted and underwent treatment of any kind prescribed by the Department of Veterans Affairs for the purpose of improving their physical condition and rendering them fit for such training, service or duty, and

(c) suffer injury or disease or aggravation thereof resulting in disability or death arising out of or directly connected with such treatment.

Rates of pension.

46. Pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Lieutenant (Military) to or in respect of persons who

(a) volunteered for active service in the naval, military or air forces of Canada but were not accepted owing to their physical condition,

(b) were furnished with remedial treatment by the Department of Veterans Affairs, under the conditions prescribed by the Governor in Council, for the purpose of rendering them fit for active service in the said forces, and

(c) suffer injury or disease or aggravation thereof resulting in disability or death arising out of or directly connected with such treatment.

PART VIII.

Voluntary Aid Detachment.

Definitions.

47. In this Part, unless the context otherwise requires,

"member of the Voluntary Aid Detachment."

(a) "member of the Voluntary Aid Detachment" means a member of the Nursing Auxiliary Canadian Red Cross Corps or the Nursing Division of the Saint John Ambulance Brigade of Canada who, with the approval of the Adjutant General, served with the Royal Canadian Army Medical Corps during the War;

"serious or prolonged disability."

(b) "serious or prolonged disability" does not include a disability of a degree less than twenty per centum estimated in the manner provided in subsection two of section twenty-four of the *Pension Act;*

PART VII.

Orders in Council P.C. 2229 and 2291 of the 23rd of March, 1942, provide pension benefits for trainees and volunteers in respect to disability or death arising out of or directly connected with departmental treatment.

Section **45.** Refers to basis of award and rates of pension.

Section **46.** Refers to basis of awards and rates of pension.

PART VIII.

This Part is new and deals with compensation for members of the Nursing Auxiliary Canadian Red Cross Corps and the Nursing Division of the Saint John Ambulance Brigade of Canada, who were appointed under the governing regulations.

Members of the Voluntary Aid Detachment were attested and medically examined, terms and conditions of service being similar to those of Nursing Sisters. They were not, however, recognized as members of the forces.

None of this group served outside of Canada.

"war service injury."

(c) "war service injury" means an injury arising out of and in the course of duties as a member of the Voluntary Aid Detachment.

Rates of pension.

48. Subject to this Part, pensions shall be awarded in accordance with the Schedules I and II to this Act in respect of serious or prolonged disability or death caused by a war service injury.

In case of improper conduct.

49. No pension shall be awarded under this Part in respect of a war service injury sustained by reason of the wilful negligence or improper conduct of the member of the Voluntary Aid Detachment by or in respect of whom pension is claimed.

Avoidance of duplication of benefits.

50. No pension in respect of a war service injury shall be paid under this Part to or in respect of any person during any period such person receives or is entitled to receive in respect of the same injury any grant, allowance, compensation, pension or other payment of a like nature, payable out of any public funds to which such person has not made a direct financial contribution, unless such grant, allowance, compensation, pension or other payment is less than the amount of the pension that would otherwise be payable under this Part, in which case pension equal to the amount by which the pension that would otherwise be payable under this Part, exceeds such other grant, allowance, compensation, pension or other payment, may be paid under this Part during such period.

Commission may direct payment of burial grant.

51. Where the death of a member of the Voluntary Aid Detachment is attributable to war service injury or where at the time of death such member was in receipt of a pension under this Part, and where the estate has not sufficient assets to pay the expenses of the burial, the Commission may, if such member was not an in-patient under treatment in a hospital operated by the Department of Veterans Affairs, direct the payment of an amount not exceeding one hundred dollars in respect of such expenses.

Limitation of time for application in case of disability.

In respect of death.

52. (1) No pension shall be awarded under this Part in respect of disability unless application is made therefor within one year after the coming into force of this Act.

(2) No pension shall be awarded under this Part in respect of death unless application is made therefor within one year after the coming into force of this Act or within one year after the death, whichever is later.

The present provision is intended to place former members of the Voluntary Aid Detachment on a similar footing with another group which performed comparable duties in Canada.

Section **48.** Refers to rates of pension and basis of awards.

Section **49.** No pension if injury due to improper conduct.

Section **50.** Makes provision to avoid duplication of benefits.

Section **51.** Provides for burial grant if estate not sufficient.

Section **52.** Imposes time limit in which claims may be made.

PART IX.

Overseas Welfare Workers.

Definitions.

"Overseas Welfare Worker."

53. In this Part, unless the context otherwise requires,

(a) "Overseas Welfare Worker" means a person who, under the auspices of the Canadian Red Cross Society or the Saint John Ambulance Brigade of Canada, proceeded from Canada to serve as a welfare worker, nursing aide, ambulance or transport driver, member of the Overseas Headquarters Staff or in any other capacity and includes Orthopaedic Nurses selected by the Canadian Red Cross Society for service overseas with the Scottish Ministry of Health;

"service."

(b) "service" means service during the War as an Overseas Welfare Worker between the time of embarkation for service outside of Canada and the termination of such service by the Canadian Red Cross Society, Saint John Ambulance Brigade of Canada or the Scottish Ministry of Health;

"enemy action or counter-action against the enemy."

(c) "enemy action or counter-action against the enemy" includes extraordinary hazards occasioned by the War.

Rates of pension.

54. Subject to this Part, pensions shall be awarded in accordance with the rates set forth in Schedules A and B of the *Pension Act* for Lieutenant (Military) to or in respect of Overseas Welfare Workers who, during service, suffer injury, disease or aggravation thereof resulting in disability or death when such injury, disease or aggravation thereof resulting in disability or death was a direct result of enemy action or counter-action against the enemy.

Avoidance of duplication of benefits.

R.S., c. 157.

55. Where an Overseas Welfare Worker is in receipt of a disability pension under the *Pension Act* the amount of pension payable under this Part, shall not exceed at any time the amount by which the pension authorized by the *Pension Act* for total disability exceeds the pension of which she is in receipt under the *Pension Act*.

Pension may be reduced.

56. Any pension awarded under this Part in respect of disability or death shall be reduced by the amount of any grant, allowance, compensation, pension or other payment of a like nature, payable in respect of such disability or death out of funds to which the Overseas Welfare Worker made no direct contribution.

Limitation of time for application.

Disability.

57. (1) No pension shall be awarded under this Part in respect of disability unless application is made therefor within one year after the coming into force of this Act.

PART IX.

This Part is new and deals with compensation for three groups of women, all of whom served overseas in various theatres of war—the United Kingdom, North Africa, Sicily and Italy, etc.—under the auspices of

(a) The Canadian Red Cross Society,

(b) The Saint John Ambulance Brigade,

(c) The Scottish Ministry of Health.

They served in various capacities as nursing aides, ambulance and transport drivers, welfare workers, Headquarters staff, cooks, escort girls, etc. Those selected to serve with the Scottish Ministry of Health were highly qualified orthopaedic nurses.

These groups are not otherwise provided for and the present provision is intended to afford compensation similar to that for other comparable groups in this Bill.

Section **54.** Refers to rates of pension and basis of awards.

Section **55.** Makes provision to avoid duplication of benefits.

Section **56.** Makes provision to avoid duplication of benefits.

Section **57.** Imposes a time limit in which application must be made.

Death.

(2) No pension shall be awarded under this Part in respect of death unless application is made therefor within one year after the coming into force of this Act or within one year after the death, whichever is later.

PART X.

Canadian Civilian Air Crew of the Royal Air Force Transport Command.

Definitions.

"Civilian member of Overseas Air Crew."

"service."

"enemy action or counter-action against the enemy."

58. In this Part, unless the context otherwise requires,

(a) "Civilian Member of Overseas Air Crew" means a person, other than a member of the forces, who was employed by the Air Ministry of the United Kingdom to make trans-Atlantic flights ferrying aircraft from Canada, and who, at the commencement of such employment, was domiciled in Canada;

(b) "service" means service during the War with Number 45 Wing of the Royal Air Force Transport Command, Number 45 Group of the Royal Air Force Ferry Command, or the Atlantic Ferrying Organization ("ATFERO"), between the date of engagement for service outside of Canada and the termination of such service by the Air Ministry of the United Kingdom;

(c) "enemy action or counter-action against the enemy" includes extraordinary aerial or other hazards occasioned by the War.

Rates of pension.

R.S., c. 157.

59. Where a Civilian Member of Overseas Air Crew, during service and as a direct result of enemy action or counter-action against the enemy, incurred an injury or disease or aggravation thereof resulting in serious disability or death and he is in necessitous circumstances, or, in the case of his death, his widow, child or children, are in necessitous circumstances, or, there being no widow or children, his dependent parent or parents are in necessitous circumstances, the Commission may in its discretion award such pension, not exceeding the rates payable under Schedules A or B of the *Pension Act* for Lieutenant (Military), as it may from time to time deem to be adequate.

Avoidance of duplication of benefits.

60. Any award authorized under this Part in respect of disability or death shall be reduced by the amount of any grant, allowance, compensation, pension or other payment of a like nature, payable in respect of such disability or death out of public funds to which the Civilian Member of Overseas Air Crew made no direct contribution.

PART X.

This Part deals with compensation for a group of Canadians who served as civilian air crew with the Royal Air Force Transport Command. In 1940, a British Crown company, known as "ATFERO", was formed, this designation being an abbreviation for Atlantic Ferrying Organization. The company employed civilians to fly bombers and other aircraft across the Atlantic. In 1941, it was taken over by the Ferry Command, to which R.C.A.F. and R.A.F. personnel were attached. Civilians were, however, retained and additional personnel recruited. A further change took place in 1943, when the organization became known as Number 45 Group of the Royal Air Force.

The terms of the civilian agreement imposed no obligation on the United Kingdom Government for disability or death. An arrangement was apparently made with the Quebec Government to provide coverage under the *Quebec Workmen's Compensation Act*, the rates of which are, roughly, two-thirds *Pension Act* rates. Members of the civilian group were also able to purchase private insurance from Lloyd's in an amount not exceeding $15,000.

Section **59.** Refers to rates of pension, basis of awards and eligible dependents.

Section **60.** Makes provision to avoid duplication of benefits.

If applicant entitled to other compensation.

61. Whenever an application for pension is made under this Part the Commission may, before awarding the pension, require the applicant to take all or any of such steps as may be necessary to obtain payment of any compensation that the applicant is entitled to receive from any person or under the laws of any province or country for the disability or death in respect of which the application for pension under this Part is made.

Time limit for application.
Disability.
Death.

62. (1) No pension shall be awarded under this Part in respect of disability unless application is made therefor within one year after the coming into force of this Act.

(2) No pension shall be awarded under this Part in respect of death unless application is made therefor within one year after the coming into force of this Act or within one year after the death, whichever is later.

Section **61.** Ensures that applicants must make claim for other compensation, if eligible.

Section **62.** Imposes a time limit in which application must be made.

SCHEDULE I.

Scale of Pensions for Disabilities.

Percentage of Disability, Class and Annual Rate.

Status of Person	Class 1 100%	Class 2 99%–95%	Class 3 94%–90%	Class 4 89%–85%	Class 5 84%–80%	Class 6 79%–75%	Class 7 74%–70%	Class 8 69%–65%	Class 9 64%–60%
	$	$	$	$	$	$	$	$	$
Man or woman	600	570	540	510	480	450	420	390	360
Additional pension for wife	240	228	216	204	192	180	168	156	144
Additional pension for first and each subsequent dependent child	120	114	108	102	96	90	84	78	72
Additional pension for dependent parents	120	114	108	102	96	90	84	78	72

Status of Person	Class 10 59%–55%	Class 11 54%–50%	Class 12 49%–45%	Class 13 44%–40%	Class 14 39%–35%	Class 15 34%–30%	Class 16 29%–25%	Class 17 24%–20%
	$	$	$	$	$	$	$	$
Man or woman	330	300	270	240	210	180	150	120
Additional pension for wife	132	120	108	96	84	72	60	48
Additional pension for first and each subsequent dependent child	66	60	54	48	42	36	30	24
Additional pension for dependent parents	66	60	54	48	42	36	30	24

SCHEDULE II.

Scale of Pensions for Deaths.

Status	Annual Rate of Pension
	$
Widow	480
Additional pension for first and each subsequent dependent child	120
Orphan child	240
Each subsequent orphan child, an additional	180
Dependent parents, if no widow or dependent children	Such an amount not exceeding a widow's pension as is deemed adequate by the Commission.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 336.

An Act to amend The Veterans' Land Act, 1942.

First reading, July 30, 1946.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 336.

An Act to amend The Veterans' Land Act, 1942.

1942-43, c. 33; 1945 (2nd Sess.), c. 34.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section three of *The Veterans' Land Act, 1942*, chapter thirty-three of the statutes of 1942-43, is repealed and the following substituted therefor:

Appointment and salary of Director.

"**3.** (1) The Governor in Council may appoint an officer to be known as 'The Director, The Veterans' Land Act' (in this Act referred to as 'the Director') who shall be responsible to the Minister and be paid such salary as may be fixed by the Governor in Council

Administration.

(2) This Act shall be administered by the Minister and the powers and duties conferred or imposed by this Act on the Director shall be exercised or performed subject to the direction of the Minister."

2. Section nine of the said Act is repealed and the following substituted therefor:—

Sale of land, etc., to veterans.

"**9.** (1) Subject to the provisions of this Act and the regulations made thereunder, the Director may contract with a veteran certified by him to be qualified to participate in the benefits of this Act for the sale to such veteran of land and improvements thereon, building materials, livestock and farm equipment up to a total cost to the Director of six thousand dollars, but subject to the following conditions:—

Conditions.

(a) that the cost to the Director of the land, improvements and building materials shall not exceed six thousand dollars;

(b) that the veteran has paid to the Director ten per centum of such cost and the entire cost price of land, improvements and building materials in excess of six thousand dollars;

Explanatory Notes.

1. The purpose of this amendment is to integrate the administration of the Act more closely with other departmental activities administered by the Minister.

Section three presently reads:

"**3.** (1) The Governor in Council may appoint an officer to be known as 'The Director, The Veterans' Land Act' (hereinafter referred to as 'the Director') who shall be responsible only to the Minister and who shall have the rank and standing of a Deputy Head.

(2) The Director shall be paid such salary as may be fixed by the Governor in Council."

2. Subsections (1) and (2) are unchanged except that paragraph *(h)* of subsection (1) is omitted. This paragraph is now incorporated in subsection (4) of section 9.

(c) that the cost to the Director of the livestock and farm equipment shall not exceed twelve hundred dollars or the amount by which six thousand dollars exceeds the cost to the Director of the land, improvements and building materials, whichever is less;

(d) that the sale price to a veteran of land, improvements, building materials, livestock and farm equipment shall be, in addition to any sum paid by the veteran before contract made, a sum equal to two-thirds of the cost to the Director of the land, improvements and building materials;

(e) that the interest rate payable by a veteran shall be three and one-half per centum per annum;

(f) that the balance of the purchase price payable by a veteran may be extended over a term not in excess of twenty-five years with interest at the rate aforesaid on the amortization plan;

(g) that at the discretion of the Director terms of payment by a veteran may be varied to provide for payment of interest charges only for a period of five years, first following the date of sale or for annual or semi-annual or monthly payments of principal and interest provided that a maximum repayment period of twenty-five years is not exceeded;

Commercial fishing equipment.

(2) Subject to the provisions of this Act and the regulations made thereunder, the Director may contract with a veteran certified by him to be qualified to participate in the benefits of this Act for the sale to such veteran of land and improvements thereon, building materials and commercial fishing equipment up to a total cost to the Director of six thousand dollars subject to the same conditions set forth in subsection one of this section with the words "commercial fishing equipment" substituted for the words "livestock and farm equipment" wherever they occur therein.

Contract with veteran.

"(3) In lieu of the contract for sale described in subsection one of this section and subject to the provisions of this Act and the regulations made thereunder, the Director may contract with a veteran certified by him to be qualified to participate in the benefits of this Act for the sale to such veteran of land and improvements thereon, building materials, livestock and farm equipment, up to a total cost to the Director of five thousand eight hundred dollars, but subject to the following conditions:—

Conditions.

(a) that the cost to the Director of livestock and farm equipment shall not exceed the sum of three thousand dollars;

(b) that the cost to the Director of land and improvements and building materials shall not exceed an amount by which the sum of five thousand eight hundred dollars exceeds the cost to the Director of livestock and farm equipment;

(3) Subsections (3) to (6) are new and are designed to authorize the Director to purchase stock and equipment for a veteran leasing a farm or owning it outright, provided that the cost thereof does not exceed 40% of the value of the land and buildings and that 20% of the cost of the stock and equipment so purchased is paid by the veteran.

(c) that the veteran has paid to the Director twenty per centum of the cost to the Director of the livestock and farm equipment and ten per centum of the cost to the Director of the land, improvements thereon and building materials;

(d) that the sale price to a veteran of land, improvements and building materials and livestock and farm equipment, shall be, in addition to any sum paid by the veteran before contract made, a sum equal to forty per cent of the cost to the Director of the livestock and farm equipment and fifty per cent of the cost to the Director of land, improvements thereon and building materials;

(e) that the interest rate payable by a veteran shall be three and one-half per centum per annum;

(f) that the balance of the purchase price payable by a veteran may be extended over a term not in excess of ten years for the payment of livestock and farm equipment and not in excess of twenty-five years for the payment of land and improvements thereon and building material;

(g) that livestock and farm equipment shall be sold under this subsection only to a veteran who at the time of such sale buys land from the Director or who occupies land under a rental or purchase agreement satisfactory to the Director, and the cost to the Director of such livestock and equipment shall not exceed forty per cent of

(i) the cost to the Director of the land, improvements and building materials sold to the said veteran; or

(ii) the value of the land occupied by a veteran under a rental or purchase agreement as estimated by the Director.

Sale, assignment or other disposition only after all commitments met.

(4) In the case of any contract made between the Director and a veteran under subsections one and three of this section, save upon payment in full to the Director of the total outstanding cost to the Director of the land, improvements, livestock and farm equipment together with interest at the said rate on the said outstanding cost and all other charges owing by the veteran in respect thereof, no sale, assignment, or other disposition of the subject-matter of a contract between a veteran and the Director shall be made by the veteran, nor shall a conveyance or transfer be given by the Director to a veteran during a period of ten years following the date of the relative contract and thereafter only if the veteran has complied with the terms of his agreement for the said ten-year period.

Conveyance or transfer.

Conveyance or transfer of land where contract for sale of livestock and equipment.

(5) Notwithstanding the provisions of subsection four of this section, in the case of any contract for the sale of livestock and equipment made between the Director and a veteran who occupies land under a rental or purchase

agreement and who subsequently enters into a contract to buy land from the Director before the terms of the contract for the sale of livestock and equipment have been completely fulfilled, the Director shall not give a conveyance or transfer in respect of the said land or improvements thereon or building materials until the terms of the contract for the sale of the said livestock and equipment have been completely fulfilled.

No further contract where default exists in previous contract.

(6) The Director shall not enter into a contract for the sale of land, improvements, building materials, livestock, farm equipment or commercial fishing equipment with a veteran who is in default in respect of any contract previously entered into under this Act."

3. Section twenty-three is repealed and the following substituted therefor:—

Conditional loans and advances.

"**23.** Save with the approval of the Minister loans or advances authorized by this Act shall not be made to persons who obtained loans or advances under the provisions of the *Soldier Settlement Act*, and who are indebted to the Director of Soldier Settlement."

R.S., c. 188.

4. (1) The part of subsection one of section thirty-seven of the said Act that precedes paragraph *(a)* thereof is repealed and the following substituted therefor:

"**37.** (1) The Governor in Council may, subject to the provisions of this Act, make regulations prescribing:"

(2) Paragraph *(j)* of subsection one of section thirty-seven of the said Act is repealed and the following substituted therefor:

"*(j)* with respect to any other matter concerning which the Minister deems regulations necessary for the execution of the purposes of this Act."

(3) Subsection one A of section thirty-seven of the said Act is repealed and the following substituted therefor:

"(1A) The Director may with the approval of the Minister make regulations authorizing persons named therein to exercise or perform with respect to such matters as may be specified therein, any of the powers or duties conferred or imposed by this Act on the Director."

3. The only change in section 23 is the addition of the underlined words.

4. The introductory words of section 37 (1) now read:

"**37.** (1) The *Director* may with the approval of the Governor in Council and subject to the provisions of this Act, make regulations prescribing:"

The change is to remove the incongruity of the Director appearing to submit recommendations directly to Council.

37. (2) *(j)* The word "Minister" is substituted for the word "Director", for the reasons given above.

37. (3)

1A. The word "Minister" is substituted for the words "Governor in Council".

The regulations mentioned here are purely of an administrative character and may properly be made by the Minister instead of by the Governor in Council.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 345.

An Act respecting the construction of a line of railway by Canadian National Railway Company from Barraute to Kiask Falls on the Bell River, in the Province of Quebec.

First reading, August 5, 1946.

The MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

67892

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 345.

An Act respecting the construction of a line of railway by Canadian National Railway Company from Barraute to Kiask Falls on the Bell River, in the Province of Quebec.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Construction and completion.

1. The Governor in Council may provide for the construction and completion prior to the thirty-first day of December, one thousand nine hundred and fifty, by Canadian National Railway Company (hereinafter called "the Company") of a line of railway mentioned or referred to in the Schedule to this Act.

Certificates of mileage.

2. The certificate of the Minister of Transport as to the mileage of the said line of railway shall for the purposes of this Act be conclusive, but the Minister of Transport may issue interim certificates from time to time based upon estimated mileage, a final certificate being ultimately issued by the Minister of Transport to accord with the miles and fractions of miles actually constructed.

Mileage and expenditures estimates only.

3. The mileage of the said line of railway and the amount to be expended on the construction thereof and the average expenditure per mile as set out in the Schedule to this Act are estimates only but neither the Minister of Transport in issuing certificates under section two of this Act, nor the Company in performing the work of construction and completion or in issuing its securities shall, unless by consent of Parliament, exceed such estimates respectively by more than fifteen per centum.

Exceeding estimates by consent of Parliament.

Approval of Parliament to exceed expenditure.

4. Should it appear to the Company upon making final survey of the said line of railway that the expenditure involved in the completion thereof will exceed the limits

Explanatory Notes.

The purpose of the Bill is to obtain statutory authority for the construction by Canadian National Railway Company of a branch line of railway in the province of Quebec from Barraute, a point on the National Transcontinental Railway, running northerly to Kiask Falls on the Bell River, a distance of approximately 55 miles.

of expenditure specified in this Act, the Company shall not commence nor proceed with the work upon the said line of railway without first obtaining the approval of Parliament.

Competitive bids or tenders.

5. The Company shall adopt the principle of competitive bids or tenders in respect of the construction of the said line of railway in so far as the Company decides not to perform such work or any part thereof with its own forces, but the Company shall not be bound to accept the lowest or any bid or tender made or obtained nor be precluded from negotiating for better prices or terms.

Issue of securities covering cost of construction.

6. Subject to the provisions of this Act and the approval of the Governor in Council, the Company may issue notes, obligations, bonds, debentures or other securities (hereinafter called "securities") bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve, in respect of the cost of the construction of the said line of railway.

Temporary loans to Company out of C.R. Fund.

7. (1) To enable the work of construction and completion of the said line of railway to proceed forthwith, the Minister of Finance, with the approval of the Governor in Council, may make temporary loans to the Company out of the Consolidated Revenue Fund, upon applications for such loans, approved by the Minister of Transport, made from time to time by the Company to the Minister of Finance, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may determine and secured by securities which the Company is authorized to issue from time to time under the provisions of section six of this Act.

Definitive securities to repay loans.

(2) Should any such temporary loans be made, definitive securities may subsequently be issued and guaranteed under the provisions of this Act to repay such loans or any part thereof.

Government guarantee of securities.

8. (1) The Governor in Council may authorize the guarantee of the principal and interest of the securities, which the Company may issue from time to time under the provisions of this Act.

Terms and conditions of guarantees.

(2) The guarantee may be in such form and subject to such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto and may be signed on behalf of His Majesty by the Minister of Finance or the Acting Minister of Finance or by suc other person as the Governor in Council may from time to time designate and such signature shall be conclusive evidence for all purposes of the validity of the guarantee and that the provisions of this Act have been complied with.

General or separate guarantee.

(3) Any such guarantee may be either a general guarantee covering the total amount of the issue or be a separate guarantee endorsed on each obligation.

Temporary guarantees replaceable by permanent.

(4) With the approval of the Governor in Council temporary guarantees may be made, to be subsequently replaced by permanent guarantees.

Proceeds of sale of guaranteed securities.

9. (1) The proceeds of any sale, pledge, or other disposition of any guaranteed securities shall be deposited in the first place either in the Consolidated Revenue Fund or to the credit of the Minister of Finance and Receiver General of Canada in trust for the Company in one or more banks designated by him.

Application for release of proceeds.

(2) The Board of Directors of the Company may from time to time authorize application to be made to the Minister of Transport for the release of any part of the proceeds deposited as aforesaid to the Company for the purpose of meeting expenditures in respect of the construction of the said line of railway, and the Minister of Transport may approve the said applications and upon the request of the Minister of Transport, the Minister of Finance may release the amount or amounts of such applications or part thereof accordingly.

Report to Parliament

10. The Minister of Transport shall present to Parliament during the first ten days of each session held prior to the date mentioned in section one of this Act a statement showing in detail the nature and extent of the work done under the authority of this Act during the previous calendar year, and the expenditure thereon, and the estimated expenditure for the current calendar year, together with the amount of any advances made under the provisions of section seven of this Act and the amount of such advances reimbursed, and all further information as the Minister of Transport may direct.

SCHEDULE.

Location	Mileage	Estimates	
		To be expended	Average expenditure per mile
		$ cts.	$ cts.
From Barraute to Kiask Falls on the Bell River, in the Province of Quebec.....	55	4,125,000 00	75,000 00

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 346.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1946, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

First reading, August 5, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

68018

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 346.

1931, cc. 22,23; 1932, cc. 6, 15, 25, 26; 1932-33, c. 34; 1935, c. 17; 1936, c. 27; 1937, c. 6; 1938, c. 43; 1939, c. 38; 1940, c. 24; 1940-41, c. 12; 1942-43, c. 22; 1943-44, c. 22; 1944-45, c. 14; 1945, c. 14.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1946, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

1. This Act may be cited as *Canadian National Railways Financing and Guarantee Act, 1946.*

Power to issue securities for capital expenditures.

2. Subject to the provisions of this Act and the approval of the Governor in Council, the Canadian National Railway Company (herein called "the National Company") may issue notes, obligations, bonds, debentures or other securities (herein called "securities") bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve, to provide the amounts necessary to meet in whole or in part capital expenditures made or capital indebtedness incurred during the calendar year 1946 by or on behalf of any companies or railways comprised in the National Railway System as defined in 1937, c. 22. *The Canadian National Railways Capital Revision Act, 1937*, on any or all of the following accounts, such expenditures or indebtedness being (herein called "authorized expenditures")—

Additions and Betterments (less retirements)	$14,000,000	
New Equipment	8,863,000	
Acquisition of Manitoba Railway	7,000,000	
Acquisition of Securities	410,000	
Retirement of Maturing Capital Obligations, including Sinking Fund and equipment principal payments	9,777,000	
		$40,050,000

Less: Available from Reserves for Depreciation and Debt Discount Amortization..... 17,500,000

$22,550,000

Proviso.

Provided, however, that for such purposes the aggregate principal amount at any one time outstanding of the securities which the National Company is authorized by this section to issue from time to time shall not exceed the sum of $22,550,000 being the total of the items hereinbefore set out.

Minister of Finance may make temporary loans for capital expenditures.

3. The Minister of Finance, with the approval of the Governor in Council, may make temporary loans to the National Company out of the Consolidated Revenue Fund for the purpose of meeting authorized expenditures, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may determine and secured by securities which the National Company is authorized to issue from time to time under the provisions of section two of this Act, upon applications for such loans approved by the Minister of Transport, made from time to time by the National Company to the Minister of Finance:

Proviso.

Provided, however, that the aggregate principal amount at any one time outstanding of the loans which the Minister of Finance is hereby authorized to make from time to time to the National Company shall not exceed the sum of $22,550,000.

Issue and guarantee of substituted securities.

4. Should any such temporary loans be made within the limits aforesaid, definitive securities may subsequently be issued and guaranteed under the provisions of this Act to repay such loans or any part thereof.

Power to aid other companies.

5. The National Company may aid and assist, in any manner, any other or others of the said companies and railways and, without limiting the generality of the foregoing, may for its own requirements and also for the requirements of any other or others of the said companies and railways from time to time:—

(a) Apply the proceeds of any issue of securities in meeting authorized expenditures on its own account or on account of any other or others of the said companies and railways;

(b) Make advances for the purpose of meeting authorized expenditures to any other or others of the said companies and railways, upon or without any security, at discretion.

Guarantee.

6. The Governor in Council may authorize the guarantee of the principal and interest of the securities, which the National Company may issue from time to time under the provisions of this Act.

Form and terms of guarantee.

7. (1) The guarantee or guarantees may be in such forms and subject to such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto and may be signed on behalf of His Majesty by the Minister of Finance or the Acting Minister of Finance or by such other person as the Governor in Council may from time to time designate and such signature shall be conclusive evidence for all purposes of the validity of the guarantee and that the provisions of this Act have been complied with.

Method of guarantee.

(2) Any such guarantee may be either a general guarantee covering the total amount of the issue or be a separate guarantee endorsed on each obligation.

Temporary guarantees.

(3) With the approval of the Governor in Council temporary guarantees may be made, to be subsequently replaced by permanent guarantees.

Proceeds paid to credit of Minister of Finance in trust.

8. (1) The proceeds of any sale, pledge, or other disposition of any guaranteed securities shall be deposited in the first place either in the Consolidated Revenue Fund or to the credit of the Minister of Finance and Receiver General of Canada in trust for the National Company in one or more banks designated by him.

Application for the release of any part of the proceeds.

(2) The Board of Directors of the National Company may from time to time authorize application to be made to the Minister of Transport for the release of any part of the proceeds deposited as aforesaid to the National Company for the purpose of meeting specified authorized expenditures within the respective limits, mentioned in section two of this Act, and the Minister of Transport may in his discretion approve the said applications and upon the request of the Minister of Transport, the Minister of Finance may release the amount or amounts of such applications or part thereof accordingly.

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 357.

An Act to amend the Federal District Commission Act, 1927.

First reading, August 6, 1946.

The PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

68578

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 357.

An Act to amend the Federal District Commission Act, 1927.

1927. c. 55; 1928, c. 26; 1943-44, c. 27.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section two of *The Federal District Commission Act, 1927*, chapter fifty-five of the statutes of 1927, is amended by adding thereto the following paragraph:

"National Capital District."

"*(c)* 'National Capital District' means the National Capital District established pursuant to this Act."

2. Section three of the said Act is repealed and the following substituted therefor:

Federal District Commission.

"**3.** (1) There shall be a Commission to be called the Federal District Commission, consisting of fifteen members.

Number of commissioners appointed by G. in C.

(2) Thirteen members shall be appointed by the Governor in Council to hold office during pleasure for a period not exceeding five years.

One member appointed by Ottawa.

(3) One member shall be appointed by the Corporation of the City of Ottawa to hold office during pleasure for such period not exceeding five years as the Corporation may by by-law determine.

One member appointed by City of Hull.

(4) One member shall be appointed by the Corporation of the City of Hull to hold office during pleasure for such period not exceeding five years as the Corporation may by by-law determine.

Members resident in different provinces.

(5) Of the members appointed by the Governor in Council one shall be ordinarily resident in British Columbia, one in Ontario, one in Quebec, one in either Alberta, Saskatchewan or Manitoba and one in either New Brunswick, Nova Scotia or Prince Edward Island.

Retiring member re-eligible

(6) A retiring member is eligible for re-appointment.

Area designated as National Capital District

"**3A.** The Governor in Council may from time to time designate an area within and in the district surrounding the City of Ottawa to be known as the National Capital District."

Explanatory Notes.

The purpose of this Bill is to amend *The Federal District Commission Act, 1927*, so as to enable the Commission to discharge more readily the duties that will devolve upon it in connection with the development of the national capital area as a national war memorial. To assist in this, the Bill provides for the appointment to the Commission of persons resident in parts of Canada other than the vicinity of Ottawa. This change was recommended by the Joint Committee of the Senate and House of Commons, which considered problems relating to the national capital in 1944 and 1945, in order to assure a national outlook in the work of the Commission. Other terms of the Bill involve changes incidental to the transfer to the President of the Privy Council of jurisdiction over the Federal District Commission.

Clause 1.—Paragraph *(c)* defines "National Capital District".

Clause 2.—Section three of the *Federal District Commission Act, 1927*, at present reads as follows:—

"3. There shall be a Commission, to be called "the Federal District Commission," consisting of *ten members*, of whom *nine* shall be appointed by the Governor in Council and shall hold office during pleasure and at least one of whom shall be a resident of the City of Hull. One shall be appointed by the Corporation of the City of Ottawa, hereinafter referred to as "the City" and shall hold office for a period of *one* year from the date of his appointment, or for such period not exceeding *three* years as shall be determined by by-law duly passed by the City: *Provided, however, that if the mayor or an alderman of the City is appointed by the City to be a commissioner he shall cease to hold office as commissioner when he ceases to hold office as mayor or alderman, and the City shall thereupon appoint a commissioner for the unexpired term.*"

Present members to continue.

3. (1) The members of the Federal District Commission who hold office at the commencement of this Act and were appointed by the Governor in Council, continue to be members of the said Commission and shall be deemed to have been appointed by the Governor in Council under section three of *The Federal District Commission Act, 1927*, as enacted by section two of this Act, except that the four senior members shall hold office during pleasure for a period of one year from the commencement of this Act and the remaining members shall hold office during pleasure for a period of three years from the commencement of this Act.

Tenure of office.

Member for Ottawa to continue.

(2) The member of the Federal District Commission who holds office at the commencement of this Act and was appointed by the Corporation of the City of Ottawa, continues to be a member of the said Commission and shall be deemed to have been appointed by the Corporation of the City of Ottawa under section three of *The Federal District Commission Act, 1927*, as enacted by section two of this Act, except that he shall hold office during pleasure for a period of three years from the commencement of this Act.

Tenure of office.

4. The said Act is further amended by inserting immediately after section six thereof the following section:—

Commission to co-ordinate work in District.

"**6A.** (1) The Commission shall co-ordinate construction and development work in the National Capital District in accordance with general plans approved from time to time under this Act.

Proposals referred to Commission.

(2) Proposals for the location, erection, alteration or extension of a building or other work by or on behalf of the Government of Canada or by any person on lands owned, leased or otherwise controlled by the Government of Canada in the National Capital District shall be referred to the Commission prior to the commencement of the work.

Approval of site, location and plans.

(3) No building or other work shall be erected, altered or extended by or on behalf of the Government of Canada in the National Capital District unless the site, location and plans thereof have first been approved by the Commission.

Idem.

(4) No person shall erect, alter or extend a building or other work on land in the National Capital District owned, leased or otherwise controlled by the Government of Canada unless the site, location and plans thereof have first been approved by the Commission.

Offence and penalty.

(5) Every person who contravenes or fails to comply with subsection four of this section is guilty of an offence and liable on summary conviction to a fine not exceeding five hundred dollars.

Clause 3.—The purpose of this clause is to establish a rotation in membership on the Commission so as to ensure a continuity of experience through periodic appointments of only a portion of new members. At present there is no established system to achieve this result.

Clause 4.—The purpose of proposed section 6A is to give by statute certain powers which are at present given to the Commission by Order in Council P.C. 5635 of August 16, 1945. Paragraph one of that order grants the same powers to the Federal District Commission as are contained in the new section.

Approval may be given by G. in C.

(6) In any case where the Commission does not give its approval under this section the Governor in Council may give such approval.

Interior alterations.

(7) This section does not apply to interior alterations in a work or building."

5. (1) Paragraph *(a)* of section seven of the said Act is repealed and the following substituted therefor:—

Acquisition of property.

"*(a)* purchase, acquire and hold real property within the National Capital District for the purpose of public parks or squares, streets, avenues, drives, thoroughfares, bridges or other structures;"

(2) Paragraphs *(c)*, *(d)* and *(e)* of section seven of the said Act are repealed and the following substituted therefor:—

Improvements in local municipality.

"*(c)* co-operate with any local municipality in the improvement and beautifying of the same or the vicinity thereof by the development, maintenance or improvement of public parks, squares, streets, avenues, drives, thoroughfares, bridges or other structures in such municipality or in the vicinity thereof;"

(d) operate or grant concessions for the operation of places of refreshment, amusement or shelter, or for the encouragement of recreation, sports and games, upon any property under its administration or control;

(e) subject to the approval of the Governor in Council sell any real property of the Commission not being a portion of any public park or square, street, avenue, drive or thoroughfare, that is not required for the purposes of the Commission;

(f) lease any real property of the Commission for any period during which it is not required for the purposes of the Commission."

