

our foreign exchange, both United States and sterling, to react to its natural, normal equilibrium.

I close with this observation: The Liberal policy should be the development of a truly and genuinely free economy, in which we may depend upon the genius of our people to restore and maintain the well-being of the nation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. PATERSON: I should like to submit a question to my honourable friend before he resumes his seat. Rye, which is uncontrolled, today is over \$4 per bushel and rye flour is selling at \$20 per barrel; wheat, controlled, brings \$1.55 per bushel. If controls were removed tomorrow wheat would go to \$3.50 a bushel and flour would probably bring \$15 a barrel. I ask my honourable friend in the light of these facts if the cure might not be worse than the disease. Would not the cost of living advance so rapidly that the resultant criticism would be almost overwhelming?

Hon. Mr. ROEBUCK: My honourable friend's question raises several points. In the first instance we have sold our exportable crop of wheat at \$1.55 sterling, at whatever the exchange rate may be. The exportable balance is fixed by agreement and we could not, as my friend suggests, abolish the control on wheat at once. I advocate the getting away from this control as soon as possible. How soon that is, I deliberately refuse to gauge.

There is a second question in my honourable friend's remarks. It is this: If we remove the controls, would prices advance? My answer is that perhaps they would. Let us assume that on the particular item he mentions they would advance. What of it? In the past our nation got along very nicely without all these government controls. We came through the last war and the post-war period, depending upon natural forces for both exchange and prices. I remember that at that time we had against us an exchange of about 15 per cent, perhaps more.

Hon. Mr. HAIG: Twenty-two per cent.

Hon. Mr. ROEBUCK: Very well. It provided a compelling incentive to us to buy at home. At one time after the great war, within my own memory, prices rose to pretty high levels; but they were there only a short time; the operation of competition resulted in bringing them down. As a matter of fact they were brought down too far in 1921 and succeeding years. But what my honourable friend suggests is that some civil servant or some politician in high office knows what is good for us better than we ourselves know, and that conscious direction of our economic affairs from above is more efficient in the long run than the laws of nature. I will grant you that Karl Marx makes out a very good case for that theory, but I do not believe in it. I believe in allowing natural forces to guide our steps, to take care of the rights between parties; and I have faith enough to believe that the world as Nature made it is better for us than a world made over without principle.

The honourable senator from Queen's-Lunenburg (Hon. Mr. Kinley) recently made some references to free trade. He said in effect that he was neither a free-trader nor a protectionist; I understood him to mean that he is a protectionist when he sells and a free-trader when he buys, and that finance and commerce are without principle outside of his own immediate profit. I do not hold with those views. I hold that if we have faith there are principles, as clear and as compelling as those of addition and subtraction, upon which we can rely. The state will be better served in the long run if we rely upon principles instead of attempting to interfere arbitrarily with people in the matter of their private rights.

Hon. Mr. HOWARD: Honourable senators, referring to what our leader said yesterday, I move the adjournment of the debate, only to hold it open indefinitely in case some other honourable senator wishes to make a speech.

The motion was agreed to.

The Senate adjourned until tomorrow at 3 p.m.