

on Pearl Harbour in December, 1941, the entire resources of Canada, the United States and the United Kingdom were pooled in one common fund, and that the services of the Foreign Exchange Control Board, or anybody else, were not really required.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McGEER: What nonsense it is to think that a group of men in Canada had anything to do with influencing the spirit of co-operation that existed between government authorities in London, Ottawa and Washington at a time when we were fighting desperately to preserve the lives of the people of those countries. What nonsense it is to talk about men in the Foreign Exchange Control Board exercising any power, or being required to exercise any authority, to help out that international situation. Nothing could be more absurd; nothing could be more ridiculous. The interferences that occurred were in many instances very great; but do you mean to tell me that President Roosevelt and his financial department, and Prime Minister Mackenzie King and his organization for war production needed any assistance from a foreign exchange control board to build the Canol pipe-line, the Alaska Highway, or to carry on the huge shipping and munitions production programmes that had been undertaken? Why, we were dovetailed together as one country.

Hon. Mr. DUFFUS: My honourable friend usually gets off on a great, broad scale. I believe, and my opinion is shared by many honourable members in this house, that the Foreign Exchange Control Board has done a wonderful service for the Dominion of Canada.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. McGEER: Honourable senators are entitled to their opinion. We heard about the thousand-dollar bill in the shoe and the ten-dollar taxi-cab fare, but I wonder how much those items affected the billions of dollars which were interchanged in the development of the things that were necessary for war. Do you think that that kind of administration was necessary?

Let me add an illustration to those already given. In the province of New Brunswick, where the people cross the border as easily as they do in Quebec and at other places where the boundary is closely settled, there was a farmer named Kennedy. He was going across the border to visit a friend, as he had been doing all his life. He had \$95 in his pocket. He was picked up and \$90 was confiscated, and he was left with \$5 with which to proceed. Later he was prosecuted, haled before a magistrate, and fined \$10. He appealed the

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case to Judge Hayward of the Carleton County Court; the conviction was quashed, and his money was returned. The Foreign Exchange Control Board took an appeal to the Supreme Court of Canada. The case is known as Rex vs Kennedy, and I have this memorandum with regard to it:

Mr. Bishop who defended the appeal on behalf of Mr. Kennedy, the respondent, took the preliminary objection that the order in council authorizing the appeal was not retroactive, and that the case was instituted before the change was made. Mr. W. P. Jones, who appeared for the crown, asked for time to meet this objection, and requested that the matter be stood over until the next court. Baxter, C.J. and Grimmer, J., relying upon Doran vs Jewell, refused to allow further time. Richards, J. was in doubt. Further time was therefore refused and the case ended there. There was just the one appeal, and it was not reported.

Hon. Mr. DUFFUS: Will the honourable gentleman give the date of the alleged offence?

Hon. Mr. McGEER: The case is Rex vs. Kennedy and it was heard in Fredericton by Judge Hayward in 1943.

Hon. Mr. DUFFUS: Right in the heat of the war.

Hon. Mr. McGEER: Maybe the farmer was wrong in not leaving his \$95 at home, but, as was held by the court, he did not intend to commit any offence. That is the kind of thing that goes on. How much of it do you need to win a war? How much of it do you need to save Canada from a shortage of financial means to carry on the affairs of the nation?

I will give you another instance. A woman who lives near the town of Woodstock drove in to town to pay a \$300 note at the bank. She got there before the bank was open and decided to run across the border to the town of Houlton. She did not think that she was committing any offence, but her \$300 was confiscated. An appeal was made to the Minister of Finance, and I understand that he in turn appealed to the Chairman of the Foreign Exchange Control Board and the board paid the note at the bank.

I know of another case. A boy, who had just earned his first \$90 in war work went across the boundary line without knowing anything about the regulations. The \$90 was confiscated.

When powers such as those set out in this bill are placed in the hands of run-of-mine inspectors and others who are appointed to carry out such laws, that is the kind of thing you get; you cannot escape it—and that kind of thing does not help to win wars or to preserve economic security.

Hon. Mr. BENCH: Will the honourable gentleman permit an interruption? Assum-