6. Section eight of the said Act, as enacted by section one of chapter twenty-seven of the statutes of 1943-44, is repealed and the following substituted therefor:—

Payment of grants.

"**8.** The Minister may pay to the Commission, out of any unappropriated moneys in the Consolidated Revenue Fund, the sum of fifty thousand dollars on the commencement of this Act, the sum of seventy-five thousand dollars on the first day of October, one thousand nine hundred and forty-six and on the first day of January, one thousand nine hundred and forty-seven and thereafter the sum of three hundred thousand dollars a year for a period not exceeding fifteen years from the first day of April, one thousand nine hundred and forty-seven, to be expended by the Commission for the purposes and subject to the provisions of this Act; such annual payments shall be made in four equal quarterly instalments, payable on the first

Clause 5.—(1) Paragraph *(a)* of section seven of the *Federal District Commission Act, 1927*, reads as follows:—

"*(a)* Purchase, acquire and hold real property within *such area or district as may from time to time be designated by the Governor in Council* for the purpose of public parks or squares, streets, avenues, drives, thoroughfares or bridges;"

(2) Paragraphs *(c)*, *(d)* and *(e)* of section seven of the *Federal District Commission Act, 1927*, read as follows:—

"*(c)* co-operate with any local municipality in the improvement and beautifying of the same or the vicinity thereof by the *acquisition*, maintenance and improvement of public parks, squares, streets, avenues, drives, thoroughfares or bridges in such municipality or in the vicinity thereof;

(d) grant concessions for the *maintenance* of places of refreshment, amusement or shelter, or for the encouragement of sports and games, upon any property under its administration or control, *where in the judgment of the Commission it is advisable in the public interest to do so;*

(e) subject to the approval of the Governor in Council, sell or *lease* any real property of the Commission not being a portion of any public park or square, street, avenue, drive or thoroughfare, which is not required for the purposes of the Commission."

Clause 6.—Section eight of the *Federal District Commission Act, 1927*, at present reads as follows:—

"*8. The Minister is hereby authorized to pay out of the Consolidated Revenue Fund of Canada to the Commission the sum of two hundred thousand dollars a year for a period not exceeding ten years from the first day of April, one thousand nine hundred and forty-three, to be expended by the Commission for the purposes and subject to the provisions of this Act. Such annual payment shall be made in four equal quarterly instalments, payable on the first day of April, July, October and January, respectively, in each year, the first of such quarterly instalments to be paid on the first day of April, 1943, and the amount of each such quarterly payment shall be paid by the Minister into a chartered bank to be designated by him, to the credit of the Commission, and no payment shall be made by such bank from any amount at the credit of the Commission except on the joint cheque of the Chairman or Acting Chairman and the Secretary or Acting Secretary of the Commission.*"

days of April, July, October and January, respectively, in each year, and the amount of each payment under this section shall be paid by the Minister into a chartered bank to be designated by him, to the credit of the Commission."

7. Subsection one of section nine of the said Act is repealed and the following substituted therefor:—

$3,000,000 for purposes of Commission.

"**9.** (1) After the thirty-first day of March, one thousand nine hundred and forty-seven, the Minister may provide, for the purposes of the Commission in so far as they relate to the purchase of land or the carrying into effect of any scheme of improvements and undertakings requiring a larger outlay than is available out of the actual annual income of the Commission, by the sale or other disposition of securities of the Commission, guaranteed as hereinafter provided, an amount or amounts not to exceed in the aggregate three million dollars, or he may, with the approval of the Governor in Council, pay to the Commission, out of any unappropriated moneys in the Consolidated Revenue Fund, such sum or sums, not exceeding three million dollars as may be required for said purposes, or may make such provision partly in one way and partly in the other."

8. Subsections one and two of section ten of the said Act, as enacted by section two of chapter twenty-six of the statutes of 1928, are repealed and the following substituted therefor:—

Time limited for issue of debentures.

"**10.** (1) No securities shall be issued by the Commission for a period extending beyond the first day of July, one thousand nine hundred and seventy-six.

Interest.

(2) The Minister may, from time to time, out of any unappropriated moneys in the Consolidated Revenue Fund, provide such sums as may be required to pay the interest on any securities issued under the provisions of this Act, and may also provide such sums as are required for the purpose of establishing a sinking fund or of retiring the securities by annual instalments, so that the total amount of the securities shall be fully paid and redeemed on or before the first day of July, one thousand nine hundred and seventy-six."

Sinking fund.

Redemption.

9. Subsections one and three of section thirteen of the said Act, as enacted by section three of chapter twenty-six of the statutes of 1928, are repealed and the following substituted therefor:—

Acquisition of property.

"**13.** (1) No separate parcel of real property shall be purchased or acquired by the Commission at a cost in excess of five thousand dollars except with the previous consent of the Governor in Council; and if the Commission is unable to

Clause 7.—Subsection (1) of section nine of the *Federal District Commission Act, 1927*, reads as follows:—

"*9.* (1) The Minister may provide, for the purposes of the Commission in so far as they relate to the purchase of land or the carrying into effect of any scheme of improvements and undertakings requiring a larger outlay than is available out of the actual annual income of the Commission, by the sale or other disposition of securities of the Commission, guaranteed as hereinafter provided, an amount or amounts not to exceed in the aggregate three million dollars, or he may, with the approval of the Governor in Council, pay to the Commission, out of any unappropriated moneys in the Consolidated Revenue Fund such sum or sums, not exceeding three million dollars as may be required for said purposes, or may make such provision partly in one way and partly in the other."

Clause 8.—Subsections (1) and (2) of section ten of *The Federal District Commission Act, 1927*, read as follows:—

"*10.* (1) No securities shall be issued by the Commission for a period extending beyond the first day of July, *one thousand nine hundred and fifty-eight.*

(2) The Minister may, from time to time, out of any unappropriated moneys in the Consolidated Revenue Fund, provide such sums as may be required to pay the interest on any securities issued under the provisions of this Act, and may also provide such sums as are required for the purpose of establishing a sinking fund or of retiring the securities by annual instalments, so that the total amount of the securities shall be fully paid and redeemed on or before the said first day of July, *one thousand nine hundred and fifty-eight.*"

Clause 9.—Subsection (1) of section thirteen of *The Federal District Commission Act, 1927*, reads as follows:—

"*13.* (1) No real property shall be purchased or acquired by the Commission, except with the previous consent of the Governor in Council; and if the Commission is unable to agree with the owner of the property which it is so authorized to purchase, as to the price to be paid therefor, the Commission shall have the right to acquire the same without the consent of the owner, and the provisions of the Expropriation Act shall, *mutatis mutandis*, be applicable to the acquisition of such real property by the Commission."

agree with the owner of real property as to the price to be paid therefor, the Commission shall, with the consent of the Governor in Council, have the right to acquire the same without the consent of the owner and the provisions of the *Expropriation Act* shall, *mutatis mutandis*, be applicable to the acquisition of such real property by the Commission."

R.S., c. 64 to apply.

Compensation.

"(3) The compensation payable in respect of the taking of any lands so vested in the Commission, or of any interest therein or of lands injuriously affected by the construction of the undertaking or works shall be ascertained in accordance with the provisions of the *Expropriation Act*, and for that purpose the Attorney General of Canada may file an information in the Exchequer Court on behalf of the Commission to all intents and purposes as if such land had been expropriated by and vested in His Majesty under the provisions of the said Act and the Minister may pay to any person, out of any unappropriated moneys forming part of the Consolidated Revenue Fund of Canada, any sum to which, under the judgment of the Exchequer Court, in virtue of the provisions of this section, he is entitled as compensation money or costs."

10. Sections fourteen, fifteen, sixteen and seventeen of the said Act are repealed and the following respectively substituted therefor:—

Estimates to be approved.

"**14.** Except in the case of purchase or acquisition of real property at a cost not in excess of five thousand dollars, the Commission shall from time to time before making expenditures under this Act, submit to the President of His Majesty's Privy Council for Canada detailed estimates of the expenditures proposed to be made by it, which estimates shall be accompanied by such full information as is sufficient to enable the Governor in Council to determine as to the necessity or advisability of such proposed expenditures, or of any portion thereof; and no such expenditure shall be made by the Commission under this Act until it has been approved by the Governor in Council.

Annual statement.

"**15.** The Commission shall send to the President of His Majesty's Privy Council for Canada on or before the first day of September in each year a detailed statement of all its receipts and expenditures up to the last day of March in such year; and copies of such statements shall be laid before Parliament by the President within the first fourteen days of the next following session thereof.

Subsection (3) of section thirteen of *The Federal District Commission Act, 1927*, reads as follows:—

"(3) The compensation payable in respect of the taking of any lands so vested in the Commission, or of any interest therein or of lands injuriously affected by the construction of the undertaking or works shall be ascertained in accordance with the provisions of the Expropriation Act, and for that purpose the Attorney General of Canada may file an information in the Exchequer Court on behalf of the Commission to all intents and purposes as if such land had been expropriated by and vested in His Majesty under the provisions of the said Act. *The amount of any judgment upon such proceedings shall be payable out of the funds of the Commission.*"

Clause 10.—Sections fourteen, fifteen, sixteen and seventeen of *The Federal District Commission Act, 1927*, read as follows:—

"*14.* The Commission shall from time to time before making expenditures under this Act, submit to the *Minister* detailed estimates of the expenditures proposed to be made by it, which estimates shall be accompanied by such full information as is sufficient to enable the Governor in Council to determine as to the necessity or advisability of such proposed expenditures, or of any portion thereof; and no expenditure shall be made by the Commission under this Act until it has been approved by the Governor in Council.

"*15.* The Commission shall send to the *Minister* on or before the first day of September in each year a detailed statement of all its receipts and expenditures up to the last day of March in such year; and copies of such statements shall be laid before Parliament by the *Minister* within the first fourteen days of the next following session thereof.

"*16.* The Commission shall on or before the *first day* of December in each year make to the *Minister* an annual report for the information of Parliament, setting forth a description of the nature and extent of the works and undertakings of the Commission for the year ended on the thirty-first day of *March* in that year, and such other matters as appear to it to be of public interest in relation to the said Commission. Copies of such annual reports shall be laid before Parliament by the *Minister* within the first fourteen days of the next following session thereof.

"*17.* The Commission shall, whenever required by the *Minister*, render detailed accounts of its receipts and expenditures for such period or to such day as he designates; and all books of account, records, bank books and papers of the Commission shall at all times be open to the inspection of the *Minister* or of such person as the *Minister* names to inspect them."

Annual report to Parliament.

"**16.** The Commission shall as soon as possible after the thirty-first day of December in each year make to the President of His Majesty's Privy Council for Canada an annual report for the information of Parliament, setting forth a description of the nature and extent of the works and undertakings of the Commission for the year ended on the thirty-first day of December in that year, and such other matters as appear to it to be of public interest in relation to the said Commission; copies of such annual reports shall be laid before Parlianent by the President within the first fourteen days of the next following session thereof.

Accounts and inspection.

"**17.** The Commission shall, whenever required by the President of His Majesty's Privy Council for Canada, render detailed accounts of its receipts and expenditures for such period or to such day as he designates; and all books of account, records, bank books and papers of the Commission shall at all times be open to the inspection of the President or of such person as the President names to inspect them."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 367.

An Act to amend the Immigration Act.

First reading, August 8, 1946.

THE MINISTER OF MINES AND RESOURCES.

OTTAWA
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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 367.

An Act to amend the Immigration Act.

R.S., c. 93; 1928, c. 29; 1937, c. 34.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(b)* of section two of the *Immigration Act* chapter ninety-three of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"Canadian citizen." 1946, c. 15.

"*(b)* "Canadian citizen" means a person who is a Canadian citizen under *The Canadian Citizenship Act;*"

2. Section two of the said Act is further amended by adding immediately after paragraph *(b)* thereof the following paragraph:—

"Canadian domicile."

"*(bb)* "Canadian domicile" means Canadian domicile acquired and held in accordance with the provisions of section two A of this Act:"

3. Paragraph *(e)* of section two of the said Act is repealed and the following substituted therefor:—

"domicile."

"*(e)* "domicile" means the place in which a person has his home or in which he resides or to which he returns as his place of permanent abode and does not mean the place where he resides for a mere special or temporary purpose;"

Explanatory Notes.

The proposed amendments are to bring the *Immigration Act* into conformity with *The Canadian Citizenship Act*, and to effect certain minor amendments which have been found necessary to make.

1. The present definition reads:—

(b) "Canadian citizen" means
(i) a person born in Canada who has not become an alien;
(ii) a British subject who has Canadian domicile; or
(iii) a person naturalized under the laws of Canada who has not subsequently become an alien or lost Canadian domicile:

Provided that for the purpose of this Act a woman who has not been landed in Canada shall not be held to have acquired Canadian citizenship by virtue of her husband being a Canadian citizen; neither shall a child who has not been landed in Canada be held to have acquired Canadian citizenship through its father or mother being a Canadian citizen;

The new definition is to bring the Act into conformity with *The Canadian Citizenship Act.*

2. Amendments to the rules governing acquisition and loss of "Canadian domicile" are necessary following the amendment of the definition of "Canadian citizen". The rules governing acquisition and loss of Canadian domicile are substantive law and will be contained in the new section 2A (see Section four of the Bill). The definition of "Canadian domicile" is to replace these rules in the interpretation clause.

3. The definition of "domicile" is unchanged; but the rules relating to acquisition and loss of Canadian domicile formerly contained in this definition, and which it is necessary to amend to bring into conformity with the new definition of "Canadian citizen", are now to be enacted in a substantive section 2A.

4. The said Act is further amended by inserting therein immediately after section two the following heading and section:

"CANADIAN DOMICILE.

Rules *re* the acquisition and loss of domicile.

"**2A.** Canadian domicile is acquired and lost for the purposes of this Act, in accordance with the following rules:—

(a) Canadian domicile is acquired by a person only by having his domicile for at least five years in Canada after having been landed therein;

(b) Canadian domicile is lost by a person voluntarily residing out of Canada with the present intention of making his permanent home out of Canada and not for a mere special or temporary purpose;

(c) a person who resides out of Canada as a representative or employee of a firm, business, company or organization, religious or otherwise, established in Canada or who resides out of Canada while in the public service of Canada or of a province, and the spouse or child under eighteen years of age of any such person residing out of Canada with him, shall be deemed not to have lost Canadian domicile by reason of such residence;

(d) no period during which a person is confined in or an inmate of any penitentiary, jail, reformatory, prison or asylum for the insane in Canada shall be counted as a period of domicile in Canada for the purposes of rule *(a)* of this section;

(e) where an order is issued under this Act for the deportation of a person and an appeal therefrom has not been allowed by the Minister or where a permit to remain in Canada is issued by the Minister to a person who has been previously landed in Canada and ordered to be deported, the period during which the said person resides in Canada after such order has been issued or such permit granted, shall not be counted as a period of domicile for the purposes of rule *(a)* of this section; and

(f) no person who belongs to the prohibited or undesirable classes as provided in section forty-one of this Act may acquire Canadian domicile and any such person who had acquired Canadian domicile prior to becoming a member of such class of prohibited or undesirable immigrants shall forthwith on becoming such a member be deemed to have lost Canadian domicile."

4. The present paragraph *"e"* reads:—

(e) "domicile" means the place in which a person has his home, or in which he resides, or to which he returns as his place of permanent abode, and does not mean the place where he resides for a mere special or temporary purpose;

(i) Canadian domicile can only be acquired, for the purposes of this Act, by a person having his domicile for at least five years in Canada after having been landed therein within the meaning of this Act:—

Provided that the time spent by a person while confined in or an inmate of any penitentiary, gaol, reformatory, prison or asylum for the insane in Canada shall not be counted in the period of residence in Canada, which is necessary in order to acquire Canadian domicile; provided further that when an order is issued for the deportation of any person and an appeal therefrom has not been allowed by the Minister, or a permit to remain in Canada is issued by the Minister in the case of a person who has been previously landed and ordered deported, the time spent in Canada while such order of deportation or permit is in force shall not be counted in the period of residence which is necessary to acquire Canadian domicile; and provided further that no person who belongs to the prohibited or undesirable classes within the meaning of section forty-one of this Act shall be capable of acquiring Canadian domicile;

(ii) Canadian domicile is lost, for the purposes of this Act, by a person voluntarily residing out of Canada not for a mere special or temporary purpose but with the present intention of making his permanent home out of Canada, or by any person belonging to the prohibited or undesirable classes within the meaning of section forty-one of this Act;

(iii) notwithstanding anything contained in the preceding subparagraph, when any citizen of Canada who is a British subject by naturalization, or any British subject not born in Canada having Canadian domicile shall have resided for one year outside of Canada, he shall be presumed to have lost Canadian domicile and shall cease to be a Canadian citizen for the purposes of this Act, and his usual place of residence shall be deemed to be his place of domicile during said year:

Provided that such presumption may be rebutted by production of the certificate of any British diplomatic or consular officer, in such form as may be prescribed by the Minister, that such person appeared before him before the expiration of said period of one year and satisfied such officer of his reasonable intention to retain his Canadian domicile; and in the case of a person who is a naturalized British subject such certificate shall be endorsed upon the certificate of naturalization of such person; the effect of such certificate shall be to extend said period for a further term of one year, and it may be further extended from year to year in the same manner as long as the officer giving the certificate is satisfied of the *bona fides* of the application for extension in each case, provided that the total period for which extension may be granted shall not exceed five years;

Provided further that any person while absent from Canada as a representative or employee of a firm, business, company or organization, religious or otherwise, established in Canada, and any person while absent from Canada in the service of His Majesty's Government in Canada, shall not by such absence be held to have lost Canadian domicile;"

The rules have been recast to clarify them. The proposed amendments eliminate rule (iii) and the first proviso, to this rule, the same now being unnecessary.

5. Paragraph *(h)* of subsection one of section three of the said Act is repealed and the following substituted therefor:—

Charity immigrants.

"*(h)* Immigrants to whom money has been given or loaned by any charitable organization for the purpose of enabling them to qualify for landing in Canada under this Act, or whose passage to Canada has been paid wholly or in part by any charitable organization, or out of public moneys, unless it is shown that the authority in writing of the Deputy Minister or the Director of Immigration or in case of persons coming from Europe, the authority in writing of the Commissioner of Immigration for Canada in London, has been obtained for the landing in Canada of such persons, and that such authority has been acted upon within a period of sixty days thereafter;"

6. Subsections three and four of section three of the said Act are repealed and the following substituted therefor:—

Persons leaving Canada to assist enemy.

"(3) Except with the permission of the Minister, no person other than a Canadian citizen, whether he has Canadian domicile or not, who during any war in which Canada is engaged leaves Canada to perform any military or other service for any country then at war with Canada or for the purpose of aiding or abetting in any way the enemies of Canada, shall be permitted to land in Canada or to remain therein.

Offence.

Punishment before deportation.

"(4) A person to whom subsection three of this section applies may be prosecuted for any offence of which he may be guilty and shall be liable to undergo any punishment imposed on him pursuant to the said prosecution before he is deported."

7. Subsection two of section nineteen of the said Act is repealed and the following substituted therefor:—

Deportation when appeal dismissed.

"(2) In the case of the appeal being dismissed by the Minister, the appellant shall be deported and the order for deportation shall not become invalid on the ground of any lapse of time between its issuance and execution."

Coming into force.

8. This Act shall come into force on a date to be fixed by proclamation.

5. Paragraph *(h)* now reads:—

(h) Immigrants to whom money has been given or loaned by any charitable organization for the purpose of enabling them to qualify for landing in Canada under this Act, or whose passage to Canada has been paid wholly or in part by any charitable organization, or out of public moneys, unless it is shown that the authority in writing of the Deputy Minister, or in case of persons coming from Europe, the authority in writing of the assistant Superintendent of Immigration for Canada, in London, has been obtained for the landing in Canada of such persons, and that such authority has been acted upon within a period of sixty days thereafter;

The underlined words have been inserted to meet the present administrative machinery.

6. The repealed paragraphs read:—

"(3) *No resident of Canada, whether he is a Canadian citizen or not,* and whether he has a Canadian domicile or not, who leaves Canada to perform any military or other service for any country then at war with *His Majesty,* or for the purpose of aiding or abetting in any way *His Majesty's enemies* shall be permitted to land in Canada, or remain therein, except with the permission of the Minister.

"(4) *If any such person is* prosecuted for any offence of which he may have been guilty, he shall be liable to undergo any punishment imposed upon him under such prosecution before he is deported."

The first of these paragraphs has been revised to exclude Canadian citizens.

7. Subsection two now reads:—

"(2) In case of the appeal being dismissed by the Minister, the appellant shall forthwith be deported."

Uncertainty formerly existed as to the effect of an order for deportation after lapse of time.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 368.

An Act to amend the Income War Tax Act.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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R.S., c. 97; 1928, cc. 12, 30; 1930, c. 24; 1931, c. 35; 1932. cc. 43, 44; 1932-33, cc. 14, 15, 41; 1934, cc. 19, 55; 1935, cc. 22, 40; 1936, cc. 6, 38; 1938, c. 48; 1939 (1st Sess.), c. 46; 1939 (2nd Sess.). c. 6; 1940, c. 34; 1940-41, c. 18; 1942-43, c. 28; 1943-44, cc. 14, 24; 1944-45, c. 43. 1945 (2nd (Sess.), c. 23.

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 368.

An Act to amend the Income War Tax Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. (1) Subsection one of section two of *The Income War Tax Act*, chapter ninety-seven of the Revised Statutes of Canada, 1927, is amended by adding thereto the following paragraph:

"*(x)* words importing the masculine include the neuter."

(2) Paragraph *(b)* of subsection two of section two of the said Act is repealed and the following substituted therefor:

Child of a taxpayer defined.

"*(b)* A person who is wholly dependent on the taxpayer for support and of whom the taxpayer has, or immediately before such person attained the age of twenty-one years did have, in law or in fact, the custody and control; and"

Coming into force.

(2) Paragraph *(b)* of subsection two of section two of the said Act as amended by subsection two of this section shall be deemed to have come into force on the first day of January, nineteen hundred and forty-four.

Superannuation or pension fund payments.

2. (1) The proviso to paragraph *(c)* of subsection one of section three of the said Act is repealed and this subsection shall be deemed to have come into force on the twenty-eighth day of June, nineteen hundred and forty-six.

(2) Subsection four of the said section three is repealed and the following substituted therefor:

Per diem and living allowances.

"(4) Any payment made to any person in connection with any duty, office or employment, whether as allowances on a per diem or other periodic basis, living allowances or expenses or otherwise, except

(a) travelling or other allowances expressly fixed by and in any Act of the Parliament of Canada,

(b) travelling expenses and separation allowances designated by the Minister, paid to a member of the permanent Canadian Naval, Military and Air forces

EXPLANATORY NOTES.

1. (1) This a new paragraph added to the definition section of the Act.

(2) The paragraph to be repealed at present reads as follows:—

"*(b)* a person who *is under eighteen years of age and* wholly dependent on the taxpayer for support and of whom the taxpayer has in law or in fact the custody and control; and"

2. (1) Paragraph *(c)* of subsection one of section three at present reads as follows:—

"*(c)* any payment out of any superannuation or pension fund or plan: provided, however, that in the case of a lump sum payment out of any such fund or plan which is paid upon the death, withdrawal or retirement from employment of any employee or former employee in full satisfaction of all his rights in any such fund or plan, one-third only of such lump sum payment shall be deemed to be income; and"

(2) Subsection four of section three at present reads as follows:—

"(4) Any payment made to any person in connection with any duty, office or employment, whether as allowances on a per diem or other periodic basis, living allowances or expenses, or otherwise (except travelling or other allowances expressly fixed by and in any Act of the Parliament of Canada and travelling expenses paid to any member of the Canadian Naval, Military and Air forces in the Canadian Active Service Forces) shall be salary of such person and

who is in receipt of pay and allowances at rates designated by the Minister as new permanent force rates of pay and allowances, and

(c) travelling expenses paid to any member of the Canadian Naval, Military or Air forces in the Canadian Active Service Forces other than to a member of the permanent Canadian Naval, Military or Air forces described in paragraph *(b)* of this subsection,

shall be salary of such person and taxable as income for the purposes of this Act: Provided, however, that living allowances paid to persons who are serving outside of Canada but are maintaining a self-contained domestic establishment in Canada and who are either employees of the Government of Canada or members of the Canadian Naval, Military or Air forces in the Canadian Active Service Forces shall not be deemed to be taxable income up to such an amount as may be determined by the Minister in his discretion."

Proviso.

Payment upon retirement or in respect of loss of office.

(3) Subsection six of the said section three is repealed and the following substituted therefor:—

"(6) Where the Minister is satisfied that a single payment made on or after the first day of January, nineteen hundred and forty-four and on or before the twenty-seventh day of June, nineteen hundred and forty-six, by an employer to an employee, upon retirement, other than a payment out of or pursuant to a superannuation or pension fund or plan approved by the Minister, was in recognition of long service, one fifth only of the payment shall be deemed, for the purposes of this Act, to be income of the taxpayer in the year it was received and one fifth thereof shall be so deemed to be income of the the taxpayer in each of the four succeeding years in which he is living."

(4) Subsection eight of the said section three is repealed and the following substituted therefor:—

"(8) Where the Minister is satisfied that a payment or payments made on or after the thirteenth day of October, nineteen hundred and forty-five and on or before the twenty-seventh day of June, nineteen hundred and forty-six, by a person to a former employee is in respect of loss of office or employment, one fifth only of the payment or the aggregate of the payments made in any year shall be deemed, for the purposes of this Act, to be income of the taxpayer in the year it is received and one fifth thereof shall be so deemed to be income of the taxpayer in each of the four succeeding years in which he is living."

(5) The said section three is further amended by adding the following subsections thereto:

Expense allowance of members of provincial legislative assembies.

"(9) Where an elected member of a provincial legislative assembly is, under an Act of the provincial legislature, paid an allowance for expenses incidental to the discharge of his duties as a member, either

taxable as income for the purposes of this Act: Provided, however, that living allowances paid to persons who are serving outside of Canada but are maintaining a self-contained domestic establishment in Canada and who are either employees of the Government of Canada or members of the Canadian Naval, Military or Air Forces in the Canadian Active Service forces shall not be deemed to be taxable income up to such an amount as may be determined by the Minister in his discretion."

(3) Subsections six and eight of section three at present read as follows:—

"(6) Where the Minister is satisfied that a single payment by an employer to an employee upon retirement, other than a payment out of or pursuant to a superannuation or pension fund or plan approved by the Minister, is in recognition of long service, one-fifth only of the payment shall be deemed, for the purposes of this Act, to be income of the taxpayer in the year it is received and one-fifth thereof shall be so deemed to be income of the taxpayer in each of the four succeeding years in which he is living."

(4) "(8) Where the Minister is satisfied that a payment or payments made on or after the thirteenth day of October, nineteen hundred and forty-five, by a person to a former employee is in respect of loss of office or employment, one-fifth only of the payment or the aggregate of the payments made in any year shall be deemed, for the purposes of this Act, to be income of the taxpayer in the year it is received and one-fifth thereof shall be so deemed to be income of the taxpayer in each of the four succeeding years in which he is living."

(4) Subsection nine is new.

(a) the allowance paid in the taxation year, if it does not exceed one-half of the maximum fixed amount provided by law as payable to the member by way of salary, indemnity or other remuneration as a member in respect of attendance at a session of the legislature, or

(b) a portion of the allowance equal to one-half of the said maximum fixed amount,

whichever is less, shall, notwithstanding anything in this Act, not be taxable as income for the purposes of this Act.

Authors of literary, etc., work.

"(10) Where the author or joint author of a literary, dramatic, musical or artistic work was engaged for a period of more than twelve months in the production thereof and assigns the copyright therein wholly or partially and receives within twelve months of the assignment, in consideration or part consideration therefor, payments which but for this subsection would be income of the taxation year in which they are received, if he files with the Minister an election in form prescribed by the Minister before the expiration of the time fixed by section thirty-three of this Act for delivering a return of his income of the said taxation year and

(a) if the period in which he was engaged on the production of the work did not exceed twenty-four months,

(i) one-half of the payments shall be deemed to be income of the taxation year in which they are received, and

(ii) one-half of the payments shall be deemed to be income of the taxation year immediately preceding the said taxation year; or

(b) if the period in which he was engaged in the production of the work exceeded twenty-four months,

(i) one-third only of the payments shall be deemed to be income of the taxation year in which they are received, and

(ii) one-third of the payments shall be deemed to be income of each of the two taxation years immediately preceding the said taxation year."

3. (1) Paragraph *(g)* of section four of the said Act is repealed and the following substituted therefor:

Mutual corporation.

"*(g)* The income of mutual corporations not having a capital represented by shares, no part of the income of which inures to the benefit of any member thereof, except mutual insurance corporations that do not derive their premiums wholly from the insurance of churches, schools or other religious, educational or charitable institutions;

Life insurance companies.

"*(gg)* The income of life insurance companies except such amount as is credited to shareholders' account:"

Subsection ten is new.

3. (1) The underlined words have been inserted. Paragraph *(gg)* is not new, it was formerly part of paragraph *(g)*.

(2) Paragraph *(n)* of the said section four is repealed and the following substituted therefor:—

"*(n)* Dividends paid to an incorporated company by a company incorporated in Canada the profits of which have been taxed under this Act or to which paragraph *(w)* of this section applies, except as hereinafter provided by sections nineteen, twenty-two A and thirty-two A;"

(3) Paragraph *(p)* of the said section four is repealed and the following substituted therefor:

Co-operative companies and associations.

"*(p)* The income during the first three taxation years after commencement of its business, of a corporation commencing business on or after the first day of January, nineteen hundred and forty-seven, that is incorporated under provincial legislation, providing for the establishment of cooperative corporations, for the purpose of marketing, including processing incidental to or connected therewith, natural products of or acquired from its members or customers, or of purchasing supplies, or equipment or household necessaries for or to be sold to its members or customers, or of performing services for its members or customers, if

(i) the statute under which the corporation is incorporated or its charter or its contracts with its members or with its members and customers hold forth the prospect that payments will be made to them in proportion to patronage;

(ii) no member of the corporation has more than one vote in the conduct of the affairs of the corporation;

(iii) all its members and customers are individuals;

(iv) the rate of interest on capital subscribed by its members or dividends on shares of the corporation does not exceed five per centum per annum;

(v) the value of the products of or acquired from, and supplies, equipment and household necessaries purchased for or sold to and services performed for its customers other than members does not in the taxation year exceed twenty per centum of the total value thereof so dealt in by the corporation during the said year;

(vi) no member of the corporation, directly or indirectly, holds shares in or has subscribed amounts by way of capital to, the corporation in excess of five per centum of the shares of the corporation issued, or of the total capital subscribed therefor; and

(vii) the business carried on by the corporation is not, in the opinion of the Minister, a continuation of a previous business in which, in the opinion of the Minister, a substantial number of members of

(2) This paragraph is new.

(3) Paragraph *(p)*, to be repealed, at present reads as follows:—

"*(p)* The income of farmers', dairymen's, livestockmen's, fruit growers', poultrymen's , fishermen's and other like co-operative companies and associations, whether with or without share capital, organized and operated on a co-operative basis, which organizations

(a) market the products of the members or shareholders of such co-operative organizations under an obligation to pay to them the proceeds from the sales on the basis of quantity and quality, less necessary expenses and reserves;

(b) purchase supplies and equipment for the use of such members under an obligation to turn such supplies and equipment over to them at cost, plus necessary expenses and reserves.

Such companies and associations may market the produce of, or purchase supplies and equipment for non-members of the company or association provided the value thereof does not exceed twenty per centum of the value of produce, supplies or equipment marketed or purchased for the members or shareholders.

This exemption shall extend to companies and associations owned or controlled by such co-operative companies and associations and organized for the purpose of financing their operations;"

the corporation had a substantial interest, either as shareholders of a corporation carrying on the previous business or otherwise.

(4) Paragraph *(q)* of the said section four is repealed and the following substituted therefor;

Credit unions.

"*(q)* The income of a corporation or association incorporated or organized as a credit union if

(i) the members thereof are individuals and the corporation or association derives its revenue primarily from loans made to members residing within the territorial limits within the province to which it is restricted for the carrying on of its business, or

(ii) the members thereof are corporations or associations incorporated or organized as credit unions or under provincial co-operative legislation or for religious or educational purposes and the corporation or association derives its revenues primarily from loans made to members."

(5) Paragraph *(t)* of the said section four is repealed and the following substituted therefor:

Service pay and allowances.

"*(t)* The service pay and allowances, except service pay and allowances paid at rates designated by the Minister as new permanent force rates of pay, of

(i) members of the Canadian Naval, Military and Air Forces while in the Canadian Active Service Forces and overseas on the strength of an Overseas Unit outside of the Western Hemisphere, and

(ii) members of the said Forces whose income from such service pay and allowances (excluding subsistence allowances up to one dollar and seventy cents per day and marriage and dependents' allowances and supplementary grants paid by the dependents' board of trustees) is paid at the rate of less than one thousand six hundred dollars per annum."

(6) Paragraph *(v)* of the said section four is repealed and the following substituted therefor:

Service pay and allowances.

"*(v)* The service pay and allowances received in respect of the first six months' service after his return to Canada by any member of the Canadian Naval, Military or Air Forces who is in the Canadian Active Service Forces and who has been overseas on the strength of an Overseas Unit outside of the Western Hemisphere except service pay and allowances paid at rates designated by the Minister as new permanent force rates of pay and allowances; Provided, however, that in the case of a member of the said Forces who has not been on the strength of an Overseas Unit outside of the Western Hemisphere for a period of at least six

Proviso.

(4) Paragraph *(q)* at present reads as follows:—

"*(q)* The income of any banking institution organized under co-operative provincial legislation which derives its revenues from loans made primarily to members residing within the territorial limits within the province to which the institution is restricted for the carrying on of its business;"

(5) The change in paragraph *(t)* is indicated by underlining on the opposite page.

(6) The change in paragraph *(v)* is indicated by underlining on the opposite page.

months, the period of exemption granted hereunder shall not exceed the length of the period which has been served by him on the strength of an Overseas Unit outside of the Western Hemisphere: Provided further that the exemption shall not in any case exceed one period of six months for any such service outside of the Western Hemisphere;"

Proviso.

Investment corporation or joint stock company.

(7) Paragraph *(w)* of the said section four is repealed and the following is substituted therefor:

"*(w)* The income of a corporation or joint stock company

(i) whose capital throughout the taxation year is, to the extent of eighty per centum or more, invested in stocks, bonds or securities or held in cash,

(ii) whose gross income during the taxation year is, to the extent of not less than ninety-five per centum derived from investments mentioned in paragraph *(i)* of this subsection,

(iii) whose capital is throughout the taxation year, to the extent of not more than ten per centum thereof, invested in the stocks, bonds or securities of any one corporation or debtor other than His Majesty in right of Canada or of any province or of a Canadian municipality,

(iv) whose shares are, throughout the taxation year, held by persons numbering fifty or more of whom none holds more than twenty-five per centum of the whole capital stock of the corporation,

(v) whose net income during each taxation year (other than unpaid dividends or interest received otherwise than in cash) has been distributed to the shareholders within one hundred and twenty days after the close of the taxation year to the extent of eighty-five per centum or more, and

(vi) which has, throughout the taxation year, no outstanding bonds, debentures or other securities evidencing funded indebtedness."

(8) The said section four is further amended by adding thereto the following paragraph:

Income of companies derived from mines.

"*(x)* Subject to any regulations deemed necessary by the Governor in Council to carry this paragraph into effect, the income of a corporation or joint stock company derived from the operation of a new or old mine

(a) that the Minister has certified came into production during the period commencing January first, nineteen hundred and forty-four and ending on December thirty-first, nineteen hundred and forty-nine, and

(b) that has been determined by the Minister,

(i) where he certifies that it came into production before the first day of January, nineteen hundred and forty-six, to be a base metal or strategic mineral mine, or

(7) Paragraph *(w)* to be repealed deals with the merchant marine.

(8) Paragraph *(x)* is new.

(ii) where he certifies that it came into production on or after the first day of January, nineteen hundred and forty-six, to be a metalliferous or industrial mineral mine

after considering whether ore is produced therein in reasonable commercial quantities and, in the case of an industrial mineral mine, after receiving a certificate from the Minister of Mines and Resources that the mine is an industrial mineral mine operating on mineral deposits other than bedded deposits including for this purpose deposits of building stone,

during the first three taxation years of twelve months after the day on which, in accordance with the certificate of the Minister it came into production, if that day is the first day of January, nineteen hundred and forty-seven or later, or if the day on which, in accordance with the certificate of the Minister, it came into production is before the first day of January, nineteen hundred and forty-seven, the unexpired portion of the first three taxation years after the day it is certified that it came into production remaining after the thirty-first day of December, nineteen hundred and forty-six."

