

with us, and appear to be unwilling to depart. Knowing many hon. gentlemen opposite as I do; having known some of them for many years, I know that legislation of the type under discussion is as disagreeable to them as it is to many who sit on this side. I cannot imagine that champions of freedom and liberty such as the hon. member for Vancouver Centre, who hails from the highlands and who sits in the front bench opposite, and my good friend, also from the townships, who is Minister of Finance for the moment, really rejoice in legislation of this nature; but I feel that they have been ensnared by a system of controls to which we resorted during the war, and that they have become so dependent upon this bureaucratic system that they cannot shake themselves free from it.

The United States, our nearest neighbour, a country with which our relations are intimate, a country whose development is somewhat ahead of ours, but a country whose activities have always had a profound influence upon our destinies, has shaken itself free from those controls with which it found it necessary to shackle itself during the period of the war. It has never saddled itself with the type of institution set up by the present bill. We are creating a difficult position for ourselves if we attempt to manage our currency and our whole economic system, and thus give rein to an intensive nationalism which will prevent ordinary intercourse between friendly nations. It was pointed out here this afternoon that if a farmer living on the border wishes to sell his farm and move across into the United States, in effect he cannot do so because he cannot take with him the amount necessary to buy a farm there.

Mr. IRVINE: Is that quite true? Might he not be permitted by the board to do so?

Mr. HACKETT: In special circumstances and with the permission of the board he might be permitted to go to the United States. This is an important matter for many people, particularly for those living along the international border. Those who are aware of the ease and facility with which people moved across the international boundary in the past, have found most galling the regulations enacted by the foreign exchange control board, which are perpetuated by this measure. Ultimately, misunderstanding and possibly bad blood will result from the enforcement of these regulations.

There is a growing tendency to dominate and to control the individual. I am not at the present time going to deal with the sections in the measure which are so extremely harsh in respect of the control of human

conduct. My objection to the bill is that it takes away from individuals and institutions prerogatives and rights which belong to them, and places upon the government added burdens which it is not able to carry. If we benefit from the lessons of history, we are bound to know that such controls breed tyranny and revolution and must result in sorrow for the Canadian people and the loss of that freedom which has characterized our growth and development to this time.

Mr. HATFIELD: I want to know if protection to be given to exporters who, prior to a few weeks or days preceding July 5, had exported goods and had a contract with the foreign exchange control board under its B form to bring the currency back to Canada, and sell it to the board. Those exporters of goods sold with the expectation of receiving ten per cent on their money, and in some cases that ten per cent was more than the profit on the goods. In all fairness the government should have protected them. It is protecting a few privileged exporters, to the extent of \$13 million of the country's money. Surely it should have protected exporters who sold goods on a distinct understanding, and who made a contract with the foreign exchange control board prior to July 5 to bring that money back. They carried out their conditions under the contract, but the foreign exchange control board failed to carry out its part of the contract.

Mr. ABBOTT: If they had a forward contract, which was open to everyone, they would be protected. But if they had simply filled out the B form, which is a notice that they intended to export and were going to receive payment in United States funds, they were taking the exchange risk themselves.

Mr. HATFIELD: Many of these exporters were not privileged to have a form of contract. The only exporters who were thus privileged were the exporters who had long-term contracts. It required about a month or two months to get a permit from the board to take out a forward contract. The procedure had to be taken up with one's banker. Certain exporters, such as those who export pulp and paper products, and some other privileged exporters, were the only ones who could take out forward contracts. The others could take it out for three months.

The CHAIRMAN: Does the section carry?

Mr. HATFIELD: No; I should like to have an answer.

Mr. ABBOTT: I have given the hon. member all the information I have on the subject.