

will be solved by reason of the fact that the major, fundamental and basic problem is solved. This would solve not only our internal problems, but would largely solve our international problems as well. It would remove the incentive for trade wars. Under present methods, by reason of the fact that the people of this country have never had an amount of money to buy the total production of the country, there is an incentive to export goods. Most of those goods could be consumed right here at home. The greatest potential market for Canadian production is the Canadian people. If they had an amount of purchasing power equivalent to the prices of the goods offered for sale, there would not be this drive for foreign markets, which is one of the contributing factors to the causes of war. We would distribute among our own people our own production to the limit of their desire to consume, and what would be left would be a genuine unusable surplus, a surplus which the people could not use. That would be something which could be legitimately traded for anything that we desired from the outside.

I suggest that if the fundamentals to which I have referred are established, we shall not only have economic security in this country in the post-war period, we shall also maintain and preserve our individual freedom. I should have liked to elaborate somewhat extensively the philosophies of some of the proposals which are being made to-day, but my time is about up and I shall simply say these words in conclusion. All the proposals that are put forth to-day as a solution or as a programme for our post-war days can, I believe, be classified in two classes. They have as their objective making either the people supreme or the state supreme. Some of them may lean slightly in one direction or the other, but all the proposals that are made can be classified in these two classes. I insist that we want a post-war period in which the people are supreme, in which the state is the servant of the people, not the reverse. Democracy stands for decentralization; totalitarianism stands for centralization. Any proposal that tends toward centralization of power is a repudiation and negation of democracy. We want decentralization. Let us, when we examine the proposals that are made, try to discover into which one of these two categories they fit. When this war is over, we are going to have, as a consequence of the peace terms we draw up and the proposals we implement, either a supreme state or a supreme people. If we establish and carry out the fundamentals to which I have referred, we shall have an

[Mr. Kuhl.]

economic set-up in which we may have economic security as well as individual liberty.

Mr. J. K. BLAIR (Wellington North): Mr. Speaker, first I wish to compliment the government upon the splendid way in which they have handled the problem of price control. During the last war prices were allowed to go to extremes, and it was very difficult to arrive at proper valuations. I must say, however, that at the present time I am receiving many representations from farmers and farmer organizations in my constituency urging that the price of cattle be raised to some extent, but not to any excessively high level. Our farmers bought their cattle on the understanding that the Canadian price would be on a parity with the United States price. They have their cattle, and plenty of food on the farm for those cattle, but the Canadian price is not sufficiently high to guard the farmer against loss. Many of these cattle cost more than 11 cents a pound. It would be satisfactory if the price were raised to 12 or 12½ or even 13 cents. Our farmers would then sell a great portion of their cattle.

A report has been spread abroad that there is a scarcity of cattle in this country. I believe that report is false. I know of hundreds of stables which are full of choice cattle. They are not being sold by our farmers because they are not prepared to take a loss. They believe that they have what they consider a promise from this government that they would receive a price equal to the United States price. There is an embargo on Canadian cattle going to the United States, but it was understood that the Canadian price would be maintained on a level with the United States price and our farmers have bought their cattle on that understanding. Naturally to-day they are disappointed at the Canadian price. Many of them have written to me urging that the price be raised, and I think it is only right that I should bring this matter to the attention of the government. If nothing is done, these cattle will be thrown on the market when spring comes, and the market will be flooded with cattle. We should give the farmers some encouragement to produce, particularly because at the close of this war the food supplies which are available among the united nations will be a power which we can use in the peace negotiations. There are many Esaus in the world, and there will be many starving nations which will want food supplies. Consequently it will be realized that food supplies may play a great part in the peace negotiations.

Our farmers are deserving of consideration, and I think we should be careful not to shut