4. (1) Paragraph *(a)* of subsection one of section five of the said Act is repealed and the following is substituted therefor:—

Depletion.

"*(a)* In determining the income derived from mining and from oil and gas wells and timber limits there may be deducted such an allowance for the exhaustion of the mines, wells and timber limits as may be fixed by regulation of the Governor in Council and in the case of leases of mines, oil and gas wells and timber limits the lessor and lessee shall each be entitled to deduct a part of the allowance for exhaustion as may be agreed upon between them and in case the lessor and lessee do not agree the Minister shall have full power to apportion the deduction between them and his determination shall be conclusive:"

(2) The following paragraphs are inserted in subsection one of the said section five immediately after paragraph *(b)* thereof:

Exemptions and deductions.

"*(c)* fifteen hundred dollars in the case of a taxpayer who, during the taxation year, was

(i) a married person who supported his spouse and whose spouse was resident in any part of His Majesty's dominions or in a country contiguous to Canada, or, residing elsewhere, was a subject or citizen of a country associated or allied with Canada in the conduct of the war that commenced in September, nineteen hundred and thirty-nine,

4. (1) Paragraph *(a)* presently reads:

"*(a)* The Minister in determining the income derived from mining and from oil and gas wells and timber limits may make such an allowance for the exhaustion of the mines, wells and timber limits as he may deem just and fair, and in the case of leases of mines, oil and gas wells and timber limits the lessor and lessee shall each be entitled to deduct a part of the allowance for exhaustion as they agree and in case the lessor and lessee do not agree the Minister shall have full power to apportion the deduction between them and his determination shall be conclusive;"

(2) Paragraphs *(c)*, *(d)* and *(e)* are new.

and was prevented by reason of such war, or prohibited by law, from entering or landing in Canada;

(ii) a person who has a son or daughter wholly dependent upon him for support, if the son or daughter was, during the taxation year,

(A) under eighteen years of age;

(B) eighteen years of age or over and dependent by reason of mental or physical infirmity; or

(C) under twenty-one years or age and a student at a secondary school, university or other educational institution;

and resident in any part of His Majesty's dominions or in a country contiguous to Canada, or, residing elsewhere, was a subject or citizen of a country associated or allied with Canada in the conduct of the war that commenced in September, nineteen hundred and thirty-nine, and was prevented by reason of such war, or prohibited by law, from entering or landing in Canada;

(iii) an unmarried person or a married person separated from his spouse who maintained a self-contained domestic establishment and actually supported therein a person wholly dependent upon him and connected with him by blood relationship, marriage or adoption; or

(iv) an unmarried minister or clergyman in charge of a diocese, parish or congregation, who maintained a self-contained domestic establishment and employed therein on full-time, a housekeeper or servant; and

seven hundred and fifty dollars in the case of each person not entitled to the aforesaid deduction of fifteen hundred dollars;

"*(d)* one hundred dollars for each child or grandchild of the taxpayer who was, during the taxation year, wholly dependent upon him for support, if the child or grandchild was a child that was or might have been registered under *The Family Allowances Act, 1944*, so that an allowance under the said Act was or might have been paid in respect of the last month of the taxation year, and three hundred dollars for each other child or grandchild of the taxpayer who was, during the taxation year, wholly dependent upon him for support and was

(i) under eighteen years of age;

(ii) eighteen years of age or over and dependent by reason of mental or physical infirmity; or

(iii) under twenty-one years of age and a student at a secondary school, university or other educational institution;

and was resident in any part of His Majesty's dominions or in a country contiguous to Canada, or, residing

elsewhere, was a subject or citizen of a country associated or allied with Canada in the conduct of the war that commenced in September, nineteen hundred and thirty-nine, and was prevented by reason of such war, or prohibited by law, from entering or landing in Canada; except (unless the taxpayer employs a full-time housekeeper or servant in a self-contained domestic establishment where he supports a child by reason of whom he may make a deduction under paragraph *(c)* of this subsection) one such dependent by reason of whom the taxpayer is entitled to make a deduction under paragraph *(c)* of this subsection;

"*(e)* an amount not exceeding one hundred dollars expended by the taxpayer during the taxation year for the support of a person who was, during the taxation year, dependent upon the taxpayer for support and who was a child that was or might have been registered under *The Family Allowances Act, 1944*, so that an allowance under the said Act was or might have been paid in respect of the last month of the taxation year, and an amount not exceeding three hundred dollars expended by the taxpayer during the taxation year for the support of any other person who was, during the taxation year, dependent upon the taxpayer for support and was

(i) his parent or grandparent and dependent by reason of mental or physical infirmity;

(ii) his brother or sister

(A) under eighteen years of age,

(B) eighteen years of age or over and dependent by reason of mental or physical infirmity, or

(C) under twenty-one years of age and a student at a secondary school, university or other educational institution; or

(iii) his daughter or sister under twenty-one years of age training as a nurse at a public or provincially licensed private hospital;

and was resident in any part of His Majesty's dominions or in a country contiguous to Canada, or, residing elsewhere, was a subject or citizen of a country associated or allied with Canada in the conduct of the war that commenced in September, nineteen hundred and thirty-nine and was prevented by reason of such war, or prohibited by law, from entering or landing in Canada, (except one such dependent by reason of whom the taxpayer is entitled to make a deduction under paragraph *(c)* of this subsection);"

(3) Paragraph *(h)* of the said subsection one of section five is repealed and the following substituted therefor:

Certain pension payments.

"*(h)* that proportion of a payment out of an employees' superannuation or pension fund or plan the investment income of which has been exempt from taxation under

(3) Paragraph *(h)* at present reads as follows:—

"*(h)* that portion of a payment out of an employees' superannuation or pension fund or plan the investment income of which has been exempt from taxation under

this Act by reason of an election for such exemption by the trustees or corporation administering the fund or plan

(i) that the aggregate of the amounts paid by the employee into the fund or plan during the period when its income was exempt by reason of such election is of the aggregate of all amounts paid by him into the fund or plan; or

(ii) that the aggregate of the amounts paid by the employee into the fund or plan during the period when its income was exempt by reason of such election together with simple interest on each amount so paid from the end of the year of payment thereof to the commencement of the superannuation allowance or pension at three per centum per annum is of the aggregate of all amounts paid by him into the fund or plan together with simple interest as aforesaid on each amount so paid,

whichever is the greater;"

Repeal. (4) The proviso to paragraph *(j)* of the said subsection one of section five is repealed.

Repeal. (5) The proviso to paragraph *(jj)* of the said subsection one of section five is repealed in respect of taxation years ending on or after the first day of July, nineteen hundred and forty-seven.

(6) That part of paragraph *(k)* of the said subsection one of section five reading as follows:—

"The decision of the Minister in respect of any question arising under paragraphs *(i)*, *(j)* and *(k)* hereof shall be final and conclusive,"

is repealed.

(7) That part of paragraph *(n)* of the said subsection one of section five after subparagraph (iii) is repealed and the following substituted therefor:

Unusual medical expenses. "if payment is made to a medical practitioner, dentist or nurse qualified to practise under the laws of the place where the expenses are incurred or a public or licensed private hospital in respect of a birth in the family of, illness of or operation upon the taxpayer or his spouse or any dependent in respect of whom he may make a deduction under paragraph *(c)*, *(d)* or *(e)* of this subsection including the salary or wages paid to one full-time attendant upon the taxpayer, his spouse or any such dependent, who was throughout the whole of the taxation period necessarily confined by reason of illness, injury or affliction to a bed or wheelchair and including also the salary or wages paid to one full-time attendant upon the taxpayer, his spouse or any such dependent who was totally blind at any time in the

this Act by reason of an election for such exemption by the trustees or corporation administering the fund or plan or a part of such a payment which would otherwise be taxable under this Act, that the aggregate of the amounts paid by the employee into the fund or plan during the period when its income was exempt by reason of such election bears to the total amount paid by him into the fund or plan."

(4) Paragraph *(j)* deals with Donations to charitable organizations by taxpayers other than corporations.

(5) Paragraph *(jj)* deals with Donations to charitable organizations by corporations.

(6) This is a repeal of the Ministerial discretionary authority.

(7) The only change consists in substituting the underlined words "paragraphs *(c)*, *(d)* or *(e)* of this subsection" for the words "Rule five of section one of Paragraph A of the First Schedule to this Act."

taxation period and required the services of such an attendant; and including an amount expended on an artificial limb, a spinal brace, a brace for a limb or an aid to hearing for the taxpayer, his spouse or any such dependent: Provided that the deduction shall not exceed the aggregate of

(iv) six hundred dollars in the case of a single person, or nine hundred dollars in the case of a married person or person given an equivalent status in respect of rates of tax under this Act (but a husband and wife are entitled to only one such deduction of nine hundred dollars between them), and

(v) one hundred and fifty dollars for each dependent in respect of whom he may make a deduction under paragraph *(c)*, *(d)* or *(e)* of this subsection but not exceeding six hundred dollars in respect of such dependents: and

Proviso. Provided further that payment of the said medical expenses is proven by receipts filed with the Minister;"

(8) Paragraph *(q)* of the said subsection one of section five is repealed and the following substituted therefor:

Subsistence allowances. "*(q)* subsistence allowances, except to the extent that any such allowance exceeds one dollar and seventy cents per day, of members of the Canadian Naval, Military or Air Forces while in the Canadian Active Service Forces, other than any such allowance received by a member of the permanent Canadian Naval, Military or Air Forces who is in receipt of pay and allowances at rates designated by the Minister as new permanent force rates of pay and allowances;"

(9) Paragraph *(v)* of the said subsection one of section five is repealed and the following substituted therefor:

Deferred maintenance and repairs. "*(v)* in respect of income for a taxation year ending between the last day of nineteen hundred and forty-two and the last day of nineteen hundred and forty-six, an amount not exceeding in the case of the deduction for any year

(i) in the case of a deduction from the income for the nineteen hundred and forty-six taxation year, the excess profits for the said year as defined by paragraph *(c)* of subsection one of section two of *The Excess Profits Tax Act, 1940*, as enacted by chapter nineteen of the statutes of nineteen hundred and forty-five; or

1940, c. 32.

(ii) in the case of deduction from the income for a taxation year prior to the nineteen hundred and forty-six taxation year, the amount of the taxpayer's profits as defined in the said Act in the

(v) See Note on preceding page.

(8) Paragraph *(q)* is amended by adding thereto the words underlined on the opposite page.

(9) Paragraph *(v)* of subsection one of section five at present reads as follows:—

"*(v)* in respect of income for a taxation year ending between the last day of December, one thousand nine hundred and forty-two and the first day of the year of expenditure, not more than one-half of expenditures made

(i) in connection with maintenance and repairs by a taxpayer carrying on a business, or

(ii) on underground development by a taxpayer operating a mine,

in a period to be fixed by the Governor in Council for the purposes of this paragraph but the taxpayer may not deduct from his income for the year of expenditure, in respect of maintenance and repairs or underground development, more than the amount by which the expenditures made with respect thereto in that year exceed the amount deducted in a previous year or years in respect thereof under this paragraph."

said year above the point at which the tax calculated for the said year under the First Part of the Second Schedule to the said Act was equal to the tax calculated for the said year under the Second Part of the Second Schedule to the said Act and not exceeding in the aggregate for all the aforesaid years

(iii) one-half of the expenditures made

(A) in connection with maintenance and repairs by a taxpayer carrying on a business, or

(B) on underground development by a taxpayer operating a mine,

in a period to be fixed by the Governor in Council for the purposes of this paragraph;

but the taxpayer may not deduct from his income for the year of expenditure, in respect of maintenance and repairs or underground development, more than the amount by which the expenditures made with respect thereto in that year exceed the amount deducted in a previous year or years in respect thereof under this paragraph;"

(10) Subsection one of the said section five is further amended by adding thereto the following paragraph:

Provincial taxes on mining or logging.

"*(w)* Such amount as the Governor in Council may by regulation allow in respect of taxes paid to the government of a province on income derived from mining or logging operations in the province."

Application of subsection (10).

(11) Subsection ten of this section is applicable to the income of the nineteen hundred and forty-seven taxation year and subsequent taxation years but in the case of the nineteen hundred and forty-seven taxation year no amount may be deducted under paragraph *(w)* of subsection one of section five of the *Income War Tax Act* as enacted by the said subsection ten greater than that proportion of the total amount of the taxes referred to in the said paragraph *(w)* paid by the taxpayer during the said taxation year which the number of days of the said taxation year after the thirty-first day of December, nineteen forty-six is of the total number of days in the said taxation year.

(12) Section five of the said Act is further amended by adding the following subsections thereto:

Reduction of deduction.

"(3) If during a taxation year the spouse of a married person described by subparagraph (i) of paragraph *(c)* of subsection one of this section

(a) has an income of more than two hundred and fifty dollars and not more than seven hundred and fifty dollars, the deduction of fifteen hundred dollars permitted to the married person by the said paragraph *(c)* shall be reduced by the amount by which the income of the spouse is in excess of two hundred and fifty dollars; or

(10) Paragraph *(w)* is new.

(12) Subsections three to seven of section five are new except for the provisions of four, five and six which were formerly contained in Rules 7, 8 and 9 of section two of paragraph A of the First Schedule.

(b) has an income of more than seven hundred and fifty dollars, the said married person and spouse are each entitled only to the deduction of seven hundred and fifty dollars permitted by the said paragraph *(c)*.

Agreement as to deduction in respect of dependent child.

"(4) The deduction in respect of a dependent child under paragraph *(d)* of subsection one of this section may in any year be made from the income of such of his parents as may be determined by agreement between them, but if there is no such agreement the deduction shall be made from the father's income unless the Minister otherwise determines; but in the case of an illegitimate child the deduction shall be made, unless the Minister otherwise determines, from the mother's income.

In case of non-resident person.

"(5) No deduction shall be made under paragraph *(c)* of subsection one of this section from the income of any non-resident person described by paragraph *(c)*, *(d)* or *(e)* of subsection one of section nine of this Act or referred to in subsection seven of section twenty-seven of this Act unless the country in which such non-resident person resides allows a similar advantage to residents of Canada subject to tax in such country under similar circumstances.

When spouse or child deemed not to be spouse or child of taxpayer.

"(6) Where a taxpayer is entitled to make a deduction from his income for the taxation year under paragraph *(t)* of subsection one of this section in respect of a payment for the maintenance of a spouse or child, the spouse or child shall, for the purposes of paragraph *(c)* or *(d)* of the said subsection one, be deemed not to be the spouse or child of the taxpayer.

Deductions from income of insurance company other than life.

"(7) There may be deducted for the purposes of this Act from the income as hereinbefore defined of an insurance company other than a life insurance company, whether a mutual corporation or a joint stock company, any amount credited to a policyholder of the insurance company by way of dividend, refund of premiums or refund of premium deposits and which amount is, during the taxation year, either:

(a) paid to the policyholder;

(b) applied in discharge, in whole or in part, of any liability of the policyholder to pay premiums to the insurance company; or

(c) credited to the account of the policyholder on terms that he is entitled to or may obtain payment thereof within a period not exceeding thirty days after demand for payment by him, if notice of crediting upon such terms has been given to the policyholder by the insurance company."

(13) Section five of the said Act is further amended by adding thereto the following subsections:—

"(8) There may be deducted from a taxpayer's income as hereinbefore defined, the aggregate of the payments made by him

(a) within the taxation year or within twelve months thereafter to his customers of the taxation year, and

(b) within the taxation year to his customers of a previous taxation year, the deduction of which from income of a previous taxation year was not permitted under paragraph *(a)* of this subsection

pursuant to allocations in proportion to patronage for the said years; provided that, if the taxpayer has not made allocations in proportion to patronage in respect of all his customers of the taxation year at the same rate, with appropriate differences for different types or classes of goods, products or services, or classes, grades or qualities thereof, the amount that may be deducted from his income under this subsection shall be

(c) the aggregate of the payments previously mentioned in this subsection, or

(d) an amount equal to the aggregate of

(i) the amount of the income of the taxpayer of the taxation year attributable to business done with members of the taxpayer, and

(ii) the amount of allocations in proportion to patronage made to customers of the taxpayer of the taxation year other than members of the taxpayer

whichever is less

Interest on borrowed moneys.

"(9) Notwithstanding anything contained in subsection eight of this section, if the amount that may be deducted thereunder would leave the taxpayer with an income subject to tax under this Act less than an amount determined by deducting from three per centum of the capital employed in the business at the commencement of the taxation year, the interest, if any, paid during the taxation year by the taxpayer on borrowed moneys (other than moneys borrowed from a bank incorporated under the *Bank Act* or from a corporation or association incorporated or organized as a credit union as described in paragraph *(q)* of section four of this Act,) and deductible as an expense in computing his income, only such portion of the amount that would be so deductible may be deducted as will leave the taxpayer with an income subject to tax under this Act equal to the amount so determined.

Definitions.

"(10) For the purposes of this subsection and subsections eight and nine of this section, unless the context otherwise requires

"allocations in proportion to patronage."

(a) 'allocation in proportion to patronage' for a taxation year means an amount credited by a taxpayer to a

customer of the taxpayer of the said taxation year, on terms that the customer is entitled to or will receive payment pursuant thereto, computed at a rate in relation to the quantity, quality or value of the goods or products acquired, marketed, handled, dealt in or sold, or services rendered by, the taxpayer from or on behalf of or to the customer, whether as principal or as agent of the customer or otherwise, with appropriate differences in the rate for different classes, grades or qualities thereof, if

(i) in respect of an amount so credited to a customer of a taxation year before the nineteen hundred and forty-six taxation year, the amount was credited before the twenty-eighth day of June, nineteen hundred and forty-six; and if

(ii) in respect of an amount so credited to a customer of the nineteen hundred and forty-six or any subsequent taxation year, the amount is credited

(A) within the taxation year or within twelve months thereafter, and

(B) where the customer was a member of the taxpayer during the taxation year, at the same rate in relation to quantity, quality or value aforesaid as the rate at which amounts are similarly credited to all other customers of the taxpayer of the taxation year who were such members, with appropriate differences aforesaid, or

(C) where the customer was not a member of the taxpayer during the taxation year, at the same rate in relation to quantity, quality or value aforesaid as the rate at which amounts are similarly credited to all other customers of the taxpayer of the taxation year who were not such members, with appropriate differences aforesaid; and if

(iii) in respect of an amount so credited to a customer of the nineteen hundred and forty-seven or of any subsequent taxation year, the prospect that amounts would be so credited was

(A) where the customer was a member of the taxpayer during the taxation year, held forth by the taxpayer to his customers of the said year who were members of the taxpayer during the taxation year; or

(B) where the customer was not a member of the taxpayer during the taxation year, held forth by the taxpayer to his customers of the said year who were not members of the taxpayer during the taxation year.

"capital employed in the business." 1940, c. 32.

(b) 'capital employed in the business' shall be computed in accordance with the First Schedule to *The Excess Profits Tax Act, 1940,* except that no deduction shall be made from capital in respect of borrowed moneys (other than moneys borrowed from a bank incorporated under the *Bank Act* or from a corporation or association incorporated or organized as a credit union as described in paragraph *(q)* of section four of this Act); 1944-45, c. 30.

"customer."

(c) 'customer' includes a person who sells or delivers goods or products to a taxpayer, or for whom the taxpayer renders services;

"income of the taxpayer attributable to business done with members of taxpayer."

(d) 'income of the taxpayer attributable to business done with members of the taxpayer' of any taxation year means that proportion of the income of the taxpayer of the taxation year that the value of the goods or products acquired, marketed, handled, dealt in or sold or services rendered by the taxpayer from, or on behalf of, or for customers of the taxpayer of the taxation year who were members of the taxpayer, during the taxation year, is of the total value of goods or products acquired, marketed, handled, dealt in or sold or services rendered by the taxpayer from, or on behalf of, or for all customers of the taxpayer of the taxation year;

"payment."

(e) 'payment' includes the issue of certificates evidencing indebtedness or stock or shares of the taxpayer if the taxpayer has in the taxation year disbursed an amount of money equal to the face value of the said certificates, stock or shares in redeeming or purchasing certificates evidencing indebtedness or stock or shares of the taxpayer, respectively, previously issued by the taxpayer; and

"member."

(f) 'member' of a taxpayer means a person who is entitled as a member or shareholder of a corporation to full voting rights in the conduct of the affairs of the corporation.

When taxpayer deemed to have held forth prospect of allocations in proportion to patronage.

"(11) For the purpose of subsection ten of this section a taxpayer shall be deemed to have held forth the prospect that amounts would be credited to his customers of the taxation year who were members of the taxpayer during the taxation year or to customers of the taxation year other than such members of the taxpayer, or to both, by way of allocations in proportion to patronage if

(a) throughout the taxation year the statute or statutes under which the taxpayer is incorporated or registered or the charter of the taxpayer or his contracts with such customers, respectively, held forth the prospect that amounts would be so credited to such customers, respectively; or

(b) prior to the commencement of the said taxation year or prior to such other date as may be prescribed by regulation under this Act for the class of business in

which the taxpayer is engaged, the taxpayer publishes an advertisement in a form prescribed by regulation under this Act, in a newspaper or newspapers of general circulation throughout the greater part of the area in which the taxpayer carries on business holding forth the said prospect to such customers, respectively, and files a copy or copies of the said newspaper or newspapers with the Minister within one month after the commencement of the taxation year or the said date, as the case may be."

Advertisement and filing of copy.

(14) A taxpayer who, prior to the first day of October, nineteen hundred and forty-six, publishes an advertisement in a newspaper or newspapers of general circulation throughout the greater part of the area in which he carries on business holding forth the prospect of allocations in proportion to patronage to his customers of the nineteen hundred and forty-seven taxation year and who files a copy of the said newspaper with the Minister within one month after the said publication, shall be deemed to have held forth the said prospect to his customers of the nineteen hundred and forty-seven taxation year.

5. (1) Subparagraph (ii) of paragraph *(n)* of subsection one of section six of the said Act is repealed and the following substituted therefor:

Depreciation.

"(ii) depreciation at not more than double the rates normally allowed in respect of plant or equipment of such class or classes as may be determined by the Governor in Council built or acquired in a period to be fixed by the Governor in Council for the purposes of this paragraph, if the taxpayer is, in the opinion of the Minister, making a new investment by building or acquiring the plant or equipment."

(2) Paragraph *(o)* of subsection one of the said section six is repealed and the following substituted therefor:—

Deduction not allowed except tax on mining or logging operations.

"*(o)* any corporation tax paid to the government of a province except any such tax the deduction of which may be allowed by the Minister as a royalty or rental on natural resources in the province."

(3) The said section six is further amended by adding the following subsection thereto:

"Corporation tax defined."

"(6) For the purpose of paragraph *(o)* of subsection one of this section 'corporation tax' means any tax or fee other than a tax on net income, the imposing of which in the opinion of the Minister singles out for taxation or for discriminatory rates or burdens of taxation, either formally or in effect, corporations or any class or classes thereof or any individual corporation, but does not include

5. (1) The only change in subparagraph (ii) consists in the addition of the words underlined on the opposite page.

(2) Paragraph *(o)* on the opposite page is new.

(3) Subsection six is new.

(a) a licence or other fee or tax for specific rights, benefits or franchises granted by a municipality or where they are to be exercised or enjoyed only in territory not included in any municipality by any authority, including the government of the province, having jurisdiction in such territory;

(b) an assessment under the *Workmen's Compensation Act;*

(c) a business or occupancy tax based on floor space or on the rental or assessed value of property or on gross receipts from all or part of the business or on any other similar basis, imposed by a municipality or, in territory not included in any municipality, by any authority, including the government of a province, having jurisdiction in such territory; and

(d) a provincial licence, registration, filing or other fee not in excess of two hundred and fifty dollars for a corporation in any year, and any such fee that is in excess of two hundred and fifty dollars for a corporation in any year, designated by the Minister as not being a corporation tax."

Coming into force of ss. (3). Proviso.

(4) Subsections two and three of this section shall come into force on the first day of January, nineteen hundred and forty-seven; provided that in the case of a taxation year ending in the year nineteen forty-seven on or after the said day, there may be deducted from income of the said taxation year

(a) that proportion of the amount that would have been deductible in respect of the whole of the said taxation year but for the coming into force of subsection two of this section that the number of days before the said day in the said taxation year is of the number of days in the whole of the said taxation year;

(b) that proportion of the amount that would have been deductible from the income of the said taxation year that would have been deductible if the said subsection two had been in force throughout the whole of the said taxation year that the number of days after the said day in the said taxation year is of the number of days in the whole of the said taxation year.

6. (1) The said Act is further amended by adding thereto the following section:

Deductions from tax.

"**7.** Where a taxpayer other than a corporation or joint stock company pays tax on income to the government of a province, he may deduct from the tax otherwise payable by him under subsection one of section nine of this Act

(a) the amount of tax on income paid by him to the government of any province in which he resides or is employed, or

(b) five per centum of the tax otherwise payable by him under subsection one of section nine of this Act,

whichever is less."

6. Sections 7 and 7A are new.

(2) Section seven A of the said Act is repealed and the following is inserted in the place thereof:

If taxpayer resident during part of taxation year.

"7A. (1) A taxpayer who

(a) not being previously resident or ordinarily resident in Canada during a taxation year becomes resident or ordinarily resident in Canada during the said taxation year, or

(b) being resident or ordinarily resident in Canada during a taxation year, ceases to be resident or ordinarily resident in Canada during the said taxation year

so that he neither resided nor was ordinarily resident in Canada during the whole of the taxation year, may deduct from the tax otherwise payable by him under subsection one of section nine of this Act, a portion of the said tax that bears the same relation to the whole tax as the period in the taxation year during which he neither resided nor was ordinarily resident in Canada bears to the whole taxation year.

No deduction after becoming resident.

(2) No deduction may be made under subsection one of section eight of this Act by a taxpayer entitled to a deduction under this section except tax on income derived by him from sources outside of Canada after he becomes resident or ordinarily resident in Canada."

7. (1) Subsection five of section eight of the said Act is repealed.

(2) The said section eight is further amended by adding thereto immediately after subsection six thereof the following:

Allowable deductions for corporations refining, marketing or producing petroleum.

"(6A) A corporation whose principal business is the production, refining or marketing of petroleum or petroleum products is entitled to deduct from

(a) the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, and

(b) if the deduction permitted under this subsection exceeds the taxes so payable in that year, from the taxes so payable in subsequent years,

an amount equal to

(c) twenty per centum in the case of a corporation substantially all of whose income is subject to depletion under this Act, or

(d) thirty per centum in the case of any other corporation,

of the aggregate of drilling and exploration costs, including all general geological and geophysical expenses incurred by it directly or indirectly on oil wells,

(e) spudded in during the year nineteen hundred and forty-seven, or

(f) the deepening of which commences in nineteen hundred and forty-seven,

and abandoned within six months after the completion of drilling."

7. (1) Subsection five of section eight relates to contributions for prospecting.

(2) Subsection (6A) is new.

(3) The said section eight is further amended by adding thereto immediately after subsection seven thereof the following:

"(7A) A corporation, association, syndicate or exploration partnership formed for the purposes of exploring and drilling for oil is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure twenty per centum of the exploration and drilling expenses incurred during the year nineteen hundred and forty-seven: Provided, however, that where the tax in respect of the year of expenditure is not sufficient to permit the full amount of the deduction, the balance may be deducted in subsequent years whether the income taxable in the subsequent year from which the balance or part thereof is being deducted arose from the well in respect of which the expenses were incurred or from a well subsequently found by such corporation, association, syndicate or exploration partnership."

Exploration and drilling expenses for oil.

Proviso.

(4) Subsections eight to ten inclusive of the said section eight are repealed as of the first day of January, nineteen hundred and forty-seven and the following substituted therefor:

"(8) A corporation, association, syndicate or exploration partnership formed for the purpose of exploring and drilling for natural gas is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure twenty-two and one-half per centum of exploration and drilling expenses incurred by it during the year nineteen hundred and forty-seven.

Exploration and drilling expenses for natural gas.

"(9) A corporation whose chief business is that of mining or exploring for minerals is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940* payable by it in respect of the year of expenditure, twenty per centum of all prospecting, exploration and development expenses incurred by it in searching for minerals during the year nineteen hundred and forty-seven: Provided that no such deduction shall be allowed unless the corporation files certified statements of expenditures and satisfies the Minister that it has been actively engaged in prospecting and exploring in Canada for minerals by means of qualified persons and has incurred the said expenditures for such purposes.

Expenses of searching for minerals.

(3) Subsection (7A) is along the lines of subsection seven. The underlined word "twenty" is substituted for the words "twenty-six and two-thirds" and "the year nineteen hundred and forty-seven" for the words "the period from the first day of January, 1943, to the thirty-first day of March, 1945."

(4) Subsections eight to ten of section eight at presents read as follows:—

(8) A corporation, association, syndicate or exploration partnership formed for the purpose of exploring and drilling for natural gas is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure, *thirty per centum* of exploration and drilling expenses incurred by it during *the period from the first day of January, nineteen hundred and forty-three, to the thirty-first day of December, nineteen hundred and forty-six.*"

"(9) A corporation whose chief business is that of mining or exploring for metalliferous and strategic minerals shall be entitled to deduct from the sum total of the income tax payable by it under this Act and the tax payable under *The Excess Profits Tax Act, 1940, twenty-six and two-thirds* per centum of all prospecting, exploration and development expenses incurred by it in searching for *base metals and strategic* minerals during *the period from the first day of January, 1943, to the thirty-first day of March, 1945: Provided, however, that such deduction must be taken against the said taxes payable in respect of the year or fiscal period in which the said expenses were actually incurred:*

Provided further that no such deduction shall be allowed unless the corporation files certified statements of expenditures and satisfies the Minister that it has been actively engaged in prospecting and exploring in Canada for base metals or strategic minerals by means of qualified persons and has incurred the said expenditures for such purposes."

"(9A) A corporation whose chief business is that of mining or exploring for minerals is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure, *twenty-six and two-thirds* per centum of all prospecting, exploration and development expenses incurred by it in searching for minerals during the year nineteen hundred and forty-six: Provided that no such deduction shall be allowed unless the corporation files certified statements of expenditures and satisfies the Minister that it has been actively engaged in prospecting and exploring in Canada for minerals by means of qualified persons and has incurred the said expenditures for such purposes."

Expenditures on unproductive deep test oil wells.

"(10) A corporation, association, syndicate or exploration partnership whose principal business is production, refining or marketing of petroleum or exploration or drilling for petroleum may, with the consent of the Governor in Council upon the recommendation of the Minister of Mines and Resources, deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, fifty per centum of expenditures not including geological or geophysical expenditures, made in connection with a deep test oil well that was spudded in between the twenty-sixth day of June, nineteen hundred and forty-four and the thirty-first day of December, nineteen hundred and forty-seven and that proved to be unproductive if, in the opinion of the Governor in Council,

(a) drilling the oil well is desirable in order to extend the petroleum resources of Canada, and

(b) the taxpayer could not be reasonably expected to drill the oil well unless permitted to deduct at least fifty per centum of the expenditures in connection therewith from tax."

8. (1) That portion of subsection one of section nine after paragraph *(h)* thereof is repealed and the following substituted therefor:

Rate of tax.

"a tax computed at the rates set forth in paragraph A and paragraph AA of the First Schedule to this Act."

(2) Section nine of the said Act is further amended by adding the following subsections thereto:

Taxpayers whose chief occupation is farming or fishing.

"(5) Where a taxpayer's chief business, occupation, trade or calling has been farming or fishing during the taxation year and the two years immediately preceding the taxation year and the taxpayer has filed, under section thirty-three of this Act, returns of income during the said two preceding years within the time limited therefor, if the taxpayer within four months after the end of a taxation year files with the Minister an election in form prescribed by the Minister, the tax payable by the taxpayer under subsection one of this section upon income for the nineteen hundred and forty-eight or a subsequent taxation year shall be deemed to be the amount by which

(a) the aggregate of the taxes that would have been payable by the taxpayer under this section for the taxation year and the two immediately preceding years if the income during each of the said years had been the average of the taxpayer's income for the said years,

exceeds

(b) the aggregate of the tax actually paid by the taxpayer under this section during the two immediately preceding taxation years.

"(10) A corporation, association, syndicate or exploration partnership whose principal business is production, refining or marketing of petroleum or exploration or drilling for petroleum may, with the consent of the Governor in Council upon the recommendation of the Minister of Mines and Resources, deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, fifty per centum of expenditures, not including geological or geophysical expenditures, made in connection with a deep test oil well that was spudded in between the twenty-sixth day of June, nineteen hundred and forty-four and the thirty-first day of December, *nineteen hundred and forty-six* and that proved to be unproductive, if, in the opinion of the Governor in Council,

(a) drilling the oil well is desirable in order to extend the petroleum resources of Canada; and

(b) the taxpayer could not reasonably be expected to drill the oil well unless permitted to deduct at least fifty per centum of the expenditures in connection therewith from tax."

8. (1) The only change is the insertion of the underlined words "and paragraph AA".

(2) Subsections five and six are new.

"(6) For the purposes of subsection five of this section

(a) 'farming' includes all tillage of the soil, livestock raising, raising of poultry, fur farming, dairying, fruit growing and the keeping of bees; and

(b) 'fishing' includes fishing for or catching shell fish, crustaceans and marine animals."

In case of payments pursuant to superannuation or pension fund, or upon retirement.

"(7) In the case of

(a) a single payment made after the twenty-seventh day of June, nineteen hundred and forty-six

(i) out of or pursuant to a superannuation or pension fund or plan upon the death, withdrawal or retirement from employment of any employee or former employee in full satisfaction of all his rights in the fund or plan; or

(ii) upon retirement, other than out of or pursuant to a superannuation or pension fund or plan approved by the Minister, that the Minister is satisfied is made in recognition of long service, or

(b) a payment or payments made after the twenty-seventh day of June, nineteen hundred and forty-six that the Minister is satisfied was or were made by an employer to an employee or former employee upon or after retirement in respect of loss of office or employment,

the said single payment or the aggregate of the said payments made in any year, may, at the option of the taxpayer by whom it is or they are received, be deemed not to be income of the taxpayer for the purposes of subsection one of this section, in which case the taxpayer shall be liable to pay an additional tax equal to the amount which bears the same relation to the single payment or the aggregate of the said payments as the tax payable by the taxpayer or, in the case of any such payment on death, by the deceased, under this section upon his income for the last complete taxation year in the employment bears to his income during that year."

(3) Section nine of the said Act is further amended by adding the following subsection thereto:—

Investment corporation or joint stock company.

"(8) A corporation or joint stock company

(a) whose capital throughout the taxation year is, to the extent of eighty per centum or more, invested in stocks, bonds or securities or held in cash,

(b) whose gross income during the taxation year is, to the extent of not less than ninety-five per centum, derived from investments mentioned in paragraph *(a)* of this subsection,

(c) whose capital is throughout the taxation year, to the extent of not more than ten per centum thereof, invested in the stocks, bonds or securities of any one corporation or debtor other than His Majesty in right of Canada or of any province or of a Canadian municipality,

(3) Subsection seven of section nine is new.

(d) whose shares are, throughout the taxation year, held by persons numbering fifty or more of whom none holds more than twenty-five per centum of the whole capital stock of the corporation,

(e) whose net income during each taxation year (other than unpaid dividends or interest received otherwise than in cash) has been distributed to the shareholder within one hundred and twenty days after the close of the taxation year to the extent of eighty-five per centum or more, and

(f) which has, during the taxation year, outstanding bonds, debentures or other securities evidencing funded indebtedness

shall pay a tax upon income in lieu of the tax imposed by subsection two of this section at one-half the rate set forth in paragraph C of the First Schedule to this Act."

9. (1) The first proviso to subsection two of section eleven of the said Act is repealed and the following substituted therefor:

Proviso.

"Provided that he shall not be entitled to a deduction under paragraph *(c)*, *(d)* or *(e)* of subsection one of section five of this Act"

(2) Paragraph *(c)* of subsection four of the said section eleven is repealed and the following substituted therefor:—

Income capitalized. How taxed.

"*(c)* Income taxable under the provisions of this subsection shall be taxed as if such income were the income of a person other than a corporation, but no deduction may be made therefrom under paragraph *(c)*, *(d)* or *(e)* of subsection one of section five of this Act."

10. (1) Paragraphs *(a)* and *(b)* of subsection one of section twenty-two A of the said Act are repealed and the following substituted therefor:—

Deductions not allowed.

"*(a)* deductions shall not be allowed in respect of interest payable on its bonds, debentures or other securities or evidences of funded indebtedness; and

Deductions allowed.

(b) the following deductions shall be allowed:—

(i) dividends and interest received from another such Non-Resident-Owned Investment Corporation so long as such other company is subject to tax at the rate set forth in paragraph E of the First Schedule hereof;

(ii) taxes paid to the United Kingdom of Great Britain and Northern Ireland or any of His Majesty's self-governing dominions or dependencies or to a foreign country in respect of income of the company derived from sources therein."

