

of a buyers' market appeared, was the failure of the British goods to compete in price with comparable United States and Canadian goods. I can give many instances of Canadian firms who were anxious to buy British goods having submitted their inquiries to English manufacturers only to find, to their dismay, that the price quoted was much higher than that at which the same goods could be purchased from the United States. Many of the British goods on display in the stores of Canadian cities have borne price tags which did not interest the ordinary buyer. While in New York last spring I was informed by the buyer of a large importing house that he had just returned from a buying trip to England almost empty-handed, because he could not pay the asking price and offer the goods for sale in New York in competition with American-made articles.

My honourable friend from Inkerman (Hon. Mr. Hugessen) has said that there is no evidence to support the charge that the cost of social services and of maintaining what is known as the "welfare state," which England has undertaken, has much to do, if anything, with the cost of production. Accepting that theory for the moment, I am not satisfied that there are not factors in such a state which overload the cost figures. There may be psychological factors, and these do not always appear in the balance sheet.

Accepting for the moment, as I have said, the theory of my honourable friend, I want to point out to the house that there is much to justify the argument that unilateral trade is one of the big factors in keeping up costs. Under present circumstances, as you know, England has been obliged to resort to trading on a barter basis with other nations in the sterling area. To convert raw materials so obtained from non-competitive sources into manufactured articles and sell the products in competitive dollar areas is putting too great a strain upon machinery. For that reason the manufacturers for the most part sell in the sterling areas. They are unable to meet the competition of the dollar area countries. It is difficult to see how bilateral and unilateral trading can work together if we envisage a system of world trading.

The problem is difficult, but I am convinced that there is a solution, and that it can be reached by men of good will, determined to find it. If co-operative efforts under the compulsion of war are capable of the amazing feats which conquered a stubborn and powerful foe, surely the same genius in another field can find a way to allow nations to exchange goods in time of peace. I refuse to believe that George Bernard Shaw was right

when he cynically declared that "the other planets are using our world for a lunatic asylum".

Indeed, honourable senators, a solution must be found, for there is no alternative; and in our humble way we can assist in bringing that solution nearer. As senators, as leaders of public opinion, and as Canadians in our own individual spheres of influence, in the spirit of the Washington Conference we can endeavour to help people understand that if sacrifices such as tariff reductions are necessary they will have to be made, and that only by the United States and the British Commonwealth of Nations marching together in closest economic as well as political relations can our hopes for our future, the future of our children and the future of our grandchildren be realized.

Hon. Mr. Horner: May I ask the honourable gentleman what he thinks of the suggestion of the honourable senator from Toronto-Trinity (Hon. Mr. Roebuck) that there should be a greater tax on timber limits and land in this country?

Hon. Mr. Burchill: I understood the honourable senator to be discussing English, not Canadian politics.

Hon. Mr. Horner: Well, it applies all round.

Hon. Iva C. Fallis: Honourable senators, this is my fifteenth session as a member of the Senate of Canada.

Some Hon. Senators: Hear, hear.

Hon. Mrs. Fallis: I think I have participated in some small measure in practically every Throne Speech debate which has taken place in that time so I had decided that I would keep quiet this year and give the members a rest. But I suppose the eternal feminine desire to talk got the better of me, and there is one piece of legislation forecast in the Speech from the Throne upon which I should like to make a few remarks.

Before doing so, I would join the speakers who have preceded me in extending my warmest congratulations to you, Mr. Speaker, upon your well-deserved elevation to your present position, and to the mover (Hon. Mr. Godbout) and seconder (Hon. Mr. Petten) of the Address in reply to the Speech from the Throne upon the eloquence of their presentations. I would also join those who have preceded me in welcoming the new Senators. But confidentially I must say something to you. I had a few very bad moments the other day when my leader (Hon. Mr. Haig) was welcoming these newcomers. As he was exhorting those of the opposite faith to mine to forget that they were Liberals, I expected