

below will be unsaleable on world markets for making into flour. It has been the practice of European and other countries to buy a certain amount of our hard wheat to mix with their soft wheats in order to produce a grade of flour acceptable to their people. If much of our wheat grades below No. 3, and therefore is too low to use for mixing purposes, there will be great difficulty in selling it.

However, I do not think trade has anything to do with this problem. The honourable senator from Toronto (Hon. Mr. Hayden) put a question which I would have asked had I thought of it quickly enough. Regarding the trade of approximately \$750 million which Canada has with the sterling area, he pointed out that about half of it was financed with United States dollars, part of it resulted from business which we Canadians are desperately trying to build up with the sterling area, and some of it from purchases, not so much in Great Britain as in Australasia, East Asia and Malaya, for the purpose of stockpiling in the United States and to some extent in Canada.

As I say, it is not going to do us much good to combine a consideration of this bill with a discussion of the general trade situation, yet I shall take this opportunity to point out that one grave mistake we have committed is that we have so tied ourselves up with the Bank of International Settlements that we are unable to sell our gold on the world market. Why should we not be permitted to dispose of it at the best price we can get for it? It has been suggested to me that in that event the price per ounce would rise to nearer \$50 per ounce than the \$38.50 which is the present ruling price. I cannot understand why we should be bound up with some international organization which prohibits us from selling gold. After South Africa—and perhaps Russia, although neither I nor anybody else knows with any certainty what is the Russian output—we are the world's leading gold-producing country. But these considerations have nothing to do with the bill, and if the honourable gentleman from Toronto had objected I would have had to admit that I was as much out of order as was the honourable senator from Vancouver (Hon. Mr. McKeen) when, in introducing the bill, he talked about trade conditions.

The purpose of this measure is simply to give the government power to control certain essentials which might enter into war production. In that respect it has my approval. I repeat that we are today in exactly the same position as we were in from 1939 to 1945. By no stretch of the imagination can it be supposed that any man or woman in this house would vote or act to limit in any

possible way Canada's maximum preparedness against the eventuality of war. In a very able speech the honourable senator from Churchill (Hon. Mr. Crerar) pointed out that neither in 1914 nor in 1939 were we challenged to the same extent as we are today. I agree with him, because I do not believe that, had Germany been successful in the 1914-1918 war, she would have gone as far as Stalin will go if Russia proves successful in the coming war. Nor do I believe that the Germany of 1949, had Hitler succeeded, would have demanded as much as Stalin will demand if he wins the next struggle. I say that this is the greatest crisis we have ever faced; and I am sure I speak for every member on this side of the house when I say that we would vote for the bill even though it did no more than help in a slight degree the people of Canada to prepare for the coming struggle.

A point which has troubled me, and one which I thank the honourable senator from Vancouver for having mentioned, is that we as Canadians do not like to give any government or any individual unlimited powers. We think it is our province to meet and decide the nature and extent of the authority which should be vested in them. After seeing what the parliament of Canada has accomplished this session, I am not afraid of its ability to act swiftly. I do not think that when we came here on August 29 any of us believed that by the next day parliament would have taken the necessary action to end the most drastic strike Canada has ever experienced. I do not think any parliament could act much faster than that.

**Some Hon. Senators:** Hear, hear.

**Hon. Mr. Haig:** In my opinion the creditable performance of Canada's parliament in dealing with the railway strike was the best illustration of democracy in action this country has ever given. I doubt that even the Mother of Parliaments or the administration in the United States has ever moved more swiftly. But while the railway strike was of extreme importance to the economic life of this country, it could not be placed in the same category as a state of war emergency. In 1939, when the world faced the greatest struggle in its history, I think parliament took only nine days to declare war against the enemy.

I do not like legislation which places tremendous powers in the hands of any individual or government. It is proper to give the necessary power to a government to administer the affairs of the country, but this bill would confer upon one man or one group of men certain dictatorial powers over