(2) Subsection two of the said section twenty-two A is repealed and the following substituted therefor:—

9. (1) This proviso at present reads as follows:—

"Provided that he shall not be entitled to the deductions *for which provision is made in Rule five of section one and Rules one, three, four and five of section two of paragraph* A *of the First Schedule to this Act;*"

(2) Paragraph *(c)* at present reads as follows:—

"*(c)* Income taxable under the provisions of this subsection shall be taxed as if such income were the income of a person other than a corporation, provided that no deduction may be made under *Rule five of section one and Rules one, three, four and five of section two of paragraph* A *of the First Schedule to this Act.*"

10. Paragraphs *(a)* and *(b)* of subsection one of section 22A at present read as follows:—

"*(a)* the following deductions shall not be allowed:—

(i) interest payable on its bonds, debentures and other securities and evidences of funded indebtedness;

(ii) *taxes paid to the United Kingdom of Great Britain and Northern Ireland or any of His Majesty's self-governing dominions or dependencies or to a foreign country in respect of income of the company derived from sources therein.*

(b) the following deductions shall be allowed:—

(i) dividends and interest received from another such Non-Resident-Owned Investment Corporation so long as such other company is subject to tax at the rate set forth in paragraph E of the First Schedule hereof;

(ii) *one-third of the dividends (less carrying charges if any) received from any other company incorporated in Canada;*

(iii) *one-third of the interest (less carrying charges if any) received from any other Canadian debtor.*"

Proportion of taxes paid abroad not allowable as deduction from tax.

"(2) The provisions of section eight of this Act are not applicable to a Non-Resident-Owned Investment Corporation after it has elected under subsection four of section nine of this Act and so long as it is subject to tax at the rate set forth in paragraph E of the First Schedule hereof."

Allowable deduction from tax.

(3) Subsection three of the said section twenty-two A is repealed.

11. The proviso to subsection one of section thirty-three of the said Act is repealed.

Proviso repealed.

12. (1) The proviso to subsection one of section thirty-nine of the said Act is repealed.

(2) The said section thirty-nine is further amended by adding the following subsection thereto:—

Returns of persons and of payments made

"(7) Every person who makes payments described in subsection eight of section five of this Act shall make such returns of the payments and of the persons to whom they are made in such form and at such times as the Governor in Council may by regulation prescribe."

Payment o balance of tax with return.

13. (1) Subsection two of section forty-eight of the said Act is amended by adding the word "and" at the end of paragraph (i) thereof, striking out the word "and" at the end of paragraph (ii) thereof, and paragraph (iii) thereof is repealed.

Proviso repealed.

(2) The proviso to subsection two of the said section forty-eight of the said Act is repealed.

Provisoes repealed.

(3) The provisoes to subsection three of the said section forty-eight are repealed.

(4) Subsection four of the said section forty-eight is repealed and the following substituted therefor:—

Monthly instalment payments by corporation.

"(4) Every corporation shall pay all taxes which it is liable to pay upon its income during the taxation year under any provisions of this Act, except sections nine B, twenty-seven and eight-eight thereof, by instalments payable on or before the last day of each month of the twelve month period ending six months after the close of the taxation year as follows:—

(a) during each of the first six months in the said period, an amount equal to one-twelfth of the tax, as estimated by it on its income for the year last preceding the taxation year or on its estimated income for the taxation year, at the rate for the taxation year; and

(b) during each of the last six months in the said period, an amount equal to one-sixth of the remainder of the tax payable as calculated by it on its income for the taxation year at the rate for the taxation year;

and if a corporation pays less than the amount of an instalment required to be paid under this section it shall pay interest at the rate of four per centum per annum upon the amount of the deficiency from the date upon

(2) Subsection two at present reads as follows:—

"(2) The provisions of section eight of this Act *shall be* applicable to a Non-Resident-Owned Investment Corporation after it has elected under subsection four of section nine of this Act and so long as it is subject to tax at the rate set forth in paragraph E of the First Schedule hereof, *to the extent only of one-third of the amount of tax which would otherwise be payable under the provisions of the said paragraph* E, *or one-third of the tax paid abroad, whichever is the less.*

(3) Subsection three at present reads as follows:—

"(3) The tax payable in respect of the income of the fiscal periods 1935 and 1936 by Non-Resident-Owned Investment Corporations which have elected under subsection four of section nine of this Act shall be reduced by the amount of tax paid under subsection two of section nine B during the said fiscal periods, or the tax paid at the rate applicable to corporations under either paragraph C or D of the First Schedule of this Act in respect of the income of the said fiscal periods."

12. (1) This proviso is spent.

(2) Subsection (7) is new.

13. (1) Paragraph (iii) is spent.

(2) and (3). These provisoes are spent.

(4) Subsection four at present reads as follows:—

"(4) Every corporation shall pay all taxes which it is liable to pay in any taxation year under any of the provisions of this Act, except sections 9B, 27 and 88 thereof, by instalments payable on or before the last day of each month during the twelve month period ending six months after the close of such taxation year as follows:—

(a) during each of the first eleven months in such period, an amount equal to one-twelfth of such tax as estimated by it on its income for the year last preceding the taxation year or on its estimated income for the taxation year at the rate for the taxation year; and

(b) during the twelfth month in such period, the balance of the tax payable as estimated by it on its income for the taxation year at the rate for the taxation year;

and if, after examination of any corporation's return under section fifty-three of this Act, it is established for the purposes of this Act that the instalments paid by such corporation in any year under this section amount, in the aggregate, to less than the tax payable, it shall forthwith after notice of assessment is sent to it under section fifty-four of this Act, pay the unpaid amount thereof together with interest thereon at four per centum per annum from *the day six months after the end of the* taxation year until one month from the date of mailing of the said notice of assessment and thereafter at seven per centum per annum until the date of payment."

which the said instalment was payable until the date of payment of the amount of the deficiency or until the date six months after the end of the fiscal period whichever is earlier, and if, after examination of any corporation's return under section fifty-three of this Act, it is established that the instalments paid by the corporation under this section in any year amount, in the aggregate, to less than the tax payable by the corporation it shall forthwith after notice of assessment is sent to it under section fifty-four of this Act, pay the unpaid amount thereof together with interest thereon at four per centum per annum from the day six months after the end of the taxation year until one month from the date of mailing of the said notice of assessment and thereafter at seven per centum until the date of payment."

(5) Subsections seven and eight of the said section forty-eight are repealed.

(6) The said section forty-eight is further amended by adding thereto the following subsection:

Interest from payments on participation certificates.

"(9) Notwithstanding any of the provisions of this section, interest shall not be charged in respect of the amount of tax payable by any person on income arising from any payment made by the Canadian Wheat Board on a participation certificate previously issued to such person until thirty days after such payment is made."

14. (1) Section fifty-four of the said Act is amended by adding the following subsection thereto:

Interest.

"(5) Notwithstanding any other provision in this Act no interest is payable under this Act upon unpaid taxes in respect of the period beginning twenty months after the day fixed by this Act for filing the return of the taxpayer's income upon which the taxes are payable and ending one month from the day of the mailing of the notice of assessment."

Application.

(2) Subsection five of section fifty-four of the said Act as enacted by subsection one of this section shall apply in respect of unpaid taxes of the taxation year nineteen hundred and forty-five and subsequent taxation years.

15. (1) The said Act is further amended by adding thereto immediately after Part VIII, the following Part:

"PART VIIIA.

"Objections to Assessment.

Notice of objection.

"**69A.** (1) A taxpayer who objects to an assessment under this Act may, within two months after the day of mailing of the notice of assessment, serve on the Minister a notice of objection, in duplicate, in a form prescribed by the Minister setting out the reasons for the objection and all relevant facts.

Addressed to Minister of National Revenue.

(2) A notice of objection under this section may be addressed to the Minister of National Revenue and may be

(5) Those are special provisions which are spent.

(6) Subsection nine is new.

14. Subsection five of section fifty-four is new.

15. Part VIII A is new. It implements Budget Resolutions Nos. 7 and 8.

served by mailing the notice by registered post to the appropriate Inspector of Income Tax or to the Minister.

Minister to reconsider assessment.

(3) Upon receipt of the notice of objection, the Minister shall reconsider the assessment and shall as soon as possible vacate or confirm the assessment or reassess and shall notify the taxpayer accordingly by registered post.

When assessment deemed valid.

(4) If a notice of objection under this section is not served within the time limited therefor, the assessment shall be deemed to be valid notwithstanding any error, defect or omission therein or in any proceedings under this Act relating thereto.

"Appeals to Income Tax Appeal Board

Appeal to Income Tax Appeal Board.

"69B. (1) Where a taxpayer has served a notice of objection to an assessment under section sixty-nine A of this Act, he may appeal to the Income Tax Appeal Board constituted by the Third Schedule to this Act to have the assessment vacated or varied after either

(a) the Minister has confirmed the assessment or re-assessed; or

(b) six months have elapsed after service of the notice of objection and the Minister has not notified the taxpayer that he has vacated or confirmed the assessment or re-assessed;

but no appeal under this section may be instituted after the expiration of three months from the day notice has been mailed to the taxpayer under section sixty-nine A that the Minister has vacated or confirmed the assessment or re-assessed.

Notice of appeal.

(2) Notice of appeal under this section shall be served and all other matters in connection with an appeal under this section shall be regulated by the Third Schedule to this Act.

"Appeals to the Exchequer Court.

Minister or taxpayer may appeal to Exchequer Court.

"69C. (1) The Minister or the taxpayer may, within four months of the day on which the Registrar of the Income Tax Appeal Board mails the decision on an appeal under section sixty-nine B to the Minister and the taxpayer, appeal to the Exchequer Court of Canada by serving a notice of appeal on the taxpayer or the Minister, as the case may be.

How regulated.

(2) All matters in connection with an appeal under this section shall be regulated by the Fourth Schedule to this Act.

"General.

Not vacated by irregularity.

"69D. An assessment shall not be vacated or varied under this Part by reason of any irregularity, informality, omission or error on the part of any person in the observation of any directory provision of this Act.

"Review of Discretion.

Notice of objection.

"**69E.** (1) A taxpayer who objects to a decision of the Minister made in the exercise of a power conferred by one of the following provisions of this Act, viz:

(a) paragraph *(i)* or sub-paragraph (ii) of paragraph *(s)* of subsection one of section two;

(b) subsection two, four, six or eight of section three;

(c) paragraph *(i) (m) (o) (p)* or *(r)* of subsection one of section four;

(d) paragraph *(b)* or *(p)* of subsection one of section five;

(e) subsection four of section five;

(f) paragraph *(d) (i) (k)* or *(n)* of subsection one of section six;

(g) subsection two, three, four, five or six of section six;

(h) subsection two B of section eight;

(i) subsection seven of section nine;

(j) subsection seven or eleven of section nine B;

(k) subsection two or three of section ten;

(l) subsection two or five of section eleven;

(m) subsection one or two of section thirteen;

(n) subsection three of section twenty-one;

(o) section twenty-three;

(p) section twenty-three A;

(q) section twenty-three B;

(r) section twenty-six;

(s) section twenty-seven A;

(t) subsection one of section thirty-one;

(u) subsection one of section thirty-two;

(v) section thirty-two B;

(w) section forty-seven; or

(x) subsection seven of section eighty-eight;

may within two months after the day on which notification of the decision is sent to the taxpayer, object to the decision by filing a notice of objection in duplicate.

Minister to reconsider decision.

(2) Upon receipt of the notice of objection, the Minister shall reconsider the decision and shall, as soon as possible, either

(a) revise the decision as requested by the taxpayer and notify the taxpayer accordingly, or

(b) if he intends to affirm the decision or to make some variation therein other than that requested by the taxpayer, notify the taxpayer accordingly by registered mail.

Taxpayer may require Minister to refer objection to Income Tax Advisory Board.

(3) Where the Minister has informed the taxpayer under subsection two of this section that he intends to affirm the decision or to make some variation therein other than that requested by the taxpayer, the taxpayer may, within two months after the day notification is sent to the taxpayer under that subsection, require the Minister to refer the objection to the Income Tax Advisory Board constituted

69E. *(a)* Para. *(i)* of ss. 1 of s. 2 provides that the personal corporation provisions shall not apply to any company which, in the opinion of the Minister, carries on an active financial, commercial or industrial business.
Sub-para. (ii) of para. *(s)* of ss. 1 of s. 2 gives the Minister discretion to disallow a change in a taxpayer's usual and accepted fiscal period.

(b) Under ss. 2 of s. 3 the Minister has the right to determine the interest portion of a payment in which principal and interest are blended.
Under ss. 4 the Minister has the power to determine that living allowances paid to persons who are serving outside of Canada shall be exempt up to an amount determined by him.
Under ss. 6 the Minister has the right to determine whether a single payment made to an employee upon retirement is in recognition of long service.
Under ss. 8 the Minister has the right to determine whether payments made to former employees are in respect of loss of office or employment.

(c) Under para. *(i)* of ss. 1 of s. 4 the Minister has power to approve of such insurance, mortgage and loan associations as are operated entirely for the benefit of farmers.
Under para. *(m)* the Minister may determine whether the exemption afforded by a foreign country on shipping and aircraft income is fairly reciprocal to Canadian legislation.
Under para. *(o)* the Minister has the right to determine the extent to which the income of a non-resident company has been taxed in Canada.
Under para. *(r)* the Minister has to be satisfied that at least 75% of the combined capital of a Canadian company and all of its wholly owned subsidiary companies is employed outside of Canada before the dividends from the subsidiary to the Canadian parent company are exempt.

(d) Under para. *(b)* of ss. 1 of s. 5 the Minister has discretion to determine the reasonable rate of interest on borrowed capital used in the business to earn the income.
Under para. *(p)* the Minister has the power to specify amounts of depreciation and depletion for the purpose of loss carry over.

(e) Under ss. 4 of s. 5 the Minister has the power to determine which parent shall be allowed the deduction in respect of a dependent child if the parents cannot agree between themselves.

(f) Under para. *(d)* of ss. 1 of s. 6 the Minister has the power to fix an amount allowable as a deduction for bad debts.
Under para. *(i)* the Minister has the power to allow a deduction of certain charges made by controlling companies who are abroad if he is satisfied that such charges are reasonable.
Under para. *(k)* the Minister has the right to determine whether a refinancing under which income bonds or debentures are issued was occasioned by financial difficulties.
Under para. *(n)* the Minister may allow a deduction in respect of depreciation.

(g) Under ss. 2 of s. 6 the Minister may disallow any expenses which he determines to be in excess of what is reasonable for the business carried on by the taxpayer.
Under ss. 3 the Minister may reduce the amount of any salary, etc. which in his opinion is not commensurate with the services actually rendered.
Under ss. 4 the Minister may apportion an expense between earned and investment income.
Under ss. 5 the Minister may apportion expenses between taxable and non-taxable income.

(h) Under ss. (2B) of s. 8 the Minister may fix an amount that shall be deemed to be the income of a non-resident subsidiary company in any year for the purposes of ss. 2A of the said s. 8.

(i) Under ss. (7) of s. 9 the Minister has the right to determine whether payments made to former employees are in recognition of long service and whether payments are made in respect of loss of office or employment.

(j) Under ss. (7) of s. 9B the Minister may determine the persons who are deemed to be residents of Canada for the purpose of s. 9B.
Under ss. (11) the Minister has the right to determine whether or not a taxpayer corporation was incorporated for the purposes of evading the 15% tax on non-residents.

(k) Under ss. 2 and 3 of s. 10 the Minister may determine the chief position or occupation of a taxpayer.

(l) Under ss. (2) of s. 11 the Minister may determine in the case of multiple trusts the trustee in whose hands the income of all the trusts will be taxed.
Under ss. (5) the Minister may fix the income value of property the upkeep of which is required to be met under the terms of any will or trust.

(m) Under ss. (1) and (2) of s. 13 the Minister may determine what accumulation of profits by a corporation exceeds what is reasonably required for the purposes of the business.

(n) Under ss. 3 of s. 21 the Minister has the right to value property transferred by shareholders to a personal corporation.

(o) Under s. 23 the Minister may determine the fair price of commodities sold by one company to a related company.

(p) Under s. 23A the Minister has the power to determine an amount of interest which shall be deemed to be received by a Canadian company on advances to a non-resident company.

(q) Under s. 23B the Minister has the power to decide whether transactions with non-resident affiliated companies conform to general business practice.

(r) Under s. 26 the Minister has the right to determine what proportion of income shall be taxed in Canada where creative operations are carried on in Canada by a non-resident person.

(s) Under s. 27A the Minister may determine what proportion of the income shall be taxed in Canada in the case of non-residents of Canada soliciting orders or offering anything for sale in Canada.

(t) Under ss. 1 of s. 31 the Minister may determine that the whole business income may be attributed to the husband or to the wife in the case where husband and wife are partners.

(u) Under ss. (1) of s. 32 the Minister has the right to determine whether the transfer to a minor was made for the purpose of evading income tax.

(v) Under s. 32B the Minister may determine the fair market price where assets are sold to shareholders of a corporation.

(w) Under s. 47 the Minister may determine the amount of tax to be paid notwithstanding the return made by the taxpayer.

(x) Under ss. (7) of s. 88 the Minister has the right to determine whether a transfer of property on the basis of a quid pro quo is nevertheless a gift and also the value of any gift or donation of property.

by the Fifth Schedule to this Act for hearing, consideration and advice.

If notice served upon Minister.

(4) If no notice is served upon the Minister under subsection three of this section within the time limited therefor, the Minister's decision shall be deemed to have been affirmed or varied in accordance with the notification sent to the taxpayer under subsection two of this section.

Minister to again reconsider.

(5) Where an objection has been referred to the Board, the Minister shall again reconsider his decision after receiving the report and advice of the Income Tax Advisory Board with reference to the objection.

Proceedings, how regulated.

(6) Proceedings under this section shall be regulated by the Fifth Schedule to this Act.

"**69F.** This Part and the Schedules referred to in this Part are applicable only in respect of assessments of income of the nineteen hundred and forty-six and subsequent taxation years and Part VIII of this Act is not applicable in respect of the said assessments."

Parts repealed.

16. Parts XIII, XIV and XV of the said Act are repealed.

17. (1) Subsection eleven of section ninety-two of the said Act is repealed and the following substituted therefor:

Definitions "salary or wages".

"(11) In this section, unless the context otherwise requires

(a) 'salary or wages' includes any remuneration, compensation, hire, emolument, stipend, perquisite, payment on death, withdrawal or retirement from employment or any similar payment or any indemnity, pension or director's fee, howsoever paid for any services, functions or duties rendered or performed in Canada; and any such payments made outside of Canada to any employee whose services were engaged in Canada and who has been sent outside of Canada temporarily to perform services on behalf of his employer; and

"employer".

(b) 'employer' means any person liable to pay any salary or wages and includes His Majesty in right of Canada and any province of Canada."

Subsections repealed.

(2) Subsections twelve and thirteen of the said section ninety-two are repealed.

Amount refundable section repealed.

18. Section ninety-three of the said Act is repealed but this repeal does not affect the rights of taxpayers in respect of refunds under the said section in respect of taxes for the nineteen hundred and forty-two, nineteen hundred and forty-three and nineteen hundred and forty-four taxation years or the authority of the Governor in Council under the said section to make regulations with respect thereto.

Proviso.

19. Subsection two of section ninety-six of the said Act is amended by adding at the end thereof the following proviso:

"Provided, however, that the private company shall pay the tax calculated hereunder on the portion of its said undistributed income to which any personal corporation or

16. These Parts deal with Metalliferous Mines, Capital Expenditure Allowance and National Defence Tax, respectively.

17. Subsections eleven, twelve and thirteen of section ninety-two at present read as follows

"(11) In this section, unless the context otherwise requires,

(a) 'salary or wages' includes any remuneration, compensation, hire, emolument, stipend, perquisite or any similar payment or any indemnity, pension or director's fee, howsoever paid for any services, functions or duties rendered or performed in Canada; and any such payments made outside of Canada to any employee whose services were engaged in Canada and who has been sent outside of Canada temporarily to perform services on behalf of his employer; and

(b) 'employer' means any person liable to pay any salary or wages and includes His Majesty in right of Canada and any province of Canada.

"(12) Interest or dividends payable to the following persons shall not be liable to the deduction at the source provided in subsection one of this section:—

(a) persons and institutions mentioned in paragraphs *(a)* to *(i)*, both inclusive, and in paragraphs *(p)* and *(q)* of section four of this Act,

(b) municipalities or municipal or public bodies which in the opinion of the Minister perform a function of government,

(c) His Majesty in right of Canada or any province of Canada.

"(13) Dividends payable to corporations shall not be liable to the deduction at the source provided in subsection one of this section."

19. This proviso is new.

any estate or trust would have been entitled, notwithstanding that such personal corporation or estate or trust may not be taxable under this Act."

20. (1) Rule two of section three of Paragraph A of the First Schedule to this Act is amended by adding thereto the following proviso:

Proviso.

"Provided further that where a member of the forces to whom this rule applies commences to receive during the taxation year pay and allowances at rates designated by the Minister as new permanent force rates of pay and allowances he shall, for the purpose of this rule be deemed to be no longer in the Canadian Active Service Force in Canada."

(2) Rule three of section three of Paragraph A of the First Schedule to the said Act is repealed and the following substituted therefor:

Rule 3.

"*Rule 3.*—Notwithstanding any other provision in this Act, a member of the Canadian Naval, Military and Air Forces outside Canada in the Western Hemisphere shall, if he is certified by an authorized officer of the force to which he belongs to have been on duty for more than thirty days in the year outside Canada in the Western Hemisphere be dealt with in the same manner as the persons referred to in Rule 2 of this section except that in lieu of paying the tax otherwise payable in respect of his total income, he is in respect of his service pay and allowances, other than service pay and allowances received by him at rates designated by the Minister as new permanent force rates of pay, subject to tax at one half of the effective rate of tax applicable to his total income."

First schedule.

21. (1) The First Schedule to the said Act, as amended by this Act, is repealed and the following substituted therefor:

"FIRST SCHEDULE.

"A. RATES OF TAX APPLICABLE TO INCOME OF PERSONS, OTHER THAN CORPORATIONS OR JOINT STOCK COMPANIES, UNDER SUBSECTION ONE OF SECTION NINE.

On the first $250 of the income or any portion thereof, 22 per centum per annum; or

$55 upon the income of $250; and 25 per centum upon the amount by which the income exceeds $250 and does not exceed $1,000; or

$242.50 upon income of $1,000; and 28 per centum upon the amount by which the income exceeds $1,000 and does not exceed $2,500; or

$662.50 upon the income of $2,500; and 31 per centum upon the amount by which the income exceeds $2,500 and does not exceed $4,500; or

$1,282.50 upon the income of $4,500; and 34 per centum upon the amount by which the income exceeds $4,500 and does not exceed $6,500; or

$1,962.50 upon the income of $6,500; and 38 per centum upon the amount by which the income exceeds $6,500 and does not exceed $8,500; or

$2,722.50 upon the income of $8,500; and 42 per centum upon the amount by which the income exceeds $8,500 and does not exceed $10,500; or

$3,562.50 upon the income of $10,500; and 46 per centum upon the amount by which the income exceeds $10,500 and does not exceed $13,000; or

$4,712.50 upon the income of $13,000; and 50 per centum upon the amount by which the income exceeds $13,000 and does not exceed $18,000; or

$7,212.50 upon the income of $18,000 and 55 per centum upon the amount by which the income exceeds $18,000 and does not exceed $30,000; or

$13,812.50 upon the income of $30,000 and 60 per centum upon the amount by which the income exceeds $30,000 and does not exceed $50,000; or

$25,812.50 upon the income of $50,000 and 65 per centum upon the amount by which the income exceeds $50,000 and does not exceed $70,000; or

$38,812.50 upon the income of $70,000 and 70 per centum upon the amount by which the income exceeds $70,000 and does not exceed $100,000; or

$59,812.50 upon the income of $100,000 and 75 per centum upon the amount by which the income exceeds $100,000 and does not exceed $150,000; or

$97,312.50 upon the income of $150,000 and 80 per centum upon the amount by which the income exceeds $150,000 and does not exceed $250,000; or

$177,312.50 upon the income of $250,000 and 85 per centum upon the amount by which the income exceeds $250,000.

"AA. RATE OF TAX APPLICABLE TO INVESTMENT INCOME OF PERSONS OTHER THAN CORPORATIONS AND JOINT STOCK COMPANIES, UNDER SUBSECTION ONE OF SECTION NINE OF THIS ACT.

On investment income in excess of $1,800—four per centum.

"C. RATE OF TAX APPLICABLE TO CORPORATIONS AND JOINT STOCK COMPANIES, EXCEPT AS HEREINAFTER PROVIDED:

On the income of the corporation or company—thirty per centum.

"D. RATE OF TAX APPLICABLE TO CORPORATIONS AND JOINT STOCK COMPANIES WHICH FILE A RETURN CONSOLIDATING THEIR PROFIT OR LOSS WITH THAT OF THEIR SUBSIDIARIES AS PROVIDED FOR BY SUBSECTION THREE OF SECTION THIRTY-FIVE OF THIS ACT:

On the consolidated income of such corporation or company and its subsidiaries—thirty-two per centum.

"E. RATE OF TAX APPLICABLE TO NON-RESIDENT-OWNED INVESTMENT CORPORATIONS WHICH HAVE MADE ELECTIONS UNDER SUBSECTION FOUR OF SECTION NINE OF THIS ACT—

fifteen per centum."

(2) Subsection one of this section shall come into force on the first day of January, nineteen hundred and forty-seven and the rates of tax therein established shall be applicable in respect of income of the said taxation year and subsequent years: Provided that in the case of corporations and joint stock companies, the rates of tax provided for by paragraphs (C) and (D) of the First Schedule to the said Act as enacted by subsection one of this section shall apply to that proportion of the income of the nineteen hundred and forty-seven taxation year which the number of days of the said taxation year in the year nineteen hundred and forty-seven is of the total number of days of the said taxation year and the rates of tax previously applicable shall apply in respect of the remaining portion of the said income.

New schedules added.

22. The following Schedules are added to the said Act:—

"THIRD SCHEDULE.

"INCOME TAX APPEAL BOARD.

Board constituted.

"1. There is hereby constituted an Income Tax Appeal Board to be appointed by the Governor in Council, consisting of the following members, namely, a Chairman, two assistant chairmen and not less than three or more than nine other members.

Qualifications.

"2. (1) No person shall be appointed Chairman or an assistant chairman unless he is

(a) a judge of a superior court of Canada or of a province of Canada, or

(b) a barrister or advocate of at least ten years' standing at the bar of a province of Canada,

but if a person who is a judge is appointed Chairman or assistant chairman he shall cease to hold office three months

after his appointment unless within that time he has resigned from his office as such judge.

Age limit. (2) No person who has attained the age of sixty-five years shall be appointed a member.

Tenure of office. (3) Every member holds office for a period of ten years from the day of his appointment but may be removed for cause at any time by the Governor in Council upon address of the Senate and House of Commons.

Reappointment. (4) Upon the expiration of his term of office, a member may, if not disqualified by age, be reappointed.

In case of illness or vacancy. (5) Where the Chairman, an assistant chairman or any other member is ill or otherwise unable to act, or where his office is vacant, the Governor in Council may appoint some person qualified to hold the office to act in his stead during his illness or incapacity or until the office is filled as the case may be.

Salaries. (6) The Chairman shall be paid a salary of twelve thousand dollars a year, each assistant chairman shall be paid a salary of ten thousand dollars a year, and every other member shall be paid a salary of nine thousand dollars a year.

Travelling allowances. (7) Every member shall be paid, for travelling, allowances calculated in the same way as the allowances paid to judges under the *Judges Act*.

Residence. (8) The Chairman shall live in Ottawa or within five miles thereof and the other members shall live in such places as may be prescribed by the rules.

Hearing officers. (9) A person having the qualifications set out in subsection one of section two of this Schedule for the Chairman or an assistant chairman may be appointed a hearing officer for an appeal or group of appeals and paid, notwithstanding the *Judges Act*, such remuneration and expenses as may be determined by the Governor in Council.

Board may make rules. "3. (1) The Board may, subject to the approval of the Governor in Council, make rules not inconsistent with this Act governing the carrying on of the business of the Board and practice and procedure in connection with appeals.

When effective. (2) No rule made under this section is effective until published in the *Canada Gazette*.

Quorum. "4. (1) The Chairman or an assistant chairman designated by him to act in his absence and not less than one-half the other members of the Board are a quorum.

(2) The Chairman or the Board may direct that an appeal be heard and determined on behalf of the Board, by two or more members who shall have for the hearing and determination of the appeal all powers of the Board.

(3) The members nominated to hear and determine an appeal may at any stage refer the appeal to the Board and the Board shall then in its discretion hear and determine the appeal or determine the appeal on the report of the said members if the report was made after hearing the parties.

(4) Where an appeal is to be determined by the Board the Chairman or the Board may direct that evidence relating to the appeal in whole or in part, be received by a hearing officer and the Board shall, after

(a) receiving the hearing officer's report; and

(b) holding a rehearing in whole or in part if in its discretion it deems it advisable so to do

determine the appeal.

(5) A hearing officer has all the powers of the Board for the purpose of taking evidence pursuant to this section.

"Appeals.

How appeal instituted.

"5. (1) An appeal shall be instituted by serving a notice of appeal in triplicate in such form as may be determined by the rules upon the appropriate Inspector of Income Tax and he shall forthwith forward a copy of the notice to the Board.

Notice of appeal.

(2) The notice of appeal may be served by being left with a responsible officer of the appropriate Income Tax Office personally and receiving a receipt therefor or it may be sent to the Inspector of Income Tax by registered mail.

Copies of documents.

(3) Immediately after receiving the notice of appeal, the Inspector of Income Tax shall forward to the Board copies of all documents relevant to the assessment.

Information and assistance to the Board.

(4) Every officer or person employed in connection with the administration or enforcement of this Act shall supply the Board with such information and assistance in connection with any appeal as the Board may reasonably require.

Fee upon filing notice of appeal.

"6. (1) An appellant shall pay to the Inspector of Income Tax a fee not exceeding fifteen dollars upon the filing of the notice of appeal and if the appeal is allowed, in whole or in part, the fee shall be returned to the appellant forthwith after disposition of the appeal but not otherwise.

No other fees or costs.

(2) Subject to subsection one of this section, no costs may be awarded on the disposition of an appeal and no fees may be charged the appellant by the Board.

Disposition of fees.

(3) Subject to subsection one of this section, fees received under this section shall be paid into the Consolidated Revenue Fund.

Minister and appellant may appear in person or be represented.

"7. (1) The Minister and the appellant may appear in person or may be represented at the hearing by counsel or an agent or, with the consent of the Minister and the appellant, the Board or the Chairman may order that written submissions be filed in addition to or in the place of an oral hearing.

Hearing may be in camera.

(2) An appeal may, in the discretion of the Board as the case may be, be heard in camera or in public unless the appellant requests that it be heard in camera in which case it shall be so heard.

To be court of record.

(3) The Board is a court of record and may

(a) summon before it any witness and require him to give evidence orally or in writing on oath or, if he is a person entitled to affirm in civil matters, on solemn affirmation, and to produce such documents and things as it deems requisite to the full investigation of the facts in issue, and

(b) enforce the attendance of witnesses and compel them to give evidence.

Procedure.

(4) The Chairman of the Board may, subject to the rules and this schedule, determine the procedure to be followed on an appeal.

Disposal of appeal.

"8. (1) The Board may dispose of an appeal by

(a) dismissing it,

(b) making the assessment that should have been made, or

(c) vacating the assessment and referring it back to the Minister for reconsideration and reassessment.

Copy of decision to Minister and appellant.

(2) The Registrar shall, upon the disposition of an appeal, forward, by registered mail, a copy of the decision and the reasons therefor to the Minister and the appellant.

"*Administration.*

Registrar and Deputy.

"9. (1) The Governor in Council may appoint a Registrar and a Deputy Registrar and fix their salaries.

Officers, clerks and employees.

(2) Such other officers, clerks and employees as may be required to carry on the business of the Board shall be appointed in the manner authorized by law.

Control of Registrar.

(3) The Registrar, or in his absence the Deputy Registrar, shall control and supervise the other persons employed under this section.

Offices.

"10. (1) The Registrar, with the approval of the Chairman, shall establish such office or offices as are required for the use of the members and staff of the Board and provide therefor the necessary accommodation, furnishings, stationery, equipment and telephones and shall arrange for the necessary accommodation for the hearing of appeals.

Publication of decisions.

(2) The Registrar shall, under the control and direction of the Chairman, make available for publication all decisions of the Board.

Expenses.

"11. (1) The Registrar shall, with the approval of the Chairman, incur all expenses necessary for the carrying on of the business of the Board and the hearing of appeals.

Appropriation.

(2) The salaries of members of the Board shall be paid out of unappropriated moneys in the Consolidated Revenue Fund.

Appropriation.

(3) All expenses and salaries, other than salaries of members of the Board incurred under this Schedule shall be paid out of moneys appropriated by Parliament for the purpose.

"12 (1) Notwithstanding any other statute or law, where a person who is appointed a member of the Board was immediately prior to his appointment a contributor under the *Civil Service Superannuation Act*, he continues while he is a member of the Board to be a contributor under the said *Superannuation Act*.

(2) For the purposes of the *Civil Service Superannuation Act* the service of a member of the Board to whom subsection one applies, as a member of the Board, shall be counted as service in the Civil Service and he, his widow, children or other dependents, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said *Superannuation Act*.

(3) The retirement of a member of the Board to whom subsection one of this section applies upon expiration of his term of office shall, for the purposes of the *Civil Service Superannuation Act*, be deemed to be retirement by reason of abolition of office.

"Interpretation.

Definitions.

"13. In this Schedule unless the context otherwise requires,

"assistant chairman".

(a) "assistant chairman" means an assistant chairman of the Board;

"Board".

(b) "Board" means the Income Tax Appeal Board;

"Chairman".

(c) "Chairman" means the Chairman of the Board;

"member".

(d) "member" means a member of the Board; and

"rule".

(e) "rule" means a rule made under section three of this Schedule."

"FOURTH SCHEDULE.

"APPEALS TO THE EXCHEQUER COURT OF CANADA.

Appeals to Exchequer Court, how instituted.

"1. (1) An appeal to the Exchequer Court shall be instituted by serving a notice of appeal in triplicate in such form as may be determined by the rules upon the taxpayer or the Minister of National Revenue as the case may be and filing a copy thereof with the Registrar of the Income Tax Appeal Board.

Notice of appeal.

(2) A notice of appeal shall be served upon the Minister by being left with a responsible officer of the appropriate Income Tax Office personally and receiving a receipt therefor or it may be sent to the Inspector of Income Tax by registered mail.

Statement of allegations.

(3) The appellant shall set out in the notice of appeal a statement of the allegations of fact, the statutory provisions and reasons which the appellant intends to submit in support of his appeal.

Security for costs.

(4) An appeal by a taxpayer and all proceedings thereunder are, upon the expiration of one month from the day the appeal is instituted, null and void unless security for the costs of the appeal has been, within the said period, given to the satisfaction of the Minister in a sum of not less than four hundred dollars.

Notice of security.

(5) When security has been given under subsection four of this section, notice thereof in such form as may be determined by the rules shall be filed with the Registrar of the Income Tax Appeal Board.

Reply to notice of appeal.

"2. The respondent may, within two months from the day the notice of appeal is received, serve on the appellant and file in the court a reply to the notice of appeal admitting or denying the facts alleged and containing a statement of such further allegations of fact and of such statutory provisions and reasons as the respondent intends to rely on.

Transmission of papers with transcript of proceedings.

"3. (1) The Registrar of the Income Tax Appeal Board shall

(a) in the case of an appeal by the Minister, upon receipt of the notice of appeal, and

(b) in the case of an appeal by a taxpayer, upon receipt of the notice of appeal and of notice of the giving of security,

cause to be transmitted to the Registrar of the Exchequer Court all papers filed with the Board on the appeal thereto together with a transcript of the proceedings before the Board.

Matter deemed action in court.

(2) Upon the filing of the material referred to in subsection one of this section, the matter shall be deemed to be an action in the court, and unless the court orders the parties to file pleadings, ready for hearing.

Facts not set out may be pleaded.

(3) Any fact or statutory provision not set out in the notice of appeal or reply may be pleaded or referred to in the manner and upon such terms as the court may direct.

Disposal of appeal.

(4) The court may dispose of the appeal

(a) by dismissing it;

(b) by vacating the assessment;

(c) by varying the assessment; or

(d) by referring the assessment back to the Minister for further consideration and re-assessment.

Court may order payment of tax, etc.

"4. The court may, in delivering judgment disposing of an appeal in its discretion order payment or repayment of tax, interest, penalties or costs by the taxpayer or the Minister.

Proceedings may be held in camera.

"5. Proceedings under this schedule shall be held in camera upon request made to the court by the taxpayer.

Rules of practice.

"6. The Governor in Council may make rules with reference to practice or procedure in appeals under this section and the rules are binding on the court appealed to notwithstanding any rule or practice that would otherwise be applicable.

Definitions "court". "rules".

"7. In this schedule

(a) "court" means the Exchequer Court of Canada; and

(b) "rules" means rules made under section six of this schedule."

"FIFTH SCHEDULE.

"Income Tax Advisory Board.

Board constituted.

"1. There is hereby constituted an Income Tax Advisory Board, to be appointed by the Governor in Council, consisting of the following members, namely, a Chairman, and not less than two or more than six other members.

Age limit.

"2. (1) No person who has attained the age of sixty-five years shall be appointed a member.

Tenure of office.

(2) Every member holds office for a period of ten years from the day of his appointment but may be removed for cause at any time by the Governor in Council.

Reappointment.

(3) Upon the expiration of his term of office, a member may, if not disqualified by age, be reappointed.

In case of illness or vacancy.

(4) Where the Chairman or any other member is ill or otherwise unable to act, or where his office is vacant, the Governor in Council may appoint some person to act in his stead during his illness or incapacity or until the office is filled, as the case may be.

Salaries.

(5) The Chairman and every other member shall be paid salaries and travelling allowances determined by the Governor in Council.

Rules.

"3. (1) The Governor in Council may make rules not inconsistent with this Act governing the carrying on of the business of the Board and its proceedings.

When effective.

(2) No rule made under this section is effective until published in the *Canada Gazette.*

Quorum.

"4. The Chairman, or a member designated by him to act in his absence, and not less than one half the other members of the Board are a quorum.

"Consideration of Objections.

Notice of objections.

"5. (1) An objection shall be made by serving a notice of objection in triplicate signed by the taxpayer or his duly authorized agent in such form as may be determined by the Minister upon the appropriate Inspector of Income Tax and he shall forthwith forward a copy of the notice to the Minister.

Service.

(2) The notice of objection may be served by being left with a responsible officer of the appropriate Income Tax Office personally and receiving a receipt therefor or it may be sent to the Inspector of Income Tax by registered mail.

Notice to Inspector.

"6. (1) A taxpayer may require the Minister to refer an objection to the Board by serving a notice in triplicate in a form prescribed by the rules upon the appropriate Inspector of Income Tax and the Inspector of Income Tax shall forthwith forward a copy of the notice to the Board.

How served.

(2) A notice under this section may be served by being left with a responsible officer of the appropriate Income Tax Office personally and receiving a receipt therefor or it may be sent to the Inspector of Income Tax by registered mail.

Documents forwarded to the Board.

(3) Immediately after receiving a notice under this section, the Inspector of Income Tax shall forward to the Board copies of all documents relevant to the decision.

Information and assistance.

(4) Every officer or person employed in connection with the administration or enforcement of this Act shall supply the Board with such information and assistance in connection with an objection as the Board may reasonably require.

Fee upon filing of notice.

"7. (1) A taxpayer shall pay to the Inspector of Income Tax a fee not exceeding fifteen dollars upon the filing of the notice of objection and, if the Board advises the Minister to rescind or vary his decision, the fee shall be returned to the taxpayer forthwith after the Board delivers its report and advice but not otherwise.

Disposition of fees.

(2) Subject to subsection one of this section, fees received under this section shall be paid into the Consolidated Revenue Fund.

"8. (1) The Chairman shall regulate the business of the Board and fix the time and place of hearing for any objection or group of objections.

(2) The Board may, at any time before the Minister makes his decision upon an objection, order a re-hearing and deliver a supplementary report and further or different advice.

Minister and taxpayer may appear in person or be represented.

"9. (1) The Minister and the taxpayer may appear in person or may be represented at the hearing by counsel or an agent or, with the consent of the Minister and the appellant, the Board may receive written submissions filed in addition to or in the place of an oral hearing.

Objection may be heard in camera or in public.

(2) An objection may, in the discretion of the Board, be heard in camera or in public unless the taxpayer requires that it be heard in camera in which case it shall be so heard.

Powers of the Board hearing an objection.

(3) The Board may

(a) summon any witness and require him to give evidence, orally or in writing, on oath or, if he is a person entitled to affirm in civil matters, on solemn affirmation, and to produce such documents and things as is deemed requisite to the full investigation of the facts in issue; and

(b) enforce the attendance of witnesses and compel them to give evidence;

and for such purposes the Board or the member or members by whom an objection is being heard shall be deemed to be a court of record.

Procedure.

(4) The Chairman of the Board or the senior member hearing an objection, as the case may be, may, subject to this schedule or the rules, determine the procedure to be followed on an appeal.

"*Administration.*

"10. (1) The Governor in Council may appoint such officers, clerks and employees as may be required to carry on the business of the Board and fix their remuneration.

(2) All expenses, including salaries incurred under this schedule, shall be paid out of moneys appropriated by Parliament for the purpose.

"11. (1) Notwithstanding any other statute or law, where a person who is appointed a member of the Board was immediately prior to his appointment a contributor under the *Civil Service Superannuation Act*, he continues while he is a member of the Board to be a contributor under the said *Superannuation Act*.

(2) For the purposes of the *Civil Service Superannuation Act* the service of a member of the Board to whom subsection one applies, as a member of the Board, shall be counted as service in the Civil Service and he, his widow, children or other dependents, if any, or his legal representatives may be granted the respective allowances or gratuities provided by the said *Superannuation Act*.

(3) The retirement of a member of the Board to whom subsection one of this section applies upon expiration of his term of office shall, for the purposes of the *Civil Service Superannuation Act*, be deemed to be retirement by reason of abolition of office.

Definitions.

"12. In this schedule unless the context otherwise requires,

"Board". (a) "Board" means the Income Tax Advisory Board;

"Chairman". (b) "Chairman" means the Chairman of the Income Tax Advisory Board; and

"rule". (c) "rule" means a rule made under section three of this schedule."

Provisions applicable to income of 1946 and subsequent taxation years.

23. (1) Subject to subsection two of this section, the following provisions of this Act are applicable to income of the nineteen hundred and forty-six taxation year and subsequent taxation years and to tax payable on income of the said years, namely,

(a) subsections two and five of section two;

(b) subsections four, five and six of section three;

(c) subsections three, eight, nine and thirteen of section four;

(d) subsection one of section five;

(e) subsection two of section six;

(f) subsection two of section twelve;

(g) subsection six of section thirteen; and

(h) section nineteen.

Repeal. (2) Subparagraph (ii) of paragraph *(t)* of section four and paragraph *(q)* of subsection one of section five of the *Income War Tax Act*, as amended by this Act are repealed on and after the first day of January, nineteen hundred and forty-seven.

Sections applicable to income of 1947 and subsequent taxation years.

(3) The following sections of this Act are applicable to income of the nineteen hundred and forty-seven and subsequent taxation years and to tax payable on income of the said years, namely,

(a) subsections one, two, three and seven of section three;

(b) subsections one, two, seven and twelve of section four;

(c) subsection one of section six;

(d) subsections two and three of section seven;

(e) subsections one and three of section eight;

(f) section nine;

(g) section ten;

(h) subsections four and five of section thirteen; and

(i) subsection one of section seventeen.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 369.

An Act to amend the Customs Tariff.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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R.S., c. 44; 1928, c. 17; 1929, c. 39; 1930 (1st Sess.), c. 13; 1930 (2nd Sess.), c. 3; 1931, c. 30; 1932, c. 41; 1932-33, cc. 6, 37; 1934, cc. 32, 49; 1935, c. 28; 1936, c. 31; 1937, cc. 25, 26; 1939 (1st Sess.), c. 41; 1939 (2nd Sess.), c. 2; 1940, c. 29; 1940-41, c. 13; 1942-43, c. 23; 1943-44, c. 7; 1944-45, c. 36;

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 369.

An Act to amend the Customs Tariff.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Schedule A amended.

1. Schedule A to the *Customs Tariff*, chapter forty-four of the Revised Statutes of Canada, 1927, as amended by chapter seventeen of the statutes of 1928, chapter thirty-nine of the statutes of 1929, chapter thirteen of the statutes of 1930 (first session), chapter three of the statutes of 1930 (second session), chapter thirty of the statutes of 1931, chapter forty-one of the statutes of 1932, chapters six and thirty-seven of the statutes of 1932-33, chapters thirty-two and forty-nine of the statutes of 1934, chapter twenty-eight of the statutes of 1935, chapter thirty-one of the statutes of 1936, chapters twenty-five and twenty-six of the statutes of 1937, chapter forty-one of the statutes of 1939 (first session), chapter two of the statutes of 1939 (second session), chapter twenty-nine of the statutes of 1940, chapter thirteen of the statutes of 1940-41, chapter twenty-three of the statutes of 1942-43, chapter seven of the statutes of 1943-44 and chapter thirty-six of the statutes of 1944-45, is further amended by striking thereout tariff items 4, 72e, 143, 168, 197d, 208, 216a, 219e, 272b, 326e, 438b, 438c, 438d, 438i, 442, 445j, 462a, 616 (iii), 653, 700a, 703 and 709, the several enumerations of goods respectively and the several rates of duties of customs, if any, set opposite each of the said items, and by inserting in the said Schedule the items, enumerations and rates of duty which are specified in the Schedule to this Act.

"Additional" duties amended.

2. Schedule A to the said Act, as amended by *The Customs Tariff Amendment Act, 1939*, chapter two of the statutes of 1939 (second session), chapter twenty-nine of the statutes of 1940, chapter thirteen of the statutes of 1940-41, chapter twenty-three of the statutes of

1942-43, and chapter seven of the statutes of 1943-44, is further amended by deleting therefrom the following enumerations of goods and rates of additional duties of customs as enacted by the said Amendment Act, as amended:—

"Tea, when the value for duty thereof under the provisions of the Customs Act:—	
(a) is less than 22½ cents per pound.....	5 cents per pound;
(b) is 22½ cents or more but less than 30 cents per pound.....	7½ cents per pound;
(c) is 30 cents or more per pound.....	10 cents per pound;
All goods specified in Customs Tariff Item 25a.....	10 cents per pound;
All goods specified in Customs Tariff Item 26, except coffee, roasted or ground.....	10 cents per pound;
Coffee, green, and coffee, roasted or ground..	10 cents per pound."

Date of coming into force.

3. This Act shall be deemed to have come into force on the twenty-eighth day of June, one thousand nine hundred and forty-six, and to have applied to all goods mentioned in the last preceding section and in the Schedule hereto, imported or taken out of warehouse for consumption on and after that date, and to have applied to goods previously imported for which no entry for consumption was made before that date.

SCHEDULE

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
4	Horses, n.o.p.....each	$10.00	$12.50	$25.00
72e	Bent grass seed, not to include red-top grass seed.....	15 p.c.	30 p.c.	30 p.c.
90e	Vegetables, frozen.....	10 p.c.	25 p.c.	30 p.c.
143	Cigars, the weight of the bands and ribbons to be included in the weight for duty per pound .....and	$3.50 25 p.c.	$3.50 25 p.c.	$3.50 25 p.c.
168	Malt flour containing less than fifty per centum in weight of malt; malt syrup or malt syrup powder, n.o.p.; extracts of malt, fluid or not; grain molasses—all articles in this item upon valuation without British or foreign excise duties, under regulations prescribed by the Minister..... .....and per pound	25 p.c.	30 p.c. 5 cts.	35 p.c. 10 cts.
168a	Malt syrup, malt syrup powder, or other starch conversion products produced by the action of enzymes on starch, not including any such products used in the brewing of beer.....	20 p.c.	25 p.c.	30 p.c.
180e	Engineers' plans, drawings or blue-prints of machines and plant equipment, plant lay-outs, foundations for machinery and other plant equipment, structural supports and towers and similar outside structures, dams, spillways and other hydro construction, wiring, piping, platforms, ladders, stairs, etc., not to include office or other buildings..	Free	Free	Free
192f	Paperboard or fibreboard, single ply, not coated nor impregnated, in rolls containing not less than five hundred square feet, when imported by manufacturers of impregnated socklining base, innersoling, welting, or similar materials, for use only in the manufacture of such materials in their own factories..	Free	10 p.c.	25 p.c.
197d	Tissue paper, not coated nor impregnated, when imported by manufacturers of stencils for duplicating machines for use exclusively in the manufacture of such stencils in their own factories.....	Free	10 p.c.	25 p.c.
199i	Trays of pulp or pulp board imported for use exclusively in the packaging of apples in their natural state.....	Free	7½ p.c.	35 p.c.
208	Boracic acid and borax in packages of not less than twenty-five pounds weight; hydrofluosilicic acid; tannic acid; ammonia, sulphate of; cyanide of potassium; cyanide of sodium and cyanogen bromide; antimony salts, viz.: tartar emetic, chloride and lactate (antimonine); arsenous oxide; precipitate of copper (crude); verdigris or sub-acetate of copper, dry; sulphur and brimstone, crude or in roll or flour; argols; iodine, crude; bromine; sulphide of arsenic; carbon bisulphide, n.o.p.	Free	Free	Free

SCHEDULE—*Continued*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
219e	Chloropicrin, ethylene oxide, methyl bromide, methyl formate, cyanides, carbon bisulphide, acrylonitrile, or mixtures containing any of these, for use in combating destructive insects and pests	Free	Free	Free
272b	Paraffin wax, n.o.p.	15 p.c.	22½ p.c.	25 p.c.
272c	Paraffin wax when imported for use exclusively in the manufacture of candles	10 p.c.	12½ p.c.	25 p.c.
326e	Articles of glass, not plate or sheet, designed to be cut or mounted; articles of glassware, when imported by manufacturers of silverware to be used in receptacles made of or electro-plated with precious metals or to be equipped with tops made of or electro-plated with precious metals, in their own factories	Free	Free	22½ p.c.
326k	High thermal shock resisting glass parts when imported by manufacturers of high thermal shock resisting glassware, for use exclusively in the manufacture or in the repair of such articles	Free	Free	25 p.c.
434c	Trucks of welded design with tubular frame, cast steel cross members, rubber mountings and rubber inserted wheels, of a class or kind not made in Canada, and body shells of welded sheet steel, for use in the construction of street railway cars, not to include electric motors or magnetic truck brakes; complete parts of the foregoing	Free	10 p.c.	35 p.c.
438b	Bearings, clutch release; bearings, graphite; bearings, steel or bronze backed, with non-ferrous metal lining; bushings, graphited or oil impregnated; ceramic insulator spark plug cores, not further manufactured than burned and glazed, printed or decorated or not, without fittings; compressors, air; commutator copper segments; commutator insulating end rings; tapered discs of hot rolled steel, with or without centre hole, for disc wheels; distributor rotors and cam assemblies; door bumper shoes; electric wiring terminals, sockets, fittings and connectors and parts thereof, not to include battery terminals; gaskets of any material except cork or felt, composite or not; ignition contact points; keys for shafting; auxiliary driving control kits, designed for attachment to motor vehicles to facilitate their operation by physically disabled persons, and parts thereof; lenses of glass for head, tail, dome, signal and cowl or parking lamps, and for light reflectors; lock washers; piston ring castings in the rough, with or without gates and fins removed; rails of lock seam section, corners, locks and catches, unplated ventilators and parts thereof, the foregoing being of metal other than aluminum, for the manufacture of window sashes for bus bodies; steel bolts, or studs, capped with stainless steel; switches for lamps, heaters and defrosters and parts thereof; vacuum control assemblies; vulcanized fibre in sheets, rods, strips and tubing; all of the foregoing when			

SCHEDULE—*Continued*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
438b (con.)	of a class or kind not made in Canada and for use in the manufacture or the repair of the goods enumerated in tariff items 424 and 438a, or for use in the manufacture of parts therefor.....	Free	Free	30 p.c.
438c	Ammeters; arm rests and wheel housing lining of indurated fibre, pressed to shape; axle housings, one piece welded, machined or not; carburetors and parts thereof; chassis frames and steel shapes for the manufacture thereof; cigar and cigarette lighters, whether in combination with a cigarette holder or not, including base, and parts thereof; control ventilator gear box; cylinder lock barrels, with or without sleeves and keys thereof; dash heat indicators and parts thereof; electric gear shift switches and parts thereof; engine speed governor units and parts thereof; fluid couplings, with or without drive plate assemblies, and parts thereof; front axle cross channel king pin support section assembly of steel, in the rough; fuel pumps, vacuum pumps and combinations thereof and parts therefor; gasoline gauges and parts thereof; hinges and parts thereof, finished or not, for bodies; horns and parts thereof; instrument bezel assemblies and parts thereof; instrument board lamps; locks, electric ignition, steering gear, transmission, or combinations of such locks, and parts thereof; mouldings of metal, with nails set in position, lead filled or not; oil filters and parts thereof; oil gauges and parts thereof; pipe lines of tubing, rigid or flexible, covered or not, with or without fittings, and tubing therefor, for oil, fuel, air, or liquid for actuating hydraulic brakes; purifiers for air, and parts thereof; purifiers for oil or gasoline, parts thereof and brackets and fittings therefor; radiator, hood and other grills, assembled or not, and parts thereof, but not polished nor plated, and not to include finish or decorative moulding; radiator ornaments, and hood lift lock ornaments, unplated, and parts thereof; radiator shutter assemblies, automatic; radiator water gauges; radiator shells and parts thereof, not plated nor metal finished in any degree; shackles, bearing spring, and parts thereof; speedometers and parts thereof; spring covers of metal and closing strips or shapes therefor; stampings, body, cowl, hood, fender and instrument board, of metal in the rough, trimmed or not, but not metal finished in any degree; starter switch assembly and parts thereof; steering wheels, rims and spiders therefor; sun visor blanks of gypsum weatherboard; thermostats and parts thereof; throttle, spark and choke assemblies, including buttons therefor, and parts thereof; tire clamping rings of steel, plated or not; universal joint ball assemblies; voltage control regulators; wind-shield wipers and parts thereof; all of the foregoing when of a class or kind not made in Canada and for use in the manufacture or the repair of the goods enumerated in tariff items 424 and 438a or for use in the manufacture of parts therefor.....	Free	20 p.c.	30 p.c.

SCHEDULE—*Continued*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
438c (con.)	(1) Provided, that if the above articles are imported for use as original equipment by a manufacturer of automobiles, motor vehicles, electric trackless trolley buses or chassis enumerated in tariff items 438a and 424 whose total factory output during the year in which importation is sought does not exceed ten thousand complete automobiles, motor vehicles, electric trackless trolley buses or chassis, and provided that not less than forty per centum of the factory cost of production of such automobiles, motor vehicles, electric trackless trolley buses or chassis, not to include duties and taxes, is incurred in the British Empire, the rates of duty under this item shall be.....	Free	Free	25 p.c.
	(2) Provided, that if the above articles are imported for use as original equipment by a manufacturer of automobiles, motor vehicles, electric trackless trolley buses or chassis enumerated in tariff items 438a and 424 whose total factory output during the year in which importation is sought exceeds ten thousand automobiles, motor vehicles, electric trackless trolley buses or chassis, and provided that not less than sixty-five per centum of the factory cost of production of such automobiles, motor vehicles, electric trackless trolley busses or chassis, not to include duties and taxes, is incurred in the British Empire, the rates of duty under this item shall be.....	Free	Free	25 p.c.
	(3) Provided that the Governor in Council may make such regulations, if any, as are deemed necessary for carrying out the provisions of this item.			
438d	Front and rear axles; brakes; clutches; internal combustion engines; steering gears; magnetos; rims for pneumatic tires larger than thirty inches by five inches; transmission assemblies; hydraulic or fluid couplings and torque convertors; drive shafts; universal joints; steel road wheels; and parts of the foregoing, when of a class or kind not made in Canada, and imported by manufacturers of the goods enumerated in tariff items 424 and 438a for use only in the manufacture of motor trucks, motor buses and electric trackless trolley buses, or for the manufacture of chassis for the same.....	Free	17½ p.c.	27½ p.c.
	(1) Provided that if the above articles are imported for use as original equipment for motor trucks, motor buses and electric trackless trolley buses, or for chassis for the same, by a manufacturer of the goods enumerated in tariff items 424 and 438a, and provided also that during the year during which importation is sought, not less than forty per centum of the factory cost of production of such motor vehicles and chassis therefor, not to include duties and taxes, is incurred in the British Empire, the rates of duty under this item shall be.....	Free	7½ p.c.	27½ p.c.

SCHEDULE—*Continued*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
438d (con.)	(2) Provided that the Governor in Council may make such regulations, if any, as are deemed necessary for carrying out the provisions of this item.			
438i	Body bottom cross members and steel shapes for the manufacture thereof; bumpers, front and rear, and parts thereof, including spring steel bumper plates; casket tables or platforms for hearses; destination and route sign assemblies, illuminated or not, and parts thereof; direction signals, illuminated or not; door and step mechanism, hand, vacuum or air operated, and parts thereof; door locks and catches and parts thereof; electric switches, buzzers, bells, push buttons, fuse assemblies and parts thereof; forward drive control conversion assemblies and parts thereof; lamps of all kinds, illuminating and indicating, including sockets, flanges, terminals, glassware, lenses and gaskets therefor, assembled or not, but not to include lamp bulbs; metal stampings, oiled and primed or not, and assemblies thereof; rubber fenders; seat operating mechanisms; ventilators, including motor driven fan type, and grills, and parts thereof; window operating mechanisms; all of the foregoing when imported to be used only in the manufacture of motor truck bodies, motor bus bodies, electric trackless trolley bus bodies, motor ambulances and hearses.....	Free	Free	20 p.c.
442	Articles and materials which enter into the cost of manufacture of the goods enumerated in tariff items 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409h, 409i, 409j, 409k, 409l, 409m, 409n, 409o, and 439c, when imported for use in the manufacture of the goods enumerated in the aforesaid tariff items, or in the manufacture of parts therefor, under regulations prescribed by the Minister.....	Free	Free	Free
445j	Electric dry shaving machines for use in removing human hair, and parts thereof.....	Free	Free	10 p.c.
446h	Bathtub stampings of metal.....	Free	10 p.c.	25 p.c.
462a	Photographic cameras and equipment, and complete parts of the foregoing, for use by professional photographers and commercial photo-finishers in their own business, as follows:— Cameras for professional purposes, for making negatives $4\frac{3}{4}$ inches by $6\frac{1}{2}$ inches and larger, and the following accessories for use with such cameras: lenses, shutters, exposure meters, range finders, film and plate holders, lens hoods, lens boards, ground glass carriages, reducing backs, reversible adapter backs, lantern slide attachments, film sheaths, combination paper and plate holders, kits, carrying cases, camera stands, camera tripods, camera tripod tops, vignetters, diffusion disks, diffusion disk holders, colour filters, colour filter holders, polarizing screens, polarizing screen holders and backgrounds.			

SCHEDULE—*Continued*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
462a (con.)	Printers, enlargers, heaters, dryers, mounting presses, print washers, automatic film processers, printing frames and tanks for developing, fixing and washing	Free	Free	Free
475e	Matrices of non-advertising news pictures for reproduction in newspapers and periodical publications enjoying second-class mailing privileges	Free	Free	Free
569d	Woven fabrics, not exceeding two inches in width, made with unserrated selvages, generally known as single, double or four shot corded ribbon, imported by the manufacturers of men's hats for use exclusively in their own factories in making the bands for, or in binding the edges of, men's hats only	Free	Free	Free
616	(iii) Latex, being crude rubber in liquid form, not compounded beyond the addition of preservatives	Free	Free	Free
653	Brushes of all kinds, n.o.p	15 p.c.	30 p.c.	40 p.c.
703	*(a)* Travellers' baggage, under regulations prescribed by the Minister	Free	Free	Free
	(b) Goods valued at not more than one hundred dollars included in the baggage accompanying residents of Canada returning from abroad after an absence from Canada of not less than forty-eight hours and acquired by them for personal or household use or as souvenirs or gifts, but not bought on commission or as an accommodation for other persons or for sale, under regulations prescribed by the Minister	Free	Free	Free
	Provided that a resident of Canada shall not be entitled to the exemption herein granted within a period of four months from the date of the last exemption allowed, nor shall the exemption be allowed on alcoholic beverages in excess of one quart, or on tobacco in excess of fifty cigars, two hundred cigarettes and two pounds of manufactured tobacco.			
	Provided further that goods entitled to entry under this Item shall be exempt from all imposts, notwithstanding the provisions of this Act, The Customs Tariff Amendment Act, 1939, or any other Act.			
709	*(a)* Goods, including containers or coverings filled or empty, the growth, produce or manufacture of Canada, after having been exported therefrom	Free	Free	Free
	(b) Goods, including containers or coverings filled or empty, which have once been entered for consumption in Canada and have been exported therefrom	Free	Free	Free
	All the foregoing under such regulations as the Minister may prescribe.			

SCHEDULE—*Concluded*

Tariff Item	—	British Preferential Tariff	Intermediate Tariff	General Tariff
709 (con.)	Provided that the goods are returned within five years from the time of exportation without having been advanced in value or improved in condition by any process of manufacture or other means, or combined with any other article abroad; Provided also that any such goods on which a refund of duty or allowance of drawback has been made shall not be admitted to entry under this item except upon payment of duties equal to the refund or drawback allowed; Provided further that any of such goods manufactured in bond or under excise regulations in Canada and exported shall not be admitted to entry except upon payment of the Customs or Excise duties to which they would have been liable had they not been exported from Canada.			
786	Semen of horses, cattle, sheep, goats, asses, swine and dogs, pure bred, for the improvement of stock, under regulations prescribed by the Governor in Council.....	Free	Free	Free
826a	Dies in the rough, not being complete parts of machinery, for use in the manufacture of bolts, nuts, nails, screws, rivets and tacks...	Free	10 p.c.	35 p.c.
836	Ultra-violet ray lamps, and complete parts thereof, designed for detecting scheelite ore.	Free	Free	Free
847	Distillers' solubles obtained from the liquid residue remaining after the alcohol has been removed in the process of distilling grain or molasses mash, whether or not subjected to a fermentation process, when imported without admixture except that necessary for the said fermentation process, for use exclusively in the manufacture of feeds for livestock, poultry or fur-bearing animals, under such regulations as the Minister may prescribe.....	Free	Free	Free

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

An Act to amend The Excess Profits Tax Act, 1940.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
70242 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

1940, c. 32; 1940-41, c. 15; 1942-43, c. 26; 1943-44, c. 13; 1944-45, c. 38; 1945 (2nd Sess.) c. 19.

An Act to amend The Excess Profits Tax Act, 1940.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section three of *The Excess Profits Tax Act, 1940*, chapter thirty-two of the statutes of 1940, as enacted by section two of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:

Corporations and persons liable to tax.

"**3.** In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid a tax in accordance with the rate set out in the Second Schedule to this Act upon the excess profits of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada: Provided that where a corporation or joint stock company other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister

Proviso.

(a) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(b) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by this section is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a corporation or joint stock company that has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who has or have a substantial interest in the business either by ownership of shares in the corporation or joint stock company that operates the business or otherwise, had, in the opinion of the Minister, either by

Explanatory Notes.

1. Section three of *The Excess Profits Tax Act, 1940*, at present reads as follows:—

"**3.** (1) In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid

(a) a tax in accordance with the rates set out in the First Part of the Second Schedule to this Act upon the profits during the taxation period of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada, and

(b) a tax in accordance with the rates set out in the Second Part of the Second Schedule to this Act upon the excess profits of every person residing or ordinarily resident in Canada or carrying on business in Canada:

Provided that where a person acts in the capacity of trustee in a case where an oil or gas well is operated under an arrangement whereby a person other than the operator has an interest in the proceeds of the sale of the products thereof, such proceeds shall nevertheless be deemed, for the purposes of this Act, to be received by the trustee on his own behalf and he shall be taxed in respect thereof under this subsection, except paragraph *(b)* hereof, as though he were a corporation; and Provided further, that where a person, other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister,

(i) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(ii) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by paragraph *(b)* of this subsection is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a person who has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who have a substantial interest in the business either by ownership of shares in the company that operates the business or by being members of the partnership that operates the business or otherwise, had, in the opinion of the Minister, either by ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation.

(2) The aggregate of the taxes exigible under paragraph two of the First Part of the Second Schedule to this Act and under the *Income War Tax Act* shall in no case operate to reduce the profits of a taxpayer below the amount to which they would be reduced by the aggregate of the taxes exigible under paragraph one of the said First Part and under the *Income War Tax Act* if the taxpayer's profits, before providing for any payment to a shareholder by way of salary, interest or otherwise, were

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months that portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days."

ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation."

2. (1) That part of subsection one of section six of the said Act preceding paragraph *(b)*, as enacted by section four of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Deductions from profits by corporation or company.

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by this Act:—"

Subsection repealed.

(2) Subsection two of section six of the said Act, as amended by section eight of chapter fifteen of the statutes of 1940-41 and section five of chapter thirty-eight of the statutes of 1944-45, is repealed.

3. (1) Paragraph *(a)* of section seven of the said Act is repealed and the following substituted therefor:—

Taxpayers exempt under *Income War Tax Act.*

"*(a)* the profits of taxpayers referred to in paragraphs *(d)*, *(e)*, *(f)*, *(g)*, *(gg)*, *(h)*, *(i)*, *(k)*, *(m)* and *(p)* of section four of the *Income War Tax Act;*"

(2) The following paragraph is inserted after paragraph *(a)* of section seven of the said Act:—

Profits not liable to tax.

"*(aa)* The profits of a taxpayer referred to in paragraph *(q)* of section four of the *Income War Tax Act.*"

Para. repealed.

(3) Paragraph *(b)* of the said section seven, as enacted by section seven of chapter twenty-six of the statutes of 1942, is repealed.

2. (1) That portion of subsection one of section six of the said Act preceding paragraph *(b)* at present reads as follows:

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by paragraph *(b)* of subsection one of section three of this Act:—"

(2) Subsection two of section six at present reads as follows:—

"(2) A taxpayer other than a corporation or joint stock company shall be entitled to deduct from the profits as defined in this Act, the following:—

(a) the amounts allowed as deductions by paragraphs *(a)*, *(b)*, *(j)*, *(p)*, *(u)* and *(v)* of subsection one of section five of the *Income War Tax Act*, and such amount for depreciation as the Minister in his discretion may allow under paragraph *(n)* of subsection one of section six of the said Act: Provided that the amount by which a taxpayer's charitable donations in a fiscal period exceeds the greater of either.

(i) the average of his annual donations in the last two fiscal periods ending before the first day of July, one thousand nine hundred and forty-two, or

(ii) that portion of the donations made in the fiscal period that has been paid before the first day of February, one thousand nine hundred and forty-four, or has been paid pursuant to an agreement or undertaking evidenced before the said day either by an instrument in writing or a payment that is one of a series of payments,

shall not be deducted except forty per centum thereof in the case of a taxpayer taxable under the Second Part of the Second Schedule to this Act.

(b) such reasonable amount as the Minister in his discretion may allow in lieu of salary to proprietors working full time in the actual management or conduct of the business, not to exceed five thousand dollars per annum for each proprietor and for all his businesses: Provided that if such an allowance is made, the amount so allowed shall be deducted from the standard profits of the taxpayer;

(c) if taxable under the Second Part of the Second Schedule of this Act, such reasonable provision as a reserve against future depreciation in inventory values as the Minister in his discretion may allow having regard to a normal quantity of stock in trade necessary for the business as indicated by the quantities on hand during the standard period:

Provided that no such deduction shall be allowed which provides against a decline in inventory values below the inventory prices of goods on hand either at the end of the fiscal period of the taxpayer ending in the year one thousand nine hundred and thirty-nine or in case the fiscal period of the taxpayer ends after the thirty-first day of August, during the said month of August one thousand nine hundred and thirty-nine, and,

Provided further that any reduction in such reserve shall for purposes of taxation under this Act be added to the profits of the year in which such reduction takes place and any portion of such reserve remaining at the end of the year or fiscal period when this Act ceases to apply to the taxpayer shall be available to the taxpayer to meet declines in inventory values during the next following year and if not exhausted by the end thereof the remaining portion shall be added to the taxpayer's profits of the last year or fiscal period when this Act applies to the taxpayer."

3. (1) "*(gg)* is inserted and *(q)* deleted.

(2) Paragraph *(aa)* is new.

(3) Paragraph *(b)* at present reads as follows:—

"*(b)* the profits of a profession carried on by an individual or by individuals in partnership if the profits of the profession are dependent wholly or mainly upon his or their personal qualifications and if in the opinion of the Minister little or no capital is employed: Provided that this exemption shall not extend to the profits of a commission agent or person any part of whose business consists in the making of contracts on behalf of others or the giving to other persons of advice of a commercial nature in connection with the making of contracts unless the Minister is satisfied that such agent is virtually in the position of an employee of one employer in which case this exemption shall apply and in any case the decision of the Minister shall be final and conclusive;"

Subparagraph repealed.

(4) Subparagraph (i) of paragraph *(f)* of the said section seven, as enacted by section ten of chapter fifteen of the statutes of 1940-41, is repealed.

Sections 40 to 87 of I.W.T.A. excepting certain provisos to apply.

4. Section fourteen of the said Act is repealed and the following substituted therefor:—

"**14.** Without limiting any of the provisions contained in this Act, sections forty to eighty-seven both inclusive of the *Income War Tax Act*, excepting subsection three of the first paragraph of subsection five of section forty-eight, Part VIII A and section seventy-six A thereof, shall, *mutatis mutandis* apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*, and notwithstanding anything contained in that Act the provisions of Part VIII are applicable under this Act in respect of assessments of the nineteen hundred and forty-six and subsequent taxation years."

5. The Second Schedule to the said Act, as enacted by section eight of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Second Schedule.

"SECOND SCHEDULE

In the case of corporations or joint stock companies—fifteen per centum of the excess profits."

Coming into force.

6. (1) The provisions of this Act, except subsection three of section three and subsection two of section four shall come into force on the first day of January, nineteen hundred and forty-seven and the said provisions shall apply in respect of that proportion of the profits of a taxpayer of the nineteen hundred and forty-seven taxation year which the number of days of the said taxation year in the year nineteen hundred and forty-seven is of the total number of days of the said taxation year and the provisions previously applicable shall apply in respect of the remaining proportion of the said profits.

Application.

(2) Subsection three of section three of this Act shall be applicable in respect of the nineteen hundred and forty-seven and subsequent taxation years.

Application.

(3) Subsection two of section four of this Act is applicable in respect of the nineteen hundred and forty-six and subsequent taxation years.

(4) Subparagraph (i) of paragraph *(f)* at present reads as follows:—

"(i) the corporation or joint stock company shall have no outstanding bonds, debentures or other securities evidencing funded indebtedness;"

4. Section fourteen of the Act at present reads as follows:—

"14. Without limiting any of the provisions contained in this Act, sections forty to eighty-seven, both inclusive, of the *Income War Tax Act*, excepting section seventy-six A thereof, shall, *mutatis mutandis*, apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*."

5. The Second Schedule to the Act at present reads as follows:—

"SECOND SCHEDULE

FIRST PART—

1. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are five thousand dollars or less, twelve per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*, except in the case of a taxpayer referred to in subparagraph *(b)* of paragraph two of this Part.

2. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are more than:—

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months the portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days;

twenty-two per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*.

SECOND PART—

In the case of corporations or joint stock companies twenty per centum of the excess profits and in the case of persons other than corporations or joint stock companies sixty per centum of the excess profits."

370.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

An Act to amend The Excess Profits Tax Act, 1940.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

70242

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

1940, c. 32; 1940-41, c. 15; 1942-43, c. 26; 1943-44, c. 13; 1944-45, c. 38; 1945 (2nd Sess.) c. 19.

An Act to amend The Excess Profits Tax Act, 1940.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section three of *The Excess Profits Tax Act, 1940*, chapter thirty-two of the statutes of 1940, as enacted by section two of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:

Corporations and persons liable to tax.

"**3.** In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid a tax in accordance with the rate set out in the Second Schedule to this Act upon the excess profits of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada: Provided that where a corporation or joint stock company other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister

Proviso.

(a) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(b) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by this section is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a corporation or joint stock company that has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who has or have a substantial interest in the business either by ownership of shares in the corporation or joint stock company that operates the business or otherwise, had, in the opinion of the Minister, either by

Explanatory Notes.

1. Section three of *The Excess Profits Tax Act, 1940*, at present reads as follows:—

"**3.** (1) In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid

(a) a tax in accordance with the rates set out in the First Part of the Second Schedule to this Act upon the profits during the taxation period of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada, and

(b) a tax in accordance with the rates set out in the Second Part of the Second Schedule to this Act upon the excess profits of every person residing or ordinarily resident in Canada or carrying on business in Canada:

Provided that where a person acts in the capacity of trustee in a case where an oil or gas well is operated under an arrangement whereby a person other than the operator has an interest in the proceeds of the sale of the products thereof, such proceeds shall nevertheless be deemed, for the purposes of this Act, to be received by the trustee on his own behalf and he shall be taxed in respect thereof under this subsection, except paragraph *(b)* hereof, as though he were a corporation; and Provided further, that where a person, other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister,

(i) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(ii) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by paragraph *(b)* of this subsection is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a person who has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who have a substantial interest in the business either by ownership of shares in the company that operates the business or by being members of the partnership that operates the business or otherwise, had, in the opinion of the Minister, either by ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation.

(2) The aggregate of the taxes exigible under paragraph two of the First Part of the Second Schedule to this Act and under the *Income War Tax Act* shall in no case operate to reduce the profits of a taxpayer below the amount to which they would be reduced by the aggregate of the taxes exigible under paragraph one of the said First Part and under the *Income War Tax Act* if the taxpayer's profits, before providing for any payment to a shareholder by way of salary, interest or otherwise, were

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months that portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days."

ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation."

2. (1) That part of subsection one of section six of the said Act preceding paragraph *(b)*, as enacted by section four of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Deductions from profits by corporation or company.

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by this Act:—"

Subsection repealed.

(2) Subsection two of section six of the said Act, as amended by section eight of chapter fifteen of the statutes of 1940-41 and section five of chapter thirty-eight of the statutes of 1944-45, is repealed.

3. (1) Paragraph *(a)* of section seven of the said Act is repealed and the following substituted therefor:—

Taxpayers exempt under *Income War Tax Act.*

"*(a)* the profits of taxpayers referred to in paragraphs *(d)*, *(e)*, *(f)*, *(g)*, *(gg)*, *(h)*, *(i)*, *(k)*, *(m)* and *(p)* of section four of the *Income War Tax Act;*"

(2) The following paragraph is inserted after paragraph *(a)* of section seven of the said Act:—

Profits not liable to tax.

"*(aa)* The profits of a taxpayer referred to in paragraph *(q)* of section four of the *Income War Tax Act.*"

Para. repealed.

(3) Paragraph *(b)* of the said section seven, as enacted by section seven of chapter twenty-six of the statutes of 1942, is repealed.

2. (1) That portion of subsection one of section six of the said Act preceding paragraph *(b)* at present reads as follows:

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by paragraph *(b)* of subsection one of section three of this Act:—"

(2) Subsection two of section six at present reads as follows:—

"(2) A taxpayer other than a corporation or joint stock company shall be entitled to deduct from the profits as defined in this Act, the following:—

(a) the amounts allowed as deductions by paragraphs *(a)*, *(b)*, *(j)*, *(p)*, *(u)* and *(v)* of subsection one of section five of the *Income War Tax Act*, and such amount for depreciation as the Minister in his discretion may allow under paragraph *(n)* of subsection one of section six of the said Act: Provided that the amount by which a taxpayer's charitable donations in a fiscal period exceeds the greater of either.

(i) the average of his annual donations in the last two fiscal periods ending before the first day of July, one thousand nine hundred and forty-two, or

(ii) that portion of the donations made in the fiscal period that has been paid before the first day of February, one thousand nine hundred and forty-four, or has been paid pursuant to an agreement or undertaking evidenced before the said day either by an instrument in writing or a payment that is one of a series of payments,

shall not be deducted except forty per centum thereof in the case of a taxpayer taxable under the Second Part of the Second Schedule to this Act.

(b) such reasonable amount as the Minister in his discretion may allow in lieu of salary to proprietors working full time in the actual management or conduct of the business, not to exceed five thousand dollars per annum for each proprietor and for all his businesses: Provided that if such an allowance is made, the amount so allowed shall be deducted from the standard profits of the taxpayer;

(c) if taxable under the Second Part of the Second Schedule of this Act, such reasonable provision as a reserve against future depreciation in inventory values as the Minister in his discretion may allow having regard to a normal quantity of stock in trade necessary for the business as indicated by the quantities on hand during the standard period:

Provided that no such deduction shall be allowed which provides against a decline in inventory values below the inventory prices of goods on hand either at the end of the fiscal period of the taxpayer ending in the year one thousand nine hundred and thirty-nine or in case the fiscal period of the taxpayer ends after the thirty-first day of August, during the said month of August one thousand nine hundred and thirty-nine, and,

Provided further that any reduction in such reserve shall for purposes of taxation under this Act be added to the profits of the year in which such reduction takes place and any portion of such reserve remaining at the end of the year or fiscal period when this Act ceases to apply to the taxpayer shall be available to the taxpayer to meet declines in inventory values during the next following year and if not exhausted by the end thereof the remaining portion shall be added to the taxpayer's profits of the last year or fiscal period when this Act applies to the taxpayer."

3. (1) "*(gg)* is inserted and *(q)* deleted.

(2) Paragraph *(aa)* is new.

(3) Paragraph *(b)* at present reads as follows:—

"*(b)* the profits of a profession carried on by an individual or by individuals in partnership if the profits of the profession are dependent wholly or mainly upon his or their personal qualifications and if in the opinion of the Minister little or no capital is employed: Provided that this exemption shall not extend to the profits of a commission agent or person any part of whose business consists in the making of contracts on behalf of others or the giving to other persons of advice of a commercial nature in connection with the making of contracts unless the Minister is satisfied that such agent is virtually in the position of an employee of one employer in which case this exemption shall apply and in any case the decision of the Minister shall be final and conclusive;"

Subparagraph repealed.

(4) Subparagraph (i) of paragraph *(f)* of the said section seven, as enacted by section ten of chapter fifteen of the statutes of 1940-41, is repealed.

Sections 40 to 87 of I.W.T.A. excepting certain provisos to apply.

4. Section fourteen of the said Act is repealed and the following substituted therefor:—

"**14.** Without limiting any of the provisions contained in this Act, sections forty to eighty-seven both inclusive of the *Income War Tax Act*, excepting subsection three of the first paragraph of subsection five of section forty-eight, Part VIII A and section seventy-six A thereof, shall, *mutatis mutandis* apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*, and notwithstanding anything contained in that Act the provisions of Part VIII are applicable under this Act in respect of assessments of the nineteen hundred and forty-six and subsequent taxation years."

5. The Second Schedule to the said Act, as enacted by section eight of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Second Schedule.

"SECOND SCHEDULE

In the case of corporations or joint stock companies—fifteen per centum of the excess profits."

Coming into force.

6. (1) The provisions of this Act, except subsection three of section three and subsection two of section four shall come into force on the first day of January, nineteen hundred and forty-seven and the said provisions shall apply in respect of that proportion of the profits of a taxpayer of the nineteen hundred and forty-seven taxation year which the number of days of the said taxation year in the year nineteen hundred and forty-seven is of the total number of days of the said taxation year and the provisions previously applicable shall apply in respect of the remaining proportion of the said profits.

Application.

(2) Subsection three of section three of this Act shall be applicable in respect of the nineteen hundred and forty-seven and subsequent taxation years.

Application.

(3) Subsection two of section four of this Act is applicable in respect of the nineteen hundred and forty-six and subsequent taxation years.

(4) Subparagraph (i) of paragraph *(f)* at present reads as follows:—

"(i) the corporation or joint stock company shall have no outstanding bonds, debentures or other securities evidencing funded indebtedness;"

4. Section fourteen of the Act at present reads as follows:—

"14. Without limiting any of the provisions contained in this Act, sections forty to eighty-seven, both inclusive, of the *Income War Tax Act*, excepting section seventy-six A thereof, shall, *mutatis mutandis*, apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*."

5. The Second Schedule to the Act at present reads as follows:—

"SECOND SCHEDULE

FIRST PART—

1. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are five thousand dollars or less, twelve per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*, except in the case of a taxpayer referred to in subparagraph *(b)* of paragraph two of this Part.

2. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are more than:—

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months the portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days;

twenty-two per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*.

SECOND PART—

In the case of corporations or joint stock companies twenty per centum of the excess profits and in the case of persons other than corporations or joint stock companies sixty per centum of the excess profits."

370.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

An Act to amend The Excess Profits Tax Act, 1940.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 370.

1940, c. 32; 1940-41, c. 15; 1942-43, c. 26; 1943-44, c. 13; 1944-45, c. 38; 1945 (2nd Sess.) c. 19.

An Act to amend The Excess Profits Tax Act, 1940.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section three of *The Excess Profits Tax Act, 1940*, chapter thirty-two of the statutes of 1940, as enacted by section two of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:

Corporations and persons liable to tax.

"**3.** In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid a tax in accordance with the rate set out in the Second Schedule to this Act upon the excess profits of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada: Provided that where a corporation or joint stock company other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister

Proviso.

(a) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(b) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by this section is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a corporation or joint stock company that has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who has or have a substantial interest in the business either by ownership of shares in the corporation or joint stock company that operates the business or otherwise, had, in the opinion of the Minister, either by

Explanatory Notes.

1. Section three of *The Excess Profits Tax Act, 1940*, at present reads as follows:—

"**3.** (1) In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid

(a) a tax in accordance with the rates set out in the First Part of the Second Schedule to this Act upon the profits during the taxation period of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada, and

(b) a tax in accordance with the rates set out in the Second Part of the Second Schedule to this Act upon the excess profits of every person residing or ordinarily resident in Canada or carrying on business in Canada:

Provided that where a person acts in the capacity of trustee in a case where an oil or gas well is operated under an arrangement whereby a person other than the operator has an interest in the proceeds of the sale of the products thereof, such proceeds shall nevertheless be deemed, for the purposes of this Act, to be received by the trustee on his own behalf and he shall be taxed in respect thereof under this subsection, except paragraph *(b)* hereof, as though he were a corporation; and Provided further, that where a person, other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister,

(i) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(ii) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by paragraph *(b)* of this subsection is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a person who has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who have a substantial interest in the business either by ownership of shares in the company that operates the business or by being members of the partnership that operates the business or otherwise, had, in the opinion of the Minister, either by ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation.

(2) The aggregate of the taxes exigible under paragraph two of the First Part of the Second Schedule to this Act and under the *Income War Tax Act* shall in no case operate to reduce the profits of a taxpayer below the amount to which they would be reduced by the aggregate of the taxes exigible under paragraph one of the said First Part and under the *Income War Tax Act* if the taxpayer's profits, before providing for any payment to a shareholder by way of salary, interest or otherwise, were

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months that portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days."

ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation."

2. (1) That part of subsection one of section six of the said Act preceding paragraph *(b)*, as enacted by section four of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Deductions from profits by corporation or company.

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by this Act:—"

Subsection repealed.

(2) Subsection two of section six of the said Act, as amended by section eight of chapter fifteen of the statutes of 1940-41 and section five of chapter thirty-eight of the statutes of 1944-45, is repealed.

3. (1) Paragraph *(a)* of section seven of the said Act is repealed and the following substituted therefor:—

Taxpayers exempt under *Income War Tax Act.*

"*(a)* the profits of taxpayers referred to in paragraphs *(d)*, *(e)*, *(f)*, *(g)*, *(gg)*, *(h)*, *(i)*, *(k)*, *(m)* and *(p)* of section four of the *Income War Tax Act;*"

(2) The following paragraph is inserted after paragraph *(a)* of section seven of the said Act:—

Profits not liable to tax.

"*(aa)* The profits of a taxpayer referred to in paragraph *(q)* of section four of the *Income War Tax Act.*"

Para. repealed.

(3) Paragraph *(b)* of the said section seven, as enacted by section seven of chapter twenty-six of the statutes of 1942, is repealed.

2. (1) That portion of subsection one of section six of the said Act preceding paragraph *(b)* at present reads as follows:

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by paragraph *(b)* of subsection one of section three of this Act:—"

(2) Subsection two of section six at present reads as follows:—

"(2) A taxpayer other than a corporation or joint stock company shall be entitled to deduct from the profits as defined in this Act, the following:—

(a) the amounts allowed as deductions by paragraphs *(a)*, *(b)*, *(j)*, *(p)*, *(u)* and *(v)* of subsection one of section five of the *Income War Tax Act*, and such amount for depreciation as the Minister in his discretion may allow under paragraph *(n)* of subsection one of section six of the said Act: Provided that the amount by which a taxpayer's charitable donations in a fiscal period exceeds the greater of either.

(i) the average of his annual donations in the last two fiscal periods ending before the first day of July, one thousand nine hundred and forty-two, or

(ii) that portion of the donations made in the fiscal period that has been paid before the first day of February, one thousand nine hundred and forty-four, or has been paid pursuant to an agreement or undertaking evidenced before the said day either by an instrument in writing or a payment that is one of a series of payments,

shall not be deducted except forty per centum thereof in the case of a taxpayer taxable under the Second Part of the Second Schedule to this Act.

(b) such reasonable amount as the Minister in his discretion may allow in lieu of salary to proprietors working full time in the actual management or conduct of the business, not to exceed five thousand dollars per annum for each proprietor and for all his businesses: Provided that if such an allowance is made, the amount so allowed shall be deducted from the standard profits of the taxpayer;

(c) if taxable under the Second Part of the Second Schedule of this Act, such reasonable provision as a reserve against future depreciation in inventory values as the Minister in his discretion may allow having regard to a normal quantity of stock in trade necessary for the business as indicated by the quantities on hand during the standard period:

Provided that no such deduction shall be allowed which provides against a decline in inventory values below the inventory prices of goods on hand either at the end of the fiscal period of the taxpayer ending in the year one thousand nine hundred and thirty-nine or in case the fiscal period of the taxpayer ends after the thirty-first day of August, during the said month of August one thousand nine hundred and thirty-nine, and,

Provided further that any reduction in such reserve shall for purposes of taxation under this Act be added to the profits of the year in which such reduction takes place and any portion of such reserve remaining at the end of the year or fiscal period when this Act ceases to apply to the taxpayer shall be available to the taxpayer to meet declines in inventory values during the next following year and if not exhausted by the end thereof the remaining portion shall be added to the taxpayer's profits of the last year or fiscal period when this Act applies to the taxpayer."

3. (1) "*(gg)* is inserted and *(q)* deleted.

(2) Paragraph *(aa)* is new.

(3) Paragraph *(b)* at present reads as follows:—

"*(b)* the profits of a profession carried on by an individual or by individuals in partnership if the profits of the profession are dependent wholly or mainly upon his or their personal qualifications and if in the opinion of the Minister little or no capital is employed: Provided that this exemption shall not extend to the profits of a commission agent or person any part of whose business consists in the making of contracts on behalf of others or the giving to other persons of advice of a commercial nature in connection with the making of contracts unless the Minister is satisfied that such agent is virtually in the position of an employee of one employer in which case this exemption shall apply and in any case the decision of the Minister shall be final and conclusive;"

Subparagraph repealed.

(4) Subparagraph (i) of paragraph *(f)* of the said section seven, as enacted by section ten of chapter fifteen of the statutes of 1940-41, is repealed.

Sections 40 to 87 of I.W.T.A. excepting certain provisos to apply.

4. Section fourteen of the said Act is repealed and the following substituted therefor:—

"**14.** Without limiting any of the provisions contained in this Act, sections forty to eighty-seven both inclusive of the *Income War Tax Act*, excepting subsection three of the first paragraph of subsection five of section forty-eight, Part VIII A and section seventy-six A thereof, shall, *mutatis mutandis* apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*, and notwithstanding anything contained in that Act the provisions of Part VIII are applicable under this Act in respect of assessments of the nineteen hundred and forty-six and subsequent taxation years."

5. The Second Schedule to the said Act, as enacted by section eight of chapter nineteen of the statutes of 1945 (second session), is repealed and the following substituted therefor:—

Second Schedule.

"SECOND SCHEDULE

In the case of corporations or joint stock companies—fifteen per centum of the excess profits."

Coming into force.

6. (1) The provisions of this Act, except subsection three of section three and subsection two of section four shall come into force on the first day of January, nineteen hundred and forty-seven and the said provisions shall apply in respect of that proportion of the profits of a taxpayer of the nineteen hundred and forty-seven taxation year which the number of days of the said taxation year in the year nineteen hundred and forty-seven is of the total number of days of the said taxation year and the provisions previously applicable shall apply in respect of the remaining proportion of the said profits.

Application.

(2) Subsection three of section three of this Act shall be applicable in respect of the nineteen hundred and forty-seven and subsequent taxation years.

Application.

(3) Subsection two of section four of this Act is applicable in respect of the nineteen hundred and forty-six and subsequent taxation years.

(4) Subparagraph (i) of paragraph *(f)* at present reads as follows:—

"(i) the corporation or joint stock company shall have no outstanding bonds, debentures or other securities evidencing funded indebtedness;"

4. Section fourteen of the Act at present reads as follows:—

"14. Without limiting any of the provisions contained in this Act, sections forty to eighty-seven, both inclusive, of the *Income War Tax Act*, excepting section seventy-six A thereof, shall, *mutatis mutandis*, apply to matters arising under the provisions of this Act to the same extent and as fully and effectively as they apply under the provisions of the *Income War Tax Act*."

5. The Second Schedule to the Act at present reads as follows:—

"SECOND SCHEDULE

FIRST PART—

1. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are five thousand dollars or less, twelve per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*, except in the case of a taxpayer referred to in subparagraph *(b)* of paragraph two of this Part.

2. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are more than:—

(a) five thousand dollars; or

(b) if the fiscal period is less than twelve months the portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days;

twenty-two per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*.

SECOND PART—

In the case of corporations or joint stock companies twenty per centum of the excess profits and in the case of persons other than corporations or joint stock companies sixty per centum of the excess profits."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 371.

An Act to amend the Excise Act, 1934.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 371.

An Act to amend the Excise Act, 1934.

1934, c. 52; 1935, c. 29; 1936, c. 37; 1937, c. 29; 1938, c. 29; 1939 (1st sess), c. 43; 1939 (2nd sess.) c. 5; 1940, c. 33; 1940-41, c. 16; 1942-43, c. 27; 1943-44, c. 9.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section two of *The Excise Act, 1934*, chapter fifty-two of the statutes of 1934, is amended by adding immediately after paragraph *(o)* thereof the following paragraph:—

"subsequent offence."

"*(oo)* 'subsequent offence' means an offence committed within five years of the date of a previous conviction;"

2. Subsection one of section fifty-seven of the said Act is repealed and the following substituted therefor:—

Transfer of goods in bond.

"**57.** (1) Goods warehoused under this Act may, without payment of duty and under departmental regulations, be transferred or removed from one warehouse to another in bond, exported in bond or released from bond to accredited representatives in Canada of any other country."

3. Subsection two of section one hundred and forty of the said Act is repealed and the following substituted therefor:—

Exception as to spirits used by certain scientific and research laboratories.

"(2) A drawback of ninety-nine per centum of the duty paid may be granted under departmental regulations when spirits testing not less than fifty per centum overproof are sold and delivered with the approval of the Minister and in such limited quantities as may be prescribed by him

(a) to any scientific and research laboratory sponsored by the Government of Canada or by the government of any province or to any university, for scientific purposes only,

Explanatory Notes.

1. Considering the heavy penalties which can be imposed for subsequent offences under sections 164 and 169 there have been instances in which magistrates have shown reluctance to convict as for a subsequent offence where the first offence was, for example, committed ten years previously.

Although sections 164 and 169 were mainly involved it is felt that the amendment should apply to all penalty sections.

2. This amendment is designed to provide authority for duty-free release of tobacco products and spirits to representatives in Canada of British and foreign governments, under regulations established by authority of the Governor in Council.

3. This amendment provides a drawback of ninety-nine per centum of the duty paid on spirits when used by certain scientific and research laboratories.

(b) to any person for the purposes of scientific research, the results of which are regularly made available to the public without charge, and

(c) to any *bona fide* public hospital certified to be such by the Department of National Health and Welfare, for medicinal purposes only."

4. Subparagraph (i) of paragraph *(a)* of subsection four of section one hundred and fifty-five of the said Act is repealed and the following substituted therefor:—

Classes of spirits which may be entered for consumption.

"(i) if sold and delivered in such limited quantities as the Minister may prescribe for the use of any hospital, university, educational institution, or persons engaged in scientific research or industrial enterprise;"

5. Section one of the Schedule to the said Act is amended by adding immediately after paragraph *(d)* thereof the following paragraph:—

Spirits.

"*(e)* On every gallon of the strength of proof of spirits distilled from wine produced from native fruits and used in any bonded manufactory for the treatment of domestic wine, one dollar and fifty cents, and so in proportion for any greater or less strength than the strength of proof and for any less quantity than a gallon."

6. Paragraph *(d)* of section six of the Schedule to the said Act is repealed and the following substituted therefor:—

Cigars.

"*(d)* Cigars, one dollar per thousand;"

7. Section six of this Act shall be deemed to have come into force on the twenty-eighth day of June, one thousand nine hundred and forty-six, and to have applied to all goods mentioned therein entered for consumption on and after that day.

4. The amendment extends the use of unmatured spirits to persons engaged in scientific or industrial research.

5. This amendment is designed to place Canadian wine manufacturers in as good a position as their foreign competitors who use spirits in the manufacture of wine. A similar proviso was in effect during the period 1933 to 1936.

6. The specific duty is reduced from three dollars per thousand to one dollar per thousand, and the difference is absorbed in an ad valorem rate of twenty-five per centum set forth in Budget Resolutions affecting the Special War Revenue Act.

7. This date, viz.,—twenty-eighth day of June, corresponds with the effective date of the Budget Resolutions.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 372.

An Act to amend the Special War Revenue Act.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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R.S., c. 179; 1928, c. 50; 1929, c. 57; 1930, c. 43; 1931, c. 54; 1932, c. 54; 1932-33, c. 50; 1934, c. 42; 1935, c. 33; 1936, c. 45; 1937, c. 41; 1938, c. 52; 1939, c. 52; 1939 (2nd Sess.), c. 8; 1940, c. 41; 1940-41, cc. 1, 27; 1942-43, c. 32; 1943-44, c. 11; 1944-45, c. 48; 1945 (2nd Sess.), c. 30.

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA

BILL 372.

An Act to amend the Special War Revenue Act

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. (1) Paragraph *(f)* of section thirteen of *The Special War Revenue Act*, chapter one hundred and seventy-nine of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"net premiums".

"*(f)* 'net premiums' means in the case of a company transacting life insurance, the gross premiums received by the company other than the consideration received for annuities, less premiums returned and less the cash value of the dividends paid or credited to policyholders; and in the case of any other company the gross premiums received or receivable by the company or paid or payable by the insured less dividends and the rebates and return premiums paid on the cancellation of policies;"

Coming into force.

(2) Subsection one of this section shall come into force on the first day of January, 1947.

2. (1) Subsections one, two and three of section fourteen of the said Act are repealed and the following substituted therefor:—

Tax on net premiums of certain insurance companies.

"**14.** (1) Every company authorized under the laws of the Dominion of Canada or of any province thereof to transact the business of insurance, other than an association of persons formed on the plan known as Lloyds and an exchange, shall pay to the Minister a tax of two per centum upon the net premiums received by it in Canada less net premiums paid for reinsurance to companies or associations to which this section applies during the year 1947 and each calendar year thereafter.

Tax on provincial authorized insurance companies.

"(2) Every association of persons formed on the plan known as Lloyds and every exchange authorized under the

Explanatory Notes.

The first four clauses of this Bill deal with the insurance provisions of the *Special War Revenue Act* and provide for taxation of Dominion, provincial and mutual insurance companies.

1. Paragraph *(f)* of section thirteen at present reads as follows:

"(f) 'net premiums' means, in the case of a company transacting life insurance, the gross premiums received by the company other than the consideration received for annuities, less premiums returned and less the cash value of dividends paid or credited to policyholders; and, in the case of any other company, the gross premiums received or receivable by the company or paid or payable by the insured less the rebates and return premiums paid on the cancellation of policies: Provided that in the case of a mutual company which carries on business on the premium deposit plan and in the case of an exchange 'net premiums' means the actual net cost of the insurance to the insured during the taxation period together with interest on the excess of the premium deposit over such net cost at the average rate earned by the company on its funds during the said period."

2. Subsections one, two and three of section fourteen at present read as follows:—

"**14.** 1. Every company authorized under the laws of the Dominion of Canada or of any province thereof, to transact the business of insurance, other than an association of persons formed on the plan known as Lloyds, a *mutual company not carrying on the business of life insurance*, and an exchange, shall pay to the Minister a tax of two per centum upon the net premiums received by it in Canada less net premiums paid for reinsurance to companies or associations to which this section applies, during the year 1941 and each calendar year thereafter.

2. Every association of persons formed on the plan known as Lloyds, *and every mutual company not carrying on the business of life insurance and not carrying on business on the premium deposit plan, authorized under the laws of the Dominion of Canada or* of any province thereof, to transact the business of insurance, shall pay to the Minister a tax of three per centum upon the net premiums received by it in Canada, less net premiums paid for reinsurance to companies or associations to which this section applies, during the year 1941 and each calendar year thereafter.

3. Every mutual company authorized under the laws of the Dominion of Canada or of any province thereof, to transact the business of insurance and which carries on business on the premium deposit plan *and every exchange so authorized* shall pay to the Minister a tax of four per centum upon the net premiums received by it in Canada during the calendar year 1941 and each calendar year thereafter."

laws of Canada or of any province of Canada to transact the business of insurance shall pay to the Minister a tax of three per centum on the net premiums received by it in Canada, less net premiums paid for reinsurance to companies or associations to which this section applies, during the year 1947 and each calendar year thereafter."

Coming into force.

(2) Subsection one of this section shall be deemed to have come into force on the first day of January, 1947.

3. Section fourteen of the said Act is further amended by adding thereto the following subsection:—

Deduction.

"(6) Every company required to pay a tax under this section may deduct from the tax so payable in respect of net premiums received after the thirty-first day of December, 1946, the amount of any tax paid by it or in the case of reinsurance by the principal company to the government of any province of Canada, in respect of such premiums on insurance covering persons resident or property situated in such province, such deduction not to exceed, however, the amount of the tax resulting from the application of the rates hereinbefore specified to the said net premiums."

Sections repealed.

Sp. War Rev. Amdt. Act.

4. Sections three and four of chapter twenty-seven of the statutes of 1940-41 are repealed.

5. Part VII of the said Act is repealed and the following substituted therefor:

"PART VII.

"Securities Transfer Tax.

Definitions.

"**58.** In this Part, unless the context otherwise requires,

"amount involved."

(a) 'amount involved' means, in the case of a sale, the sale price and, where there is no sale, the current market price;

"bond."

(b) 'bond' includes a debenture or a share of debenture stock;

"change of ownership."

(c) 'change of ownership' includes a sale, agreement for sale, transfer or assignment; and

"share."

(d) 'share' means a share of the capital stock of an association, company or corporation or a participating interest in the property, operations or profits of an association, company, corporation, fund or trust, whether expressed in shares or not; and includes

(i) mineral trust deeds,

(ii) oil royalties,

(iii) syndicate units, and

(iv) fixed investment trust shares issued by a trustee and representing equitable ownership in deposited securities.

3. Subsection six is new.

4. Section three of the Act of 1940-41 defines a "British company." This definition is no longer necessary.

The purpose of section four was to strike out the words "or of any province thereof" in subsection one of section sixteen of the Act.

5. This is a revision of Part VII of the Act which imposes the securities transfer tax. Certain transactions in securities which had originally been taxed under the Act were subsequently regarded as not taxable, since some legal opinion held that the wording of the section imposing the tax did not specifically apply to such transactions. The purpose of the change is to clarify the intention to tax these transactions.

It is also proposed to permit the payment of the tax by cheque, instead of by adhesive stamps. This change has been requested by dealers and brokers.

Excise tax on change of ownership and on rights to receive bonds and shares.

"**59.** (1) There shall be imposed, levied and collected an excise tax upon every change of ownership before or after issue, of any bond or share or of the right to receive any bond or share as follows:

(a) three cents for every hundred dollars or fraction thereof of the par value of a bond; and

(b) in the case of shares

(i) where the amount involved per share is less than one dollar, one-tenth of one per centum of the amount involved,

(ii) where the amount involved per share is not less than one dollar and not more than five dollars, one-quarter of one cent per share,

(iii) where the amount involved per share is more than five dollars and not more than twenty-five dollars, one cent per share,

(iv) where the amount involved per share is more than twenty-five dollars but not more than fifty dollars, two cents per share,

(v) where the amount involved per share is more than fifty dollars and not more than seventy-five dollars, three cents per share,

(vi) where the amount involved per share is more than seventy-five dollars and not more than one hundred and fifty dollars, four cents per share, and

(vii) where the amount involved per share is more than one hundred and fifty dollars, four cents per share plus one-tenth of one per centum of the amount by which the amount involved is in excess of one hundred and fifty dollars per share.

(2) The tax imposed by this section shall be paid by the vendor, transferor, assignor or other person by whom the change of ownership is effected.

When tax not applicable.

"**60.** The tax imposed by this Part is not applicable to

(a) a change of ownership of a bond of the Dominion of Canada or of a province of Canada,

(b) the first transaction whereby ownership of a bond or share or ownership of the right to receive a bond or share is established,

(c) such changes in ownership of bonds as are exempted by regulation,

(d) a sale of a bond to a person resident outside of Canada, if the sale is duly completed by a delivery of the certificate or other instrument of title to a point outside Canada,

(e) a transmission on account of death, or

(f) a gift made *inter vivos* in consideration of natural love and affection or to a religious, charitable or educational institution.

"**61.** (1) The Minister may make regulations with reference to any case or class of cases

Minister may make regulations.

(a) prescribing the time or manner of payment of the tax imposed by this Part;

(b) prescribing the making of a monthly return, the form thereof and the information to be contained therein;

(c) prescribing the persons who shall collect the tax imposed by this Part and account therefor to His Majesty, or in any case where it is prescribed that the tax shall be paid by affixing and cancelling stamps in a prescribed manner, the persons who shall affix and cancel the stamps;

(d) defining a change of ownership;

(e) exempting such changes of ownership occurring between bond dealers in the course of marketing a new issue of bonds as are defined by the regulations; or

(f) prescribing rules to determine, notwithstanding section fifty-nine of this Act, the basis on which the tax imposed by this Part shall be paid upon a change of ownership of participating interests, mineral deeds, oil royalties, syndicate units and fixed investment trust shares.

Minister may fix selling or current market price.

(2) Where, in the opinion of the Minister, it is difficult to establish the selling price of a bond or share or the current market price of a bond or share has not been established by recent sales, the Minister may fix the selling price or the current market price as the case may be and the tax imposed by this Part shall be paid on the amount so fixed."

6. (1) Schedule I to the said Act is amended by adding thereto the following section:—

Cigars.

"14. Cigars.....25 per cent.

Provided that the sale price of cigars manufactured in Canada shall include the amount of excise duty payable thereon under the *Excise Act*."

Paragraph repealed.

(2) Section one of Schedule II to the said Act is repealed.

Coming into force of secs. 1 and 2.

7. Sections one and two of this Act shall be deemed to have come into force on the first day of January, one thousand nine hundred and forty-seven.

Coming into force of secs. 5 and 6.

8. Sections five and six of this Act shall be deemed to have come into force on the twenty-eighth day of June, one thousand nine hundred and forty-six, and to have applied on all goods imported or taken out of warehouse for consumption on and after that day and to have applied to goods previously imported for which no entry for consumption was made before that day.

6. It is proposed that the present graduated excise tax on cigars be replaced by an *ad valorem* tax of twenty-five per centum provided for in the budget resolutions.

373.

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to amend The Dominion Succession Duty Act.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to amend The Dominion Succession Duty Act.

1940-41, c. 14; 1942-43, c. 25; 1944-45, c. 37; 1945, (2nd Sess), c. 18.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Substituted First Sch.

1. The First Schedule to *The Dominion Succession Duty Act*, chapter fourteen of the statutes of 1940-41, is repealed and the Schedule to this Act substituted therefor.

2. The said Act is further amended by adding thereto, immediately after section eleven thereof, the following section:—

Allowable deductions.

"**11**A. Each successor may deduct from the duties otherwise payable by him under this Act in respect of a succession derived from a predecessor dying after the thirty-first day of December, one thousand nine hundred and forty-six, the lesser of

(a) the duty or duties payable by him under the laws of any province or provinces in respect of such succession; or

(b) fifty per centum of the duty otherwise payable by him under this Act in respect of such succession."

Coming into force.

3. This Act shall come into force on the first day of January, one thousand nine hundred and forty-seven.

EXPLANATORY NOTES.

1. The purpose of this provision is to make the rates of taxation upon or in respect of any succession upon the death of a person after December 31, 1946, twice the rates previously in force, thus implementing the Budget resolution on the subject.

2. The purpose of this provision is to permit the allowance of provincial duties as against the Dominion duties up to but not exceeding one-half of the Dominion duties, thus implementing the Budget resolution on the subject.

3. This provision limits the application of the amendments to successions derived from persons dying on or after 1st January, 1947.

SCHEDULE

"FIRST SCHEDULE.

RATES OF DUTY

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
£	£	%	£	£	%	%	%	%
—	—	—	1,000	1,800	—	2·0	4·0	5·0
—	—	—	1,800	2,600	—	2·4	4·2	5·2
—	—	—	2,600	3,400	—	2·8	4·4	5·4
—	—	—	3,400	4,200	—	3·2	4·6	5·6
—	—	—	4,200	5,000	—	3·6	4·8	5·8
5,000	6,000	—	5,000	6,000	4·0	4·0	5·0	6·0
6,000	7,000	—	6,000	7,000	4·1	4·2	5·2	6·2
7,000	8,000	—	7,000	8,000	4·2	4·4	5·4	6·4
8,000	9,000	—	8,000	9,000	4·3	4·6	5·6	6·6
9,000	10,000	—	9,000	10,000	4·4	4·8	5·8	6·8
10,000	13,000	—	10,000	13,000	4·5	5·0	6·0	7·0
13,000	16,000	—	13,000	16,000	4·6	5·2	6·2	7·2
16,000	19,000	—	16,000	19,000	4·7	5·4	6·4	7·4
19,000	22,000	—	19,000	22,000	4·8	5·6	6·6	7·6
22,000	25,000	—	22,000	25,000	4·9	5·8	6·8	7·8
25,000	27,000	1·0	25,000	27,000	5·0	6·0	7·0	8·0
27,000	29,000	1·2	27,000	29,000	5·2	6·2	7·2	8·4
29,000	31,000	1·4	29,000	31,000	5·4	6·4	7·4	8·8
31,000	33,000	1·6	31,000	33,000	5·6	6·6	7·6	9·2
33,000	35,000	1·8	33,000	35,000	5·8	6·8	7·8	9·6
35,000	36,500	2·0	35,000	36,500	6·0	7·0	8·0	10·0
36,500	38,000	2·1	36,500	38,000	6·1	7·1	8·2	10·2
38,000	39,500	2·2	38,000	39,500	6·2	7·2	8·4	10·4
39,500	41,000	2·3	39,500	41,000	6·3	7·3	8·6	10·6
41,000	42,500	2·4	41,000	42,500	6·4	7·4	8·8	10·8
42,500	44,000	2·5	42,500	44,000	6·5	7·5	9·0	11·0
44,000	45,500	2·6	44,000	45,500	6·6	7·6	9·2	11·2
45,500	47,000	2·7	45,500	47,000	6·7	7·7	9·4	11·4
47,000	48,500	2·8	47,000	48,500	6·8	7·8	9·6	11·6
48,500	50,000	2·9	48,500	50,000	6·9	7·9	9·8	11·8
50,000	52,500	3·0	50,000	52,500	7·0	8·0	10·0	12·0
52,500	55,000	3·1	52,500	55,000	7·1	8·2	10·2	12·2
55,000	57,500	3·2	55,000	57,500	7·2	8·4	10·4	12·4
57,500	60,000	3·3	57,500	60,000	7·3	8·6	10·6	12·6
60,000	62,500	3·4	60,000	62,500	7·4	8·8	10·8	12·8
62,500	65,000	3·5	62,500	65,000	7·5	9·0	11·0	13·0
65,000	67,500	3·6	65,000	67,500	7·6	9·2	11·2	13·2
67,500	70,000	3·7	67,500	70,000	7·7	9·4	11·4	13·4
70,000	72,500	3·8	70,000	72,500	7·8	9·6	11·6	13·6
72,500	75,000	3·9	72,500	75,000	7·9	9·8	11·8	13·8
75,000	77,500	4·0	75,000	77,500	8·0	10·0	12·0	14·0
77,500	80,000	4·1	77,500	80,000	8·2	10·2	12·2	14·2
80,000	82,500	4·2	80,000	82,500	8·4	10·4	12·4	14·4
82,500	85,000	4·3	82,500	85,000	8·6	10·6	12·6	14·6
85,000	87,500	4·4	85,000	87,500	8·8	10·8	12·8	14·8
87,500	90,000	4·5	87,500	90,000	9·0	11·0	13·0	15·0
90,000	92,500	4·6	90,000	92,500	9·2	11·2	13·2	15·2
92,500	95,000	4·7	92,500	95,000	9·4	11·4	13·4	15·4
95,000	97,500	4·8	95,000	97,500	9·6	11·6	13·6	15·6
97,500	100,000	4·9	97,500	100,000	9·8	11·8	13·8	15·8

FIRST SCHEDULE—*Continued*

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
$	$	%	$	$	%	%	%	%
100,000	102,500	5·0	100,000	102,500	10·0	12·0	14·0	16·0
102,500	105,000	5·1	102,500	105·000	10·2	12·2	14·2	16·2
105,000	107,500	5·2	105,000	107,500	10·4	12·4	14·4	16·4
107,500	110,000	5·3	107,500	110,000	10·6	12·6	14·6	16·6
110,000	112,500	5·4	110,000	112,500	10·8	12·8	14·8	16·8
112,500	115,000	5·5	112,500	115,000	11·0	13·0	15·0	17·0
115,000	117,500	5·6	115,000	117,500	11·2	13·2	15·2	17·2
117,500	120,000	5·7	117,500	120,000	11·4	13·4	15·4	17·4
120,000	122,500	5·8	120,000	122,500	11·6	13·6	15·6	17·6
122,500	125,000	5·9	122,500	125,000	11·8	13·8	15·8	17·8
125,000	127,500	6·0	125,000	127,500	12·0	14·0	16·0	18·0
127,500	130,000	6·1	127,500	130,000	12·2	14·2	16·2	18·2
130,000	132,500	6·2	130,000	132,500	12·4	14·4	16·4	18·4
132,500	135,000	6·3	132,500	135,000	12·6	14·6	16·6	18·6
135,000	137,500	6·4	135,000	137,500	12·8	14·8	16·8	18·8
137,500	140,000	6·5	137,500	140,000	13·0	15·0	17·0	19·0
140,000	142,500	6·6	140,000	142,500	13·2	15·2	17·2	19·2
142,500	145,000	6·7	142,500	145,000	13·4	15·4	17·4	19·4
145,000	147,500	6·8	145,000	147,500	13·6	15·6	17·6	19·6
147,500	150,000	6·9	147,500	150,000	13·8	15·8	17·8	19·8
150,000	155,000	7·0	150,000	155,000	14·0	16·0	18·0	20·0
155,000	160,000	7·1	155,000	160,000	14·2	16·2	18·2	20·2
160,000	165,000	7·2	160,000	165,000	14·4	16·4	18·4	20·4
165,000	170,000	7·3	165,000	170,000	14·6	16·6	18·6	20·6
170,000	175,000	7·4	170,000	175,000	14·8	16·8	18·8	20·8
175,000	180,000	7·5	175,000	180,000	15·0	17·0	19·0	21·0
180,000	185,000	7·6	180,000	185,000	15·2	17·2	19·2	21·2
185,000	190,000	7·7	185,000	190,000	15·4	17·4	19·4	21·4
190,000	195,000	7·8	190,000	195,000	15·6	17·6	19·6	21·6
195,000	200,000	7·9	195,000	200,000	15·8	17·8	19·8	21·8
200,000	210,000	8·0	200,000	210,000	16·0	18·0	20·0	22·0
210,000	220,000	8·1	210,000	220,000	16·2	18·2	20·2	22·2
220,000	230,000	8·2	220,000	230,000	16·4	18·4	20·4	22·4
230,000	240,000	8·3	230,000	240,000	16·6	18·6	20·6	22·6
240,000	250,000	8·4	240,000	250,000	16·8	18·8	20·8	22·8
250,000	260,000	8·5	250,000	260,000	17·0	19·0	21·0	23·0
260,000	270,000	8·6	260,000	270,000	17·2	19·2	21·2	23·2
270,000	280,000	8·7	270,000	280,000	17·4	19·4	21·4	23·4
280,000	290,000	8·8	280,000	290,000	17·6	19·6	21·6	23·6
290,000	300,000	8·9	290,000	300,000	17·8	19·8	21·8	23·8
300,000	310,000	9·0	300,000	310,000	18·0	20·0	22·0	24·0
310,000	320,000	9·1	310,000	320,000	18·2	20·2	22·2	24·2
320,000	330,000	9·2	320,000	330,000	18·4	20·4	22·4	24·4
330,000	340,000	9·3	330,000	340,000	18·6	20·6	22·6	24·6
340,000	350,000	9·4	340,000	350,000	18·8	20·8	22·8	24·8
350,000	360,000	9·5	350,000	360,000	19·0	21·0	23·0	25·0
360,000	370,000	9·6	360,000	370,000	19·2	21·2	23·2	25·2
370,000	380,000	9·7	370,000	380,000	19·4	21·4	23·4	25·4
380,000	390,000	9·8	380,000	390,000	19·6	21·6	23·6	25·6
390,000	400,000	9·9	390,000	400,000	19·8	21·8	23·8	25·8
400,000	410,000	10·0	400,000	410,000	20·0	22·0	24·0	26·0
410,000	420,000	10·1	410,000	420,000	20·2	22·2	24·2	26·2
420,000	430,000	10·2	420,000	430,000	20·4	22·4	24·4	26·4
430,000	440,000	10·3	430,000	440,000	20·6	22·6	24·6	26·6
440,000	450,000	10·4	440,000	450,000	20·8	22·8	24·8	26·8
450,000	460,000	10·5	450,000	460,000	21·0	23·0	25·0	27·0
460,000	470,000	10·6	460,000	470,000	21·2	23·2	25·2	27·2
470,000	480,000	10·7	470,000	480,000	21·4	23·4	25·4	27·4
480,000	490,000	10·8	480,000	490,000	21·6	23·6	25·6	27·6
490,000	500,000	10·9	490,000	500,000	21·8	23·8	25·8	27·8

FIRST SCHEDULE—*Concluded*

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
$	$	%	$	$	%	%	%	%
500,000	525,000	11·0	500,000	525,000	22·0	24·0	26·0	28·0
525,000	550,000	11·1	525,000	550,000	22·2	24·2	26·2	28·2
550,000	575,000	11·2	550,000	575,000	22·4	24·4	26·4	28·4
575,000	600,000	11·3	575,000	600,000	22·6	24·6	26·6	28·6
600,000	625,000	11·4	600,000	625,000	22·8	24·8	26·8	28·8
625,000	650,000	11·5	625,000	650,000	23·0	25·0	27·0	29·0
650,000	675,000	11·6	650,000	675,000	23·2	25·2	27·2	29·2
675,000	700,000	11·7	675,000	700,000	23·4	25·4	27·4	29·4
700,000	725,000	11·8	700,000	725,000	23·6	25·6	27·6	29·6
725,000	750,000	11·9	725,000	750,000	23·8	25·8	27·8	29·8
750,000	775,000	12·0	750,000	775,000	24·0	26·0	28·0	30·0
775,000	800,000	12·1	775,000	800,000	24·2	26·2	28·2	30·2
800,000	825,000	12·2	800,000	825,000	24·4	26·4	28·4	30·4
825,000	850,000	12·3	825,000	850,000	24·6	26·6	28·6	30·6
850,000	875,000	12·4	850,000	875,000	24·8	26·8	28·8	30·8
875,000	900,000	12·5	875,000	900,000	25·0	27·0	29·0	31·0
900,000	925,000	12·6	900,000	925,000	25·2	27·2	29·2	31·2
925,000	950,000	12·7	925,000	950,000	25·4	27·4	29·4	31·4
950,000	975,000	12·8	950,000	975,000	25·6	27·6	29·6	31·6
975,000	1,000,000	12·9	975,000	1,000,000	25·8	27·8	29·8	31·8
1,000,000	1,050,000	13·0	1,000,000	1,050,000	26·0	28·0	30·0	32·0
1,050,000	1,100,000	13·1	1,050,000	1,100,000	26·2	28·2	30·2	32·2
1,100,000	1,150,000	13·2	1,100,000	1,150,000	26·4	28·4	30·4	32·4
1,150,000	1,200,000	13·3	1,150,000	1,200,000	26·6	28·6	30·6	32·6
1,200,000	1,250,000	13·4	1,200,000	1,250,000	26·8	28·8	30·8	32·8
1,250,000	1,300,000	13·5	1,250,000	1,300,000	27·0	29·0	31·0	33·0
1,300,000	1,350,000	13·6	1,300,000	1,350,000	27·2	29·2	31·2	33·2
1,350,000	1,400,000	13·7	1,350,000	1,400,000	27·4	29·4	31·4	33·4
1,400,000	1,450,000	13·8	1,400,000	1,450,000	27·6	29·6	31·6	33·6
1,450,000	1,500,000	13·9	1,450,000	1,500,000	27·8	29·8	31·8	33·8
1,500,000	1,550,000	14·0	1,500,000	1,550,000	28·0	30·0	32·0	34·0
1,550,000	1,600,000	14·2	1,550,000	1,600,000	28·2	30·2	32·2	34·0
1,600,000	1,650,000	14·4	1,600,000	1,650,000	28·4	30·4	32·4	34·0
1,650,000	1,700,000	14·6	1,650,000	1,700,000	28·6	30·6	32·6	34·0
1,700,000	1,750,000	14·8	1,700,000	1,750,000	28·8	30·8	32·8	34·0
1,750,000	1,800,000	15·0	1,750,000	1,800,000	29·0	31·0	33·0	34·0
1,800,000	1,850,000	15·2	1,800,000	1,850,000	29·2	31·2	33·2	34·0
1,850,000	1,900,000	15·4	1,850,000	1,900,000	29·4	31·4	33·4	34·0
1,900,000	1,950,000	15·6	1,900,000	1,950,000	29·6	31·6	33·6	34·0
1,950,000	2,000,000	15·8	1,950,000	2,000,000	29·8	31·8	33·8	34·0
2,000,000	2,100,000	16·0	2,000,000	2,100,000	30·0	32·0	34·0	34·0
2,100,000	2,200,000	16·2	2,100,000	2,200,000	30·2	32·2	34·0	34·0
2,200,000	2,300,000	16·4	2,200,000	2,300,000	30·4	32·4	34·0	34·0
2,300,000	2,400,000	16·6	2,300,000	2,400,000	30·6	32·6	34·0	34·0
2,400,000	2,500,000	16·8	2,400,000	2,500,000	30·8	32·8	34·0	34·0
2,500,000	2,600,000	17·0	2,500,000	2,600,000	31·0	33·0	34·0	34·0
2,600,000	2,700,000	17·2	2,600,000	2,700,000	31·2	33·2	34·0	34·0
2,700,000	2,800,000	17·4	2,700,000	2,800,000	31·4	33·4	34·0	34·0
2,800,000	2,900,000	17·6	2,800,000	2,900,000	31·6	33·6	34·0	34·0
2,900,000	3,000,000	17·8	2,900,000	3,000,000	31·8	33·8	34·0	34·0
3,000,000	3,200,000	18·0	3,000,000	3,200,000	32·0	34·0	34·0	34·0
3,200,000	3,400,000	18·2	3,200,000	3,400,000	32·2	34·0	34·0	34·0
3,400,000	3,600,000	18·4	3,400,000	3,600,000	32·4	34·0	34·0	34·0
3,600,000	3,800,000	18·6	3,600,000	3,800,000	32·6	34·0	34·0	34·0
3,800,000	4,000,000	18·8	3,800,000	4,000,000	32·8	34·0	34·0	34·0
4,000,000	4,200,000	19·0	4,000,000	4,200,000	33·0	34·0	34·0	34·0
4,200,000	4,400,000	19·2	4,200,000	4,400,000	33·2	34·0	34·0	34·0
4,400,000	4,600,000	19·4	4,400,000	4,600,000	33·4	34·0	34·0	34·0
4,600,000	4,800,000	19·6	4,600,000	4,800,000	33·6	34·0	34·0	34·0
4,800,000	5,000,000	19·8	4,800,000	5,000,000	33·8	34·0	34·0	34·0
5,000,000	and over	20·0	5,000,000	and over	34·0	34·0	34·0	34·0"

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to amend The Dominion Succession Duty Act.

First reading, August 9, 1946.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

69018

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 373.

An Act to amend The Dominion Succession Duty Act.

1940-41, c. 14; 1942-43, c. 25; 1944-45, c. 37; 1945, (2nd Sess), c. 18.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Substituted First Sch.

1. The First Schedule to *The Dominion Succession Duty Act*, chapter fourteen of the statutes of 1940-41, is repealed and the Schedule to this Act substituted therefor.

2. The said Act is further amended by adding thereto, immediately after section eleven thereof, the following section:—

Allowable deductions.

"**11A.** Each successor may deduct from the duties otherwise payable by him under this Act in respect of a succession derived from a predecessor dying after the thirty-first day of December, one thousand nine hundred and forty-six, the lesser of

(a) the duty or duties payable by him under the laws of any province or provinces in respect of such succession; or

(b) fifty per centum of the duty otherwise payable by him under this Act in respect of such succession."

Coming into force.

3. This Act shall come into force on the first day of January, one thousand nine hundred and forty-seven.

Explanatory Notes.

1. The purpose of this provision is to make the rates of taxation upon or in respect of any succession upon the death of a person after December 31, 1946, twice the rates previously in force, thus implementing the Budget resolution on the subject.

2. The purpose of this provision is to permit the allowance of provincial duties as against the Dominion duties up to but not exceeding one-half of the Dominion duties, thus implementing the Budget resolution on the subject.

3. This provision limits the application of the amendments to successions derived from persons dying on or after 1st January, 1947.

SCHEDULE

"FIRST SCHEDULE.

RATES OF DUTY

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
$	$	%	$	$	%	%	%	%
—	—	—	1,000	1,800	—	2·0	4·0	5·0
—	—	—	1,800	2,600	—	2·4	4·2	5·2
—	—	—	2,600	3,400	—	2·8	4·4	5·4
—	—	—	3,400	4,200	—	3·2	4·6	5·6
—	—	—	4,200	5,000	—	3·6	4·8	5·8
5,000	6,000	—	5,000	6,000	4·0	4·0	5·0	6·0
6,000	7,000	—	6,000	7,000	4·1	4·2	5·2	6·2
7,000	8,000	—	7,000	8,000	4·2	4·4	5·4	6·4
8,000	9,000	—	8,000	9,000	4·3	4·6	5·6	6·6
9,000	10,000	—	9,000	10,000	4·4	4·8	5·8	6·8
10,000	13,000	—	10,000	13,000	4·5	5·0	6·0	7·0
13,000	16,000	—	13,000	16,000	4·6	5·2	6·2	7·2
16,000	19,000	—	16,000	19,000	4·7	5·4	6·4	7·4
19,000	22,000	—	19,000	22,000	4·8	5·6	6·6	7·6
22,000	25,000	—	22,000	25,000	4·9	5·8	6·8	7·8
25,000	27,000	1·0	25,000	27,000	5·0	6·0	7·0	8·0
27,000	29,000	1·2	27,000	29,000	5·2	6·2	7·2	8·4
29,000	31,000	1·4	29,000	31,000	5·4	6·4	7·4	8·8
31,000	33,000	1·6	31,000	33,000	5·6	6·6	7·6	9·2
33,000	35,000	1·8	33,000	35,000	5·8	6·8	7·8	9·6
35,000	36,500	2·0	35,000	36,500	6·0	7·0	8·0	10·0
36,500	38,000	2·1	36,500	38,000	6·1	7·1	8·2	10·2
38,000	39,500	2·2	38,000	39,500	6·2	7·2	8·4	10·4
39,500	41,000	2·3	39,500	41,000	6·3	7·3	8·6	10·6
41,000	42,500	2·4	41,000	42,500	6·4	7·4	8·8	10·8
42,500	44,000	2·5	42,500	44,000	6·5	7·5	9·0	11·0
44,000	45,500	2·6	44,000	45,500	6·6	7·6	9·2	11·2
45,500	47,000	2·7	45,500	47,000	6·7	7·7	9·4	11·4
47,000	48,500	2·8	47,000	48,500	6·8	7·8	9·6	11·6
48,500	50,000	2·9	48,500	50,000	6·9	7·9	9·8	11·8
50,000	52,500	3·0	50,000	52,500	7·0	8·0	10·0	12·0
52,500	55,000	3·1	52,500	55,000	7·1	8·2	10·2	12·2
55,000	57,500	3·2	55,000	57,500	7·2	8·4	10·4	12·4
57,500	60,000	3·3	57,500	60,000	7·3	8·6	10·6	12·6
60,000	62,500	3·4	60,000	62,500	7·4	8·8	10·8	12·8
62,500	65,000	3·5	62,500	65,000	7·5	9·0	11·0	13·0
65,000	67,500	3·6	65,000	67,500	7·6	9·2	11·2	13·2
67,500	70,000	3·7	67,500	70,000	7·7	9·4	11·4	13·4
70,000	72,500	3·8	70,000	72,500	7·8	9·6	11·6	13·6
72,500	75,000	3·9	72,500	75,000	7·9	9·8	11·8	13·8
75,000	77,500	4·0	75,000	77,500	8·0	10·0	12·0	14·0
77,500	80,000	4·1	77,500	80,000	8·2	10·2	12·2	14·2
80,000	82,500	4·2	80,000	82,500	8·4	10·4	12·4	14·4
82,500	85,000	4·3	82,500	85,000	8·6	10·6	12·6	14·6
85,000	87,500	4·4	85,000	87,500	8·8	10·8	12·8	14·8
87,500	90,000	4·5	87,500	90,000	9·0	11·0	13·0	15·0
90,000	92,500	4·6	90,000	92,500	9·2	11·2	13·2	15·2
92,500	95,000	4·7	92,500	95,000	9·4	11·4	13·4	15·4
95,000	97,500	4·8	95,000	97,500	9·6	11·6	13·6	15·6
97,500	100,000	4·9	97,500	100,000	9·8	11·8	13·8	15·8

FIRST SCHEDULE—*Continued*

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
$	$	%	$	$	%	%	%	%
100,000	102,500	5·0	100,000	102,500	10·0	12·0	14·0	16·0
102,500	105,000	5·1	102,500	105·000	10·2	12·2	14·2	16·2
105,000	107,500	5·2	105,000	107,500	10·4	12·4	14·4	16·4
107,500	110,000	5·3	107,500	110,000	10·6	12·6	14·6	16·6
110,000	112,500	5·4	110,000	112,500	10·8	12·8	14·8	16·8
112,500	115,000	5·5	112,500	115,000	11·0	13·0	15·0	17·0
115,000	117,500	5·6	115,000	117,500	11·2	13·2	15·2	17·2
117,500	120,000	5·7	117,500	120,000	11·4	13·4	15·4	17·4
120,000	122,500	5·8	120,000	122,500	11·6	13·6	15·6	17·6
122,500	125,000	5·9	122,500	125,000	11·8	13·8	15·8	17·8
125,000	127,500	6·0	125,000	127,500	12·0	14·0	16·0	18·0
127,500	130,000	6·1	127,500	130,000	12·2	14·2	16·2	18·2
130,000	132,500	6·2	130,000	132,500	12·4	14·4	16·4	18·4
132,500	135,000	6·3	132,500	135,000	12·6	14·6	16·6	18·6
135,000	137,500	6·4	135,000	137,500	12·8	14·8	16·8	18·8
137,500	140,000	6·5	137,500	140,000	13·0	15·0	17·0	19·0
140,000	142,500	6·6	140,000	142,500	13·2	15·2	17·2	19·2
142,500	145,000	6·7	142,500	145,000	13·4	15·4	17·4	19·4
145,000	147,500	6·8	145,000	147,500	13·6	15·6	17·6	19·6
147,500	150,000	6·9	147,500	150,000	13·8	15·8	17·8	19·8
150,000	155,000	7·0	150,000	155,000	14·0	16·0	18·0	20·0
155,000	160,000	7·1	155,000	160,000	14·2	16·2	18·2	20·2
160,000	165,000	7·2	160,000	165,000	14·4	16·4	18·4	20·4
165,000	170,000	7·3	165,000	170,000	14·6	16·6	18·6	20·6
170,000	175,000	7·4	170,000	175,000	14·8	16·8	18·8	20·8
175,000	180,000	7·5	175,000	180,000	15·0	17·0	19·0	21·0
180,000	185,000	7·6	180,000	185,000	15·2	17·2	19·2	21·2
185,000	190,000	7·7	185,000	190,000	15·4	17·4	19·4	21·4
190,000	195,000	7·8	190,000	195,000	15·6	17·6	19·6	21·6
195,000	200,000	7·9	195,000	200,000	15·8	17·8	19·8	21·8
200,000	210,000	8·0	200,000	210,000	16·0	18·0	20·0	22·0
210,000	220,000	8·1	210,000	220,000	16·2	18·2	20·2	22·2
220,000	230,000	8·2	220,000	230,000	16·4	18·4	20·4	22·4
230,000	240,000	8·3	230,000	240,000	16·6	18·6	20·6	22·6
240,000	250,000	8·4	240,000	250,000	16·8	18·8	20·8	22·8
250,000	260,000	8·5	250,000	260,000	17·0	19·0	21·0	23·0
260,000	270,000	8·6	260,000	270,000	17·2	19·2	21·2	23·2
270,000	280,000	8·7	270,000	280,000	17·4	19·4	21·4	23·4
280,000	290,000	8·8	280,000	290,000	17·6	19·6	21·6	23·6
290,000	300,000	8·9	290,000	300,000	17·8	19·8	21·8	23·8
300,000	310,000	9·0	300,000	310,000	18·0	20·0	22·0	24·0
310,000	320,000	9·1	310,000	320,000	18·2	20·2	22·2	24·2
320,000	330,000	9·2	320,000	330,000	18·4	20·4	22·4	24·4
330,000	340,000	9·3	330,000	340,000	18·6	20·6	22·6	24·6
340,000	350,000	9·4	340,000	350,000	18·8	20·8	22·8	24·8
350,000	360,000	9·5	350,000	360,000	19·0	21·0	23·0	25·0
360,000	370,000	9·6	360,000	370,000	19·2	21·2	23·2	25·2
370,000	380,000	9·7	370,000	380,000	19·4	21·4	23·4	25·4
380,000	390,000	9·8	380,000	390,000	19·6	21·6	23·6	25·6
390,000	400,000	9·9	390,000	400,000	19·8	21·8	23·8	25·8
400,000	410,000	10·0	400,000	410,000	20·0	22·0	24·0	26·0
410,000	420,000	10·1	410,000	420,000	20·2	22·2	24·2	26·2
420,000	430,000	10·2	420,000	430,000	20·4	22·4	24·4	26·4
430,000	440,000	10·3	430,000	440,000	20·6	22·6	24·6	26·6
440,000	450,000	10·4	440,000	450,000	20·8	22·8	24·8	26·8
450,000	460,000	10·5	450,000	460,000	21·0	23·0	25·0	27·0
460,000	470,000	10·6	460,000	470,000	21·2	23·2	25·2	27·2
470,000	480,000	10·7	470,000	480,000	21·4	23·4	25·4	27·4
480,000	490,000	10·8	480,000	490,000	21·6	23·6	25·6	27·6
490,000	500,000	10·9	490,000	500,000	21·8	23·8	25·8	27·8

FIRST SCHEDULE—*Concluded*

Aggregate Net Value		Initial Rates Dependent on Aggregate Net Value	Dutiable Value		Additional Rates Dependent on Dutiable Value			
Exceeding	Not Exceeding		Exceeding	Not Exceeding	Class A	Class B	Class C	Class D
$	$	%	$	$	%	%	%	%
500,000	525,000	11·0	500,000	525,000	22·0	24·0	26·0	28·0
525,000	550,000	11·1	525,000	550,000	22·2	24·2	26·2	28·2
550,000	575,000	11·2	550,000	575,000	22·4	24·4	26·4	28·4
575,000	600,000	11·3	575,000	600,000	22·6	24·6	26·6	28·6
600,000	625,000	11·4	600,000	625,000	22·8	24·8	26·8	28·8
625,000	650,000	11·5	625,000	650,000	23·0	25·0	27·0	29·0
650,000	675,000	11·6	650,000	675,000	23·2	25·2	27·2	29·2
675,000	700,000	11·7	675,000	700,000	23·4	25·4	27·4	29·4
700,000	725,000	11·8	700,000	725,000	23·6	25·6	27·6	29·6
725,000	750,000	11·9	725,000	750,000	23·8	25·8	27·8	29·8
750,000	775,000	12·0	750,000	775,000	24·0	26·0	28·0	30·0
775,000	800,000	12·1	775,000	800,000	24·2	26·2	28·2	30·2
800,000	825,000	12·2	800,000	825,000	24·4	26·4	28·4	30·4
825,000	850,000	12·3	825,000	850,000	24·6	26·6	28·6	30·6
850,000	875,000	12·4	850,000	875,000	24·8	26·8	28·8	30·8
875,000	900,000	12·5	875,000	900,000	25·0	27·0	29·0	31·0
900,000	925,000	12·6	900,000	925,000	25·2	27·2	29·2	31·2
925,000	950,000	12·7	925,000	950,000	25·4	27·4	29·4	31·4
950,000	975,000	12·8	950,000	975,000	25·6	27·6	29·6	31·6
975,000	1,000,000	12·9	975,000	1,000,000	25·8	27·8	29·8	31·8
1,000,000	1,050,000	13·0	1,000,000	1,050,000	26·0	28·0	30·0	32·0
1,050,000	1,100,000	13·1	1,050,000	1,100,000	26·2	28·2	30·2	32·2
1,100,000	1,150,000	13·2	1,100,000	1,150,000	26·4	28·4	30·4	32·4
1,150,000	1,200,000	13·3	1,150,000	1,200,000	26·6	28·6	30·6	32·6
1,200,000	1,250,000	13·4	1,200,000	1,250,000	26·8	28·8	30·8	32·8
1,250,000	1,300,000	13·5	1,250,000	1,300,000	27·0	29·0	31·0	33·0
1,300,000	1,350,000	13·6	1,300,000	1,350,000	27·2	29·2	31·2	33·2
1,350,000	1,400,000	13·7	1,350,000	1,400,000	27·4	29·4	31·4	33·4
1,400,000	1,450,000	13·8	1,400,000	1,450,000	27·6	29·6	31·6	33·6
1,450,000	1,500,000	13·9	1,450,000	1,500,000	27·8	29·8	31·8	33·8
1,500,000	1,550,000	14·0	1,500,000	1,550,000	28·0	30·0	32·0	34·0
1,550,000	1,600,000	14·2	1,550,000	1,600,000	28·2	30·2	32·2	34·0
1,600,000	1,650,000	14·4	1,600,000	1,650,000	28·4	30·4	32·4	34·0
1,650,000	1,700,000	14·6	1,650,000	1,700,000	28·6	30·6	32·6	34·0
1,700,000	1,750,000	14·8	1,700,000	1,750,000	28·8	30·8	32·8	34·0
1,750,000	1,800,000	15·0	1,750,000	1,800,000	29·0	31·0	33·0	34·0
1,800,000	1,850,000	15·2	1,800,000	1,850,000	29·2	31·2	33·2	34·0
1,850,000	1,900,000	15·4	1,850,000	1,900,000	29·4	31·4	33·4	34·0
1,900,000	1,950,000	15·6	1,900,000	1,950,000	29·6	31·6	33·6	34·0
1,950,000	2,000,000	15·8	1,950,000	2,000,000	29·8	31·8	33·8	34·0
2,000,000	2,100,000	16·0	2,000,000	2,100,000	30·0	32·0	34·0	34·0
2,100,000	2,200,000	16·2	2,100,000	2,200,000	30·2	32·2	34·0	34·0
2,200,000	2,300,000	16·4	2,200,000	2,300,000	30·4	32·4	34·0	34·0
2,300,000	2,400,000	16·6	2,300,000	2,400,000	30·6	32·6	34·0	34·0
2,400,000	2,500,000	16·8	2,400,000	2,500,000	30·8	32·8	34·0	34·0
2,500,000	2,600,000	17·0	2,500,000	2,600,000	31·0	33·0	34·0	34·0
2,600,000	2,700,000	17·2	2,600,000	2,700,000	31·2	33·2	34·0	34·0
2,700,000	2,800,000	17·4	2,700,000	2,800,000	31·4	33·4	34·0	34·0
2,800,000	2,900,000	17·6	2,800,000	2,900,000	31·6	33·6	34·0	34·0
2,900,000	3,000,000	17·8	2,900,000	3,000,000	31·8	33·8	34·0	34·0
3,000,000	3,200,000	18·0	3,000,000	3,200,000	32·0	34·0	34·0	34·0
3,200,000	3,400,000	18·2	3,200,000	3,400,000	32·2	34·0	34·0	34·0
3,400,000	3,600,000	18·4	3,400,000	3,600,000	32·4	34·0	34·0	34·0
3,600,000	3,800,000	18·6	3,600,000	3,800,000	32·6	34·0	34·0	34·0
3,800,000	4,000,000	18·8	3,800,000	4,000,000	32·8	34·0	34·0	34·0
4,000,000	4,200,000	19·0	4,000,000	4,200,000	33·0	34·0	34·0	34·0
4,200,000	4,400,000	19·2	4,200,000	4,400,000	33·2	34·0	34·0	34·0
4,400,000	4,600,000	19·4	4,400,000	4,600,000	33·4	34·0	34·0	34·0
4,600,000	4,800,000	19·6	4,600,000	4,800,000	33·6	34·0	34·0	34·0
4,800,000	5,000,000	19·8	4,800,000	5,000,000	33·8	34·0	34·0	34·0
5,000,000	and over	20·0	5,000,000	and over	34·0	34·0	34·0	34·0"

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 391.

An Act to amend The Canadian Broadcasting Act, 1936.

First reading, August 21, 1946.

THE MINISTER OF NATIONAL REVENUE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
70917 1946

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 391.

An Act to amend The Canadian Broadcasting Act, 1936.

1936, c. 24; 1944-45, c. 33.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. (1) Subsection seven of section three of *The Canadian Broadcasting Act, 1936*, chapter twenty-four of the statutes of 1936, as enacted by section one of chapter thirty-three of the statutes of 1944-45, is repealed and the following substituted therefor:—

Chairman's annual salary.

"(7) The Chairman shall be paid such annual salary as may be fixed by the Governor in Council and shall be eligible to become a contributor to and entitled to the benefits provided by any pension fund established for employees of the Corporation.

Eligible for pension benefits.

Devote whole time to duties.

"(8) The Chairman shall devote the whole of his time to his duties under this Act, and shall not hold any other office or accept any other employment.

Honorarium to governors on executive committee.

"(9) If an executive committee is established by by-law of the Corporation each of the Governors on such executive committee, other than the Chairman, shall receive an honorarium of one thousand dollars per annum.

Honorarium for attendance at Board meetings.

"(10) Governors of the Corporation, other than the members of the executive committee and the Chairman, shall each receive fifty dollars for each meeting of the Board of Governors they attend but shall not receive more than five hundred dollars in any one year."

(2) Subsections eight, nine and ten of section three of the said Act are re-numbered eleven, twelve and thirteen respectively.

Explanatory Notes.

1. This section is amended to provide for the full-time Chairman contributing to and deriving any accruing benefits from the Corporation's Pension Plan.

Existing subsection seven reads as follows:—

"(7) The Chairman shall be paid such annual salary as may be determined by the Governor in Council and shall devote the whole of his time to the performance of his duties under this Act, and shall not hold any other office or accept any other employment. If an executive committee is established by by-law, each of the other Governors on such executive committee shall receive an honorarium of one thousand dollars per annum; other Governors of the Corporation shall each receive fifty dollars for each meeting they attend, but shall not receive more than five hundred dollars in any one year."

2. Section six of the said Act is amended by adding thereto the following subsections:—

Age limit.

"(2) Subject to the provisions of this section, no person shall be appointed General Manager after he has attained the age of sixty-five years.

General Manager.

Tenure of office.

"(3) The Governor in Council may on the recommendation of the Corporation, either at the time of the appointment of the General Manager or subsequently thereto, fix a term of years, not exceeding ten years and not extending beyond the date on which the General Manager will attain the age of sixty-five years, during which the General Manager shall hold office: Provided that, if the Corporation reports, not less than thirty days before the attainment of the age of sixty-five years by the General Manager, that on account of his particular efficiency and fitness for his position, the continuance in office of the General Manager beyond the age of sixty-five years is in the public interest, the Governor in Council may extend the term of office of the General Manager for one year, and on a like report made not less than thirty days prior to the expiration of any year during which the term of office of the General Manager is so extended, for a further period of one year, not exceeding a total period of five years after the General Manager attains the age of sixty-five years.

Proviso.

Removal for cause.

"(4) Notwithstanding anything contained in subsection three of this section, the Governor in Council may, for cause, at any time, on the recommendation of the Corporation, remove the General Manager from office."

3. Paragraph *(a)* subsection one of section fourteen of the said Act is repealed and the following substituted therefor:—

Moneys to be deposited in bank.

"*(a)* the moneys received from licence fees in respect of private receiving licences and private station broadcasting licences without deducting from the amount of the licence fees paid, any expense of collection or administration."

4. Subsection one of section seventeen of the said Act is repealed and the following substituted therefor:—

Advances for capital works.

"**17.** (1) The Governor in Council may authorize the Minister of Finance, out of moneys to be appropriated by Parliament for the purpose, to make advances to the Corporation for the construction, extension or improvement of capital works of the broadcasting facilities of the Corporation in Canada: Provided that in the fiscal year ending March 31, 1947, the advances, not exceeding two million dollars, may be made out of unappropriated moneys in the Consolidated Revenue Fund: And provided further, that the total amount which may be advanced shall not at any time exceed ten million dollars."

Proviso.

Proviso.

2. (New). It is considered desirable in the interests of sound business practice that the Chief Executive of the Corporation should be assured of a reasonable tenure of office and should not be an appointee after attaining sixty-five years of age or continued in office, except under the certain conditions provided, after reaching the age of sixty-five years.

3. Receiving licence fees are, at present, subject to deductions for collection and administrative expenses by the licensing authority (total deductions for 1945-46 were $527,594.38). This amendment is to provide for the full licence fee paid by licensed listeners and private station broadcasting licences to be used exclusively for broadcasting.

The paragraph to be repealed reads as follows:—

"*(a)* the moneys received from licence fees in respect of private receiving licences and private station broadcasting licences, after deducting from the gross receipts the cost of collection and administration, such costs being determined by the Minister from time to time".

4. Under the existing subsection one of section seventeen, the amount which may be loaned by the Government is five hundred thousand dollars. This is inadequate to cover the required extension of the national broadcasting system.

The existing subsection reads as follows:—

"**17.** (1) The Governor in Council may authorize the construction, extension or improvement of capital works of the broadcasting facilities of the Corporation in Canada and on the recommendation of the Minister, may authorize the Minister of Finance to place to the credit of the Corporation from any unappropriated moneys in the Consolidated Revenue Fund such sum or sums as may be necessary to carry out such construction, extension or improvement of capital works; provided that the total amount which may be so authorized for the said purposes shall not exceed five hundred thousand dollars."

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 392.

An Act to amend the Militia Pension Act.

First reading, August 23, 1946.

THE MINISTER OF NATIONAL DEFENCE.

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1946

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2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 392.

An Act to amend the Militia Pension Act.

R.S., c. 133; 1928, c. 35; 1929, c. 6; 1930, c. 32; 1937, c. 12; 1940, c. 12.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Paragraph *(d)* of section two of the *Militia Pension Act*, chapter one hundred and thirty-three of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"Minister."

"*(d)* 'Minister' means the Minister of National Defence or such other Minister as the Governor in Council may from time to time determine;"

Subsection repealed.

2. Subsection two of section four of the said Act is repealed.

3. Section eight of the said Act, as amended by section four of chapter thirty-five of the statutes of 1928, is amended by adding thereto the following paragraphs:—

Active service in naval, military or air forces.

"*(h)* Time served on active service in the naval, military or air forces of His Majesty raised in Canada during time of war; and

Active service in forces other than those raised in Canada.

"*(i)* Time served on active service during time of war in any of the naval, military or air forces of His Majesty other than those raised in Canada by any person who, having served on active service in any of the forces of His Majesty during the war that commenced on the tenth day of September, 1939, was appointed to or enlisted in the force on or before the thirty-first day of March, 1946."

Explanatory Notes.

General.

The purpose of this Bill is twofold:—

(1) To amend and bring up to date the existing provisions of the *Militia Pension Act* so as to permit time served on active service in His Majesty's Forces during war being included in the pensionable term of service of persons appointed to the Permanent Force prior to 1st April, 1946, and to provide for minor amendments in the Part relating to the Naval Service consequent upon certain administrative changes in that Service.

(2) To add a new Part (Part V) to the Act applicable to all persons joining the Permanent Force after 31st March, 1946, and to those persons coming under the present Act, who may, instead of remaining thereunder, elect to come under the new Part. The new Part V is based to a considerable extent on the *Civil Service Superannuation Act* with suitable adaptations and modifications applicable to the particular circumstances of the Permanent Armed Forces.

Section 1. Paragraph *(d)* of section two of the *Militia Pension Act* at present reads as follows:

"*(d)* 'Minister' means the Minister of National Defence."

The purpose of this amendment is to permit the Act or any portion thereof being administered by a Minister other than the Minister of National Defence, should the Governor in Council determine that this is desirable from the practical or administrative standpoint.

Section 2. Subsection (2) of section 4 of the Act at present reads as follows:

> "(2). Any officer so retired who, having served on active service during the war between Great Britain and Germany, which commenced on the fourth day of August, one thousand nine hundred and fourteen, was appointed to the force on or after the first day of January, one thousand nine hundred and nineteen, and prior to the thirty-first day of December, one thousand nine hundred and twenty-one, and since such appointment has served continuously in the force for not less than ten complete years, shall be entitled to a pension as provided for in this section."

The need for this subsection no longer exists and there is therefore no necessity for retaining it in the Act.

Section 3. This amendment adopts in respect of time served on active service during the late war the same principle that was adopted in 1919 in respect of time served on active service during the war 1914-1918, except that a limitation is placed on the class of person who may include the time served on active service in the Forces of His Majesty, other than the Canadian Forces. The provisions of this section relate to officers.

4. Subsection three of section fourteen of the said Act, as amended by section six of chapter thirty-five of the statutes of 1928, is amended by adding thereto the following paragraphs:—

Active service in forces raised in Canada.

"*(h)* Time served on active service in the naval, military or air forces of His Majesty raised in Canada during time of war;

Forces other than those raised in Canada.

"*(i)* Time served on active service during time of war in any of the naval, military or air forces of His Majesty other than those raised in Canada by any person who, having served on active service in any of the forces of His Majesty during the war that commenced on the tenth day of September, 1939, was appointed to or enlisted in the forces on or before the thirty-first day of March, 1946."

5. Paragraphs *(a)*, *(b)*, *(e)* and *(f)* of section thirty-six of the said Act, as enacted by section ten of chapter thirty-five of the statutes of 1928, and amended by section one of chapter twelve of the statutes of 1940, are repealed and the following paragraphs substituted therefor:—

"force."

"*(a)* 'force' means the Royal Canadian Navy;"

"officer."

"*(b)* 'officer' means a commissioned officer, a subordinate officer and a warrant officer of the Royal Canadian Navy;"

"service", in the case of an officer.

"*(e)* 'service', in the case of an officer, shall include:

(i) one-half of the time served in the force while in receipt of unemployed pay or half pay;

(ii) one-half of the time served in the Royal Canadian Naval Reserve or Royal Canadian Naval Volunteer Reserve if he has served at least ten years in the Royal Canadian Navy: Provided, however, that the time to be credited to an officer under this paragraph for service in the Royal Canadian Naval Reserve or Royal Canadian Naval Volunteer Reserve shall in no case exceed ten years: And provided further that if an officer's pension is increased under the authority of this paragraph, then in addition to the deductions mentioned in this Act, such pension shall be subject to an annual deduction for a number of years equal to the number of years added to his service under the said authority, such deduction to be equivalent to five per centum of the pay which the officer was receiving at the time of his retirement from the force;"

Proviso.

Proviso.

"service", in the case of a man.

"*(f)* 'service', in the case of a man, shall not include time served without pay in the force."

Section 4. The purpose of this amendment which relates to other ranks is identical with the amendment contained in section 3, which as stated relates to officers.

Section 5. The purpose of the amendments set out in this section is to adapt the provisions of that part of the Act relating to the Royal Canadian Navy to the procedure and administrative regulations now in force in that Service. Subparagraph (ii) of paragraph *(e)* is a repetition of what already is contained in the Act. It was considered more expedient and convenient to repeal the whole of paragraph *(e)* and re-enact the same embodying therein those provisions which it is desired to retain rather than to amend the paragraph with the consequential renumbering of the retained provisions.

6. The said Act is further amended by adding thereto the following Part:—

"PART V.

"INTERPRETATION.

Definitions.

"**42.** (1) In this Part, unless the context otherwise requires,

"child." *(a)* 'child' includes a stepchild and an adopted child;

"Civil Service." *(b)* 'Civil Service' means all branches or portions of the public service of Canada to which the *Civil Service Superannuation Act* is applicable;

R.S., c. 24.

"contributor." *(c)* 'contributor' means a member of the forces who contributes under this Part to the Consolidated Revenue Fund;

"dependant." *(d)* 'dependant' of a contributor means the widow, father, mother, stepfather, stepmother, brother, sister or child of a contributor who is at the date of the death of the contributor dependent upon the contributor for support;

"forces." *(e)* 'forces' means, in the case of the naval forces, the Royal Canadian Navy; in the case of the military forces, the Permanent Active Militia, and in the case of the air forces, the Royal Canadian Air Forces (Regular), and includes the forces formerly known as the Permanent Militia Corps, permanent staff of the Militia and the Permanent Active Air Force;

"member of the forces." *(f)* 'member of the forces' means any officer, warrant officer, non-commissioned officer or man of the forces excluding an officer appointed temporarily or under a commission for a fixed term;

"pay and allowances." *(g)* 'pay and allowances' of a contributor means the pay payable to him by reason of the rank or appointment held by him in the forces and such allowance made by way of compensation for the said rank or appointment as may be fixed for the purposes of this Part by regulation;

"regulation." *(h)* 'regulation' means a regulation made under this Part; and

"service." *(i)* 'service' means time served in the forces and includes, for the purpose of making contributions and of computing pensions, allowances or gratuities under this Part;

(i) time served in the Civil Service or the Royal Canadian Mounted Police;

(ii) time served on active service in the naval, military or air forces of His Majesty raised in Canada during time of war;

PART V.

This is a new Part to be added to the Act and is applicable to all persons who are appointed to or enlisted in the Permanent Forces on or after 1st April 1946 and to persons who were already members of such Permanent Forces on 31st March 1946, who elect within two years after that date to come under the new Part instead of remaining under the existing provisions of the *Militia Pension Act*. All persons to whom Part V will apply are required to contribute a percentage of their pay and allowances towards making good the pensions, gratuities and allowances specified in the Part. It also makes provision to the extent therein provided for the payment of allowances and gratuities to the dependants of all persons to whom the said Part applies. In these respects the new Part differs from the existing provisions of the Act in that, under the latter, only officers and warrant officers are required to contribute and only the widows and children of officers and warrant officers are eligible for any benefits.

Part V conforms in principle and substance to the *Civil Service Superannuation Act* with such modifications and adaptations as are necessary to adapt the principles of that Act to the particular circumstances of the Permanent Armed Forces.

Section 42. This is the interpretation section.

(iii) time served on active service during time of war in any of the naval, military or air forces of His Majesty other than those raised in Canada, by any person who, having served on active service in any of the forces of His Majesty during the war that commenced on the tenth day of September, 1939, was appointed to or enlisted in the forces on or before the thirty-first day of December, 1948;

(iv) in the case of any person appointed to or enlisted in the forces on or after the first day of April, 1946, one-fourth of the period of service counted as service in the Non-Permanent Active Militia in respect of Army personnel; as service in the Auxiliary Active Air Force or the Royal Canadian Air Force (Auxiliary) in respect of Air Force personnel; and as service in the Royal Canadian Naval Reserve, the Royal Canadian Naval Volunteer Reserve, or the Royal Canadian Navy (Reserve) in respect of Naval personnel; and

(v) in the case of any person who elects to become a contributor under this Part, any period which might have been counted as service of the said person under any other Part of this Act.

Voluntary or compulsory retirement.

(2) When a member of the forces does not offer to re-engage in the forces upon the expiration of his period of engagement he shall, for the purposes of this Part, be deemed to have retired voluntarily from the forces and when he offers so to re-engage and his offer is refused he shall be deemed to have been retired compulsorily from the forces.

Retirement by reason of misconduct.

(3) A contributor shall for the purposes of this Part be deemed to have been retired by reason of misconduct if,

(a) in the case of an officer,

(i) he is cashiered or dismissed from the forces by sentence of a court-martial;

(ii) he is deprived of his commission or warrant by reason of misconduct or by reason of conviction by a civil court;

(iii) he is called upon to retire or to resign his commission or warrant by reason of misconduct; or

(iv) he tenders his resignation to avoid trial on charges involving misconduct and his resignation is accepted; and

(b) in the case of a member of the forces other than an officer,

(i) he is discharged or dismissed from His Majesty's service by sentence of a court-martial; or

(ii) he is discharged by reason of conviction by a civil court or a court-martial, or in the naval forces, is dismissed.

"APPLICATION.

Application of this Part.

"**43.** This Part applies to every member of the forces

(a) who was not a member of the forces on the thirty-first day of March, 1946, and who was or is appointed to or enlisted in the forces after the said day, or

(b) who was appointed to or enlisted in the forces on or before the said day and was still in the forces on the said day and who elects to become a contributor under this Part on or before the thirty-first day of March, 1948."

"CONTRIBUTIONS.

Contribution to C.R.F.

"**44.** (1) Every person to whom this Part applies shall, by reservation from his pay and allowances, contribute to the Consolidated Revenue Fund the following amounts

(a) while in receipt of pay and allowances of twelve hundred dollars per annum or less, five per centum thereof;

(b) while in receipt of pay and allowances over twelve hundred dollars and not over fifteen hundred dollars per annum, five and one-half per centum thereof but not in excess of an amount which would reduce the remainder of his pay and allowances to a rate per annum of eleven hundred and forty dollars; or

(c) while in receipt of pay and allowances over fifteen hundred dollars per annum, six per centum thereof but not in excess of an amount which would reduce the remainder of his pay and allowances to a rate per annum of fourteen hundred and seventeen dollars and fifty cents;

but no such contribution shall be made in respect of a period of service in excess of thirty-five years.

From effective date of appointment or increase.

(2) Where a person becomes a contributor or where the pay and allowances of a contributor are increased, if the date in respect of which he becomes a contributor or the increase is made effective, is a date prior to the date on which the appointment or increase is certified or approved, the said contributor shall contribute to the Consolidated Revenue Fund an amount equal to, or an amount which, together with the contributions, if any, made by him under this Part during the period between the said effective date and the said date of certification or approval, will equal, the amount which he would have contributed under this section by reservation from his pay and allowances if the appointment or increase had been certified or approved on the date it was made effective.

Section 44. This is similar in form and substance to section 4 of the *Civil Service Superannuation Act.*

Election to contribute for service prior to becoming a contributor.

"**45.** (1) Any contributor may within one year after he becomes a contributor elect to contribute under this Part in respect of the whole or any part of his service prior to becoming a contributor for which he has not contributed under this Part or under any other Part of this Act or the *Civil Service Superannuation Act* or the *Royal Canadian Mounted Police Act* other than Part IV.

R.S., c. 24. R.S., c. 160.

Amount of contributions.

(2) The contributions required under this section in respect of the whole of the service of a contributor prior to the time he became a contributor for which he has not contributed shall be an amount equal to that which he would have contributed had he during the said service made contributions under this Part in the manner and at the relevant rates set out in subsection one of section forty-four of this Act together with simple interest at the rate of four per centum per annum up to the time of his election and the contribution required in respect of any part of the said service shall be that proportion of the said amount which the said part is of the whole of the said service.

Contribution may be made in one sum or by instalments.

(3) A contribution made under this section or under subsection two of section forty-four of this Act may be made in one sum or by instalments of equivalent value payable by reservation from pay and allowances or otherwise, for life, or for a period of years or for life whichever is the shorter, the said instalments to be computed on such bases as to mortality and interest as the Governor in Council may by regulation prescribe.

Retirement before instalments paid in full.

(4) Where a contributor who is contributing by instalments in respect of prior service under this section, retires before payment of the said instalments in full, he shall be deemed to have contributed in respect of the said service for which he elected to contribute and the remaining instalments shall be reserved out of any pension or retiring allowance, or the equivalent present value thereof shall be deducted from any gratuity, granted under this Part on his said retirement.

"Pensions, Allowances and Gratuities.

Pensions and allowances.

"**46.** The Governor in Council may grant

Contributor compulsorily retired after twenty years service.

(a) to a contributor who has served in the forces for twenty years or upwards and who is compulsorily retired for any reason other than misconduct or inefficiency, an annual pension;

Section 45. This is similar in form and substance to section 5 of the *Civil Service Superannuation Act*.

Section 46. This is similar in form and substance to section 6 of the *Civil Service Superannuation Act*.

Contributor, other than officer, retiring after twenty-five years service.

(b) to a contributor other than an officer who has served in the forces for twenty-five years or upwards and who voluntarily retires from the forces, otherwise than by reason of misconduct, at the end of a period of engagement or re-engagement, an annual pension;

Contributor, other than officer, who has served between 20 and 25 years, retiring voluntarily.

(c) to a contributor other than an officer who has served in the forces for twenty years and less than twenty-five years and who voluntarily retires from the forces otherwise than by reason of misconduct at the end of a period of engagement or re-engagement, three-fourths of the annual pension which might have been granted to him if he had been compulsorily retired for any reason other than misconduct or inefficiency together with one-twentieth of the said annual pension for each year by which his period of service exceeds twenty years;

Contributor having served ten years or upwards but less than twenty years.

(d) to a contributor who has served in the forces for ten years or upwards but less than twenty years

(i) who becomes totally and permanently disabled so that he is thereby rendered incapable of pursuing continuously any substantially gainful occupation, an annual pension;

(ii) who served on active service in any of His Majesty's forces during the war that commenced on the tenth day of September, 1939, and who was not in the forces on the first day of June, 1944, and who is appointed to or enlisted in the forces on or before the thirty-first day of December, 1948, and who is compulsorily retired for any reason other than misconduct or inefficiency, an annual pension;

(iii) who is compulsorily retired from the forces to promote economy or efficiency otherwise than by reason of his misconduct or inefficiency in the performance of his duties, an annual retiring allowance equal to two-thirds of the pension which might have been granted to him if he had become disabled at the time of his retirement until he attains the age of sixty-five years and thereafter to the said pension;

Retirement by reason of inefficiency.

(e) to a contributor who has served in the forces for ten years or upwards, and who is retired by reason of his inefficiency in the performance of his duties, an annual retiring allowance equal to one-half of the pension which might have been granted to him if he had become disabled at the time of his retirement until he attains the age of sixty-five years and thereafter to two-thirds of the said pension;

Contributor who has served less than ten years.

(f) to a contributor who has served in the forces less than ten years and who becomes disabled or otherwise incapable of performing the duties of his rank or

who is retired to promote economy and efficiency, a gratuity not exceeding one month's pay and allowances for each year of his service;

Withdrawal allowance.

(g) to a contributor, who at any time for any reason other than those provided in the preceding paragraphs of this section, retires either voluntarily or by dismissal or removal, a withdrawal allowance payable in one sum equal to his total contributions under this Part without interest;

Annual allowance to widow of contributor with ten years service.

(h) to a widow of a contributor who has served in the forces for ten years or upwards and who dies while a member of the forces or while in receipt of an annual pension or retiring allowance under this Part, an annual allowance until remarriage equal to one-half of the pension which night have been granted to the contributor if he had become totally disabled as aforesaid at the date of his death or of his retirement, as the case may be;

Allowance to children of contributor with ten years service.

(i) to each child of a contributor who has served in the forces for ten years or upwards and who dies while a member of the forces or while in receipt of an annual pension or retiring allowance, an annual allowance payable until the child reaches the age of eighteen years, equal to one-fifth of the allowance which may be granted to a widow of the contributor in like circumstances but not in excess of three hundred dollars per annum and in the case of a child who has lost both parents by death, the allowance may be increased by the Governor in Council to twice the said amount but not in excess of six hundred dollars per annum: Provided that the total amount of the allowance to the children of a contributor shall not exceed the amount of an allowance which might be granted to a widow of a contributor in like circumstances and that the total amount of the allowance to the widow and children shall not exceed three-fourths of the annual pension which might have been granted to a contributor if he had become totally disabled as aforesaid at the time of his death or his retirement, as the case may be;

Proviso.

Allowance to dependent children of contributor with ten years service.

(j) to the dependent children of a contributor who served in the forces for ten years or upwards and who dies while in receipt of an annual pension or retiring allowance, although the said children have attained the age of eighteen years, if the aggregate amount paid to the contributor or to his widow or children, if any, by way of allowances or gratuities under the preceding paragraphs of this section does not exceed the total amount of his contributions under this Part without interest, a gratuity payable in one sum equal

to the difference between the said aggregate amount and the said total amount, the said gratuity to be payable in accordance with regulations;

Gratuity to widow of contributor with less than ten years service.

(k) to the widow of a contributor who has served in the forces less than ten years and who dies while in the forces or if the contributor leaves no widow, to his children under eighteen years of age at his death, a gratuity not exceeding one month's pay and allowances for each year of his service;

Gratuity to dependants of contributor with less than ten years service.

(l) to the dependants of a contributor who dies while in the forces and leaves no widow or children to whom an allowance may be granted under the preceding paragraphs of this section, a gratuity not exceeding the amount of his contributions under this Part without interest, the said gratuity to be payable in accordance with regulations; or

Gratuity to legal representative.

(m) to the legal representative of a contributor who dies while in the forces and leaves no widow, children or dependents to whom an allowance or gratuity may be granted under the preceding paragraphs of this section, or to such other person as the Treasury Board may designate, a gratuity not exceeding the amount of his contributions under this Part without interest.

Amount of pension, how calculated.

"**47.** (1) Except as herein otherwise provided an annual pension granted under the next preceding section shall be one-fiftieth of the average pay and allowances received by the contributor during the last six years of his service multiplied by the number of years of his service not exceeding, however, thirty-five years.

Average pay and allowances for period fixed by this Part.

(2) If the average pay and allowances for the period fixed by this Part for the purpose of computing the pension of a contributor is less than the average pay and allowances for any like period during the contributor's service, the contributor or his widow or children under the age of eighteen years, as the case may be, shall be entitled to receive in addition to a pension or allowance under this Part a refund of the contributions made in respect of the excess of his pay and allowances during any like period over his pay and allowances for the period so fixed and the Governor in Council on the recommendation of the Treasury Board may by regulation determine the basis of such refund in any case or class of cases, and where the contributor has died without receiving the refund, the person or persons amongst the surviving widow and children, or children only, of the contributor to whom it shall be paid, and if to more than one of them, the manner in which it shall be apportioned.

Section 47. This is similar to section 7 of the *Civil Service Superannuation Act* except that the pension provided for in this section is calculated on the average pay and allowances received during the last six years of the contributor's service, whereas, under the *Civil Service Superannuation Act,* a superannuation allowance is calculated on the average salary received during the last ten years of the contributor's service in the Civil Service. The reason for this distinction is that, in the Permanent Forces, the age limit for retirement is substantially lower than that of 65 years which is the prescribed age limit in the Civil Service and that the length of tenure of rank and appointment in the Permanent Forces held prior to retirement is substantially less generally than the length of tenure of the last appointment held by a civil servant prior to his retirement.

Only contributory service to count.

"**48.** (1) All service of a contributor, whether or not the service has been continuous, in respect of which the contributor has at any time made contributions under this Part or under any other Part of this Act or under the *Civil Service Superannuation Act* or the *Royal Canadian Mounted Police Act*, other than Part IV thereof, which contributions have not previously been repaid to him by way of withdrawal allowance, gratuity or otherwise, may, on his retirement or death, be counted for the purpose of computing any pension, allowance or gratuity under this Part but, except as provided by subsections two, three and four of this section, no other service may be counted.

R.S., c. 24. R.S., c. 160.

Exception.

If service in the forces counted as service for the purpose of a pension.

(2) Where a person who has elected to become a contributor under this Part has service in the forces which could be counted as service for the purpose of a pension under any other Part of this Act for which he was not required to make any contribution, the whole of the said service may be counted for the purpose of computing any pension, allowance or gratuity under this Part but an amount equal to five per centum of the aggregate pay and allowances received by him during such service shall be deducted from the gratuity, if any, or shall be commuted, on such basis as may be prescribed by regulation, into an annuity in respect of his life commencing at the age when the pension or retiring allowance becomes payable and the amount of the annual payment of such annuity shall be deducted from the payments of pension or retiring allowance, but the person to whom the pension or allowance is payable may, at any time after the pension or allowance becomes payable, make good in one payment the value of the said deductions which would be made thereafter under this subsection from the said pension or allowance.

Service of a contributor, where contributions have been refunded may be counted.

(3) The Governor in Council may by regulation provide that the service of a contributor for which he made contributions under any Part of this Act or under the *Civil Service Superannuation Act* or the *Royal Canadian Mounted Police Act* other than Part IV thereof which contributions have been refunded to him by way of a withdrawal allowance, gratuity or otherwise, may be counted for the purpose of computing any pension, allowance or gratuity under this Part to such extent and on such conditions and upon the making of such contributions as may be prescribed by regulation.

Service as an Officer may be counted.

(4) Where a contributor had, prior to becoming a contributor served as an officer in the forces temporarily or under a commission for a fixed term, his service in the forces prior to becoming a contributor may be counted for the purpose of computing any pension, allowance or gratuity under this Part if he repays any gratuity received by him in respect of such service and he makes the contributions required by this Part in respect of such service

Section 48. With the exception of subsection (4), this is similar in principle to section 7A of the *Civil Service Superannuation Act.* Subsection (4) is intended to provide for a class of officers who will be appointed temporarily or on short service commissions for a fixed term of years and who on the termination of their service will under the pertinent regulations be granted a gratuity. If any such officer should subsequently be appointed to the Permanent Forces, otherwise than on a short service commission, this subsection permits him to count for purposes of pension the time served temporarily or under a short service commission, provided he refunds any gratuity paid him in respect of his temporary or short commission service and pays interest thereon in respect of the period between his retirement and his subsequent appointment in the forces.

and the Governor in Council may by regulation prescribe the manner in which the said refund and contributions may be made.

Annual allowances how payable.

"**49.** The annual pensions and allowances provided for by this Part shall unless otherwise provided by regulation under this Part, be payable in equal monthly instalments and unless otherwise specified in this Part shall continue during the lifetime of the recipient: Provided that the Governor in Council on the recommendation of the Treasury Board may by regulation authorize the payment of an annual pension or allowance to the last day of the month in which the recipient dies.

Proviso.

Report by the Treasury Board.

"**50.** (1) No pension, allowance or gratuity shall be granted to or in respect of a contributor under this Part unless the Treasury Board reports that the granting thereof is authorized under this Part and the Treasury Board on the advice of the Minister reports in addition that the granting of the pension, allowance or gratuity is in the public interest.

Contributor retired for misconduct.

(2) Where a contributor is retired by reason of misconduct, the fact of such retirement and the circumstances thereof shall be reported to a Board of Officers appointed by the Minister to be known as the Pensions and Claims Board.

Report by Pensions and Claims Board to Minister.

(3) If the Pension and Claims Board after investigation of the circumstances surrounding any retirement reported to it under subsection two of this section reports to the Minister that it is in the public interest by reason of good and faithful service rendered by the contributor in the forces prior to the time of the misconduct, to grant a pension, allowance or gratuity, the Minister may recommend accordingly to the Treasury Board and the Governor in Council may on the report of the Treasury Board in such case, notwithstanding anything contained in this Part, grant a pension, allowance or gratuity to the contributor in the same manner as if the contributor had been compulsorily retired by reason of his inefficiency in the performance of his duties.

Minister may recommend grant of a pension, etc.

No allowance to widow or child in certain cases.

"**51.** (1) No allowance shall be granted to the widow or any child of a contributor under this Part

(a) if the person to whom it is proposed to grant the allowance is in the opinion of the Treasury Board unworthy of it;

(b) if the contributor was over sixty years of age at the time of his marriage; or

(c) if the contributor dies within one year after his marriage unless the Treasury Board is satisfied that he was in good health at the time of his marriage and

Section 49. This is similar in form and substance to section 8 of the *Civil Service Superannuation Act.*

Section 50. Subsection (1) of this section is similar in form and substance to section 9 of the *Civil Service Superannuation Act.* Subsection (2) is intended to deal with a type of case which will undoubtedly be rare, where the contributor, after long and faithful service, has towards the end of his service committed some offence against service law, which has resulted in his conviction and dismissal by court-martial, or has by his inefficiency become so derelict in his duty as to warrant his retirement on these grounds. It is also intended to cover cases where by reason of his conviction of a purely service offence involving no moral turpitude or crime, in the ordinary sense of these expressions, a contributor has been dismissed from the Service to which he belonged but whose good and faithful service prior to the incident is worthy of recognition.

Section 51. This is similar in principle to subsections (2), (3) and (4) of section 9 of the *Civil Service Superannuation Act.*

that there are no other objections to the granting of the allowance:

Proviso.

Provided, however, that a breach by the contributor of the conditions as to marriage prescribed by this subsection shall not prejudice the right to an allowance of a child of an earlier marriage of the contributor.

If contributor twenty years older than wife.

(2) If the contributor marries and if his age exceeds that of his wife by twenty years or upwards the allowance to the wife under this Part shall be reduced by such an amount as the Governor in Council may by regulation prescribe.

Allowance discontinued for unworthiness.

(3) An allowance to a widow or child under this Part shall be suspended or discontinued if, in the opinion of the Treasury Board, the widow or child becomes unworthy of it.

Retirement compulsory.

"**52.** (1) Retirement from the forces shall be compulsory on every contributor to whom a pension or a retirement allowance is offered, but such offer shall not be considered as implying any censure on the person to whom it is made, nor shall any person be considered as having a right to such an allowance, but it shall be granted only in consideration of good and faithful service during the period in respect of which it is calculated.

Dismissal or removal.

(2) Nothing contained in this Part shall be understood as impairing or affecting the authority of the Governor in Council or the Minister to dismiss or remove any contributor from the forces.

Regulations by Governor in Council.

"**53.** The Governor in Council may, on the recommendation of the Treasury Board, make regulations,

(a) prescribing the rates of allowances in respect of any rank which shall constitute part of pay and allowances of the rank for the purposes of this Part;

(b) prescribing the method of computation of pension and retiring allowances authorized by this Part;

(c) prescribing the conditions on which the compensation of a member of the forces who is seconded from the force of which he is a member may be deemed to be pay and allowances for the purpose of paragraph *(g)* of subsection one of this Act;

(d) prescribing the cases in which annual pensions or other allowances provided for by this Part shall be payable otherwise than in monthly instalments;

(e) prescribing the nature and form of the accounts to be kept of income and disbursements under this Part and of the statement to be laid before Parliament by the Minister;

(f) providing for the transfer to the account set up under this Part of amounts, if any, credited in respect of contributions of the contributor under this Part made under any other Part of this Act or under the *Civil*

Section 52. This is similar in principle to subsections (1) and (4) of section 10 of the *Civil Service Superannuation Act.*

Section 53. This is similar in principle to section 11 of the *Civil Service Superannuation Act.*

R.S., c. 24, R.S., c. 160.

Service Superannuation Act or the *Royal Canadian Mounted Police Act;*

(g) prescribing whether and to what extent and under what conditions any duly authorized period of absence from duty without pay shall be counted as service for the purpose of computing allowances under this Part and the pay and allowances which a contributor on leave of absence shall be deemed to have been in receipt of for the purpose of computing contributions and average pay and allowances under this Part;

(h) prescribing the extent to and manner in which a pension or retiring allowance may be continued or discontinued to a contributor who after retirement from the forces is again appointed to or enlisted in the forces or in the public service of Canada and the counting of such additional service for the purpose of an additional allowance; and

(i) for any other purpose deemed necessary to give effect to the terms of this Part.

Treasury Board may direct payment in certain cases.

"**54.** (1) Where a pension, allowance or gratuity is payable under this Part to a contributor, if he has deserted his wife or children and left her or them without means of support, or if he is incapable of managing his own affairs, or if for any other reason the Treasury Board deems it advisable so to do, the Treasury Board may direct that the pension, allowance or gratuity or any part thereof be paid to such person or persons as it deems advisable.

Treasury Board may discontinue payment in certain cases.

(2) Where a contributor to whom a pension or allowance is being paid under this Part is convicted of an indictabe offence, committed by him while in the forces, if it appears to the Treasury Board that the commission of the offence constituted a failure by the contributor to render good and faithful service while in the forces, the Treasury Board may direct that payment of the allowance be discontinued or that the whole or any part thereof be paid to persons dependent upon the contributor for support.

Appeal.

(3) Where the Treasury Board makes any direction under this section, if the contributor claims that the direction was not warranted by this section and gives notice of his claim to the Minister of Justice within thirty days after being notified of the direction, the Minister of Justice shall refer the claim to the Exchequer Court of Canada for determination as to whether the direction was so warranted.

Moneys part of Con. Rev. Fund.

"**55.** (1) The moneys received under the provisions of this Part shall form part of the Consolidated Revenue Fund and the moneys payable under the said provisions shall be paid out of the Consolidated Revenue Fund.

Section 54. This is similar in principle to section 11A of the *Civil Service Superannuation Act.*

Section 55. This is similar in principle to section 12 of the *Civil Service Superannuation Act.*

Permanent Services Pension Account.

(2) There shall be kept a Special Account in the Consolidated Revenue Fund to be known as the Permanent Services Pension Account, of all moneys received or paid as provided in subsection one of this section and there shall be added to the said Account annually an amount representing interest, at such rate and calculated in such manner as the Governor in Council may by regulation prescribe, on the amount to the credit of the Account.

Income Tax returns.

"**56.** Every contributor shall be entitled, in making a return of his income for purpose of taxation on or in respect of income under any Act of the Parliament of Canada, to deduct from his pay and allowance the amount of the contributions reserved from his pay and allowance during the taxable year and paid into the Consolidated Revenue Fund under the provisions of this Part.

Contributions deducted.

Annual statements to Parliament.

"**57.** The Minister shall lay before Parliament within fifteen days after the commencement of each session thereof

(a) a statement of all pensions, allowances and gratuities granted during the last fiscal year under this Part giving the name and rank of each person pensioned or retired, his pay and allowances, age and length of service, the pension, allowance or gratuity granted to him on retirement, the cause of his retirement and, whether the vacancy has been subsequently filled and if so whether by promotion or by new appointment and the pay and allowance of the new incumbent;

(b) a statement of all allowances or gratuities granted to widows, children or other dependants of the contributors under this Part during the said year showing the name, age and sex of each person to whom any such allowance or gratuity was granted; and the name, age at death, pay and allowances and length of service of a contributor to whose widow, children or other dependents the allowance or gratuity was granted, and

(c) a statement showing the amount received as contributions and the amount paid as pensions, allowances or gratuities during the said year under this Part together with such further information as may be prescribed by the Governor in Council by regulation under this Part.

Transfer of contributions.

"**58.** Where a member of the forces elects to become a contributor under this Part he shall thereupon be deemed to have waived his right to any payment under any other Part of this Act and the amount of any contributions which he had made under any Part of this Act shall be transferred to the Permanent Service Pension Account kept under this Part and shall be deemed to be the contribution required under this Part in respect of the service for which such contributions were made."

Section 56. This is similar in form and substance to section 13 of the *Civil Service Superannuation Act.*

Section 57. This is similar in form and substance to section 14 of the *Civil Service Superannuation Act.*

Section 58. This is similar in principle to section 17A(2) of the *Civil Service Superannuation Act.*

Second Session, Twentieth Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 5.

An Act to amend The Canadian Wheat Board Act, 1935.

First reading, March 18, 1946.

MR. FAIR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1946

58385

2nd Session, 20th Parliament, 10 George VI, 1946.

THE HOUSE OF COMMONS OF CANADA.

BILL 5.

An Act to amend The Canadian Wheat Board Act, 1935.

1935, c. 53; 1939, c. 39; 1940, c. 25; 1942-43, c. 4.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Section eight of *The Canadian Wheat Board Act, 1935*, chapter fifty-three of the statutes of 1935, as amended by chapter thirty-nine of the statutes of 1939 and chapter twenty-five of the statutes of 1940, is further amended by repealing paragraphs *(h)*, *(i)* and *(j)* and substituting the following therefor:—

"*(h)* subject to the provisions of paragraph (i) of this section, to give effect to any Order in Council that may be passed with respect to its operations;

(i) in selling and disposing of wheat as by this Act provided, to employ such methods, consistent with the provisions of paragraph *(b)* of this section, as will not involve the payment, directly or indirectly, of any commission or other remuneration to commission merchants, brokers or other marketing agencies;"

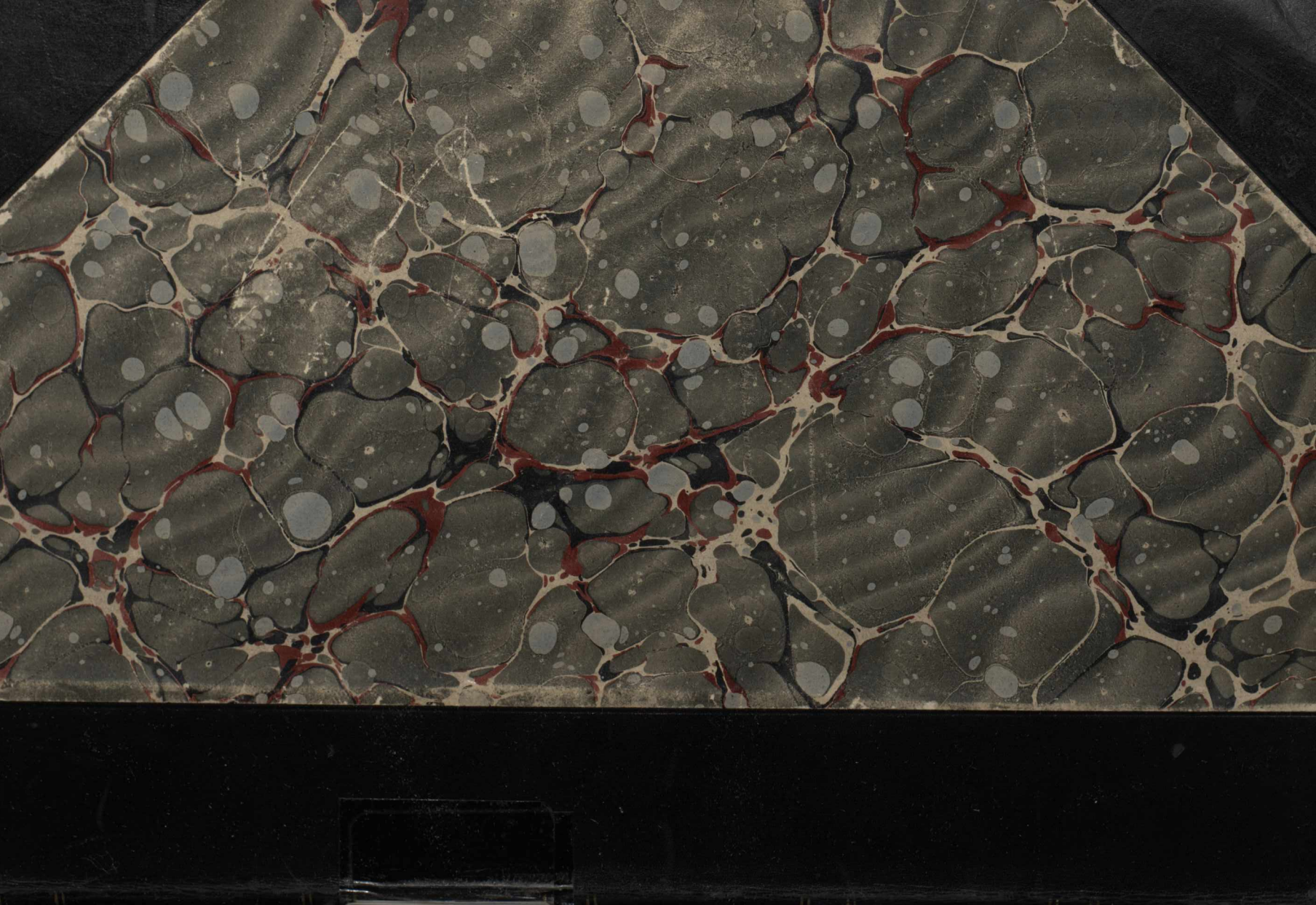
Explanatory Notes.

This bill is designed to eliminate the prevalent practice of the Canadian Wheat Board of paying commissions to agents in connection with the sale of wheat and to free the Board to conduct its sale operations without engaging and paying for such unnecessary service.

The paragraphs of section 8 proposed to be repealed and re-enacted in amended form and the introductory words of the section, read as follows:—

8. It shall be the duty of the Board:—

(h) to give effect to any Order in Council that may be passed with respect to its operations;

(i) in selling and disposing of wheat as by this Act provided, to utilize and employ without discrimination such marketing agencies, including commission merchants, brokers, elevator men, exporters and other persons engaged in or operating facilities for the selling and handling of wheat, as the Board in its discretion may determine;

(j) to offer wheat for sale in the markets of the world through the established channels: Provided that the Board may, if in its opinion any existing agencies are not operating satisfactorily, take such steps as it deems expedient to establish, utilize and employ its own or other marketing agencies or channels;