

conducted similarly to the operation of almost every other commodity exchange. I believe many of our firms will find that the possession of gold as a part of their reserves is a great asset in carrying on trade throughout the world. Insurance companies, banks, and large oil companies will probably find the use of gold very helpful not only as a reserve but as a means of acquiring foreign exchange and concessions. There is also the factor that there are many people not living in Canada who will wish to purchase gold as a hedge against inflation within their own country.

I come to the final question which the house may ask, and it is this: Can gold stand on its own feet? Here is the final question that must be decided, and it can only be decided by the march of trade. If gold is not worth anything, it should not be produced. But if gold is worth anything, it should receive the world price, and not be restricted. That is the question, and I say to you, Mr. Speaker, that that question can be resolved only through a large open market. There have been stories of the market in Bombay and the market in Alexandria and of very high prices, \$70, \$90 and probably even more being paid for gold. We are not sure how large those markets were, or whether they were constant, and what the daily volume was of those markets dealing in precious metals.

The whole basis of the Bretton Woods agreement is the value of the various currencies. Under that agreement several countries undertook not to devalue their currencies. But the actual value in terms of gold of any of these currencies has yet to be decided. In my opinion there is only one way in which the value of these currencies can be adequately determined, and that is by trading those currencies in a free market against gold. The currency is what it is worth in terms of the supreme trading blue chip, and that is gold. That has been the history since the gold standard came into effect. Gold was traded freely on the London market, and it had become fairly stable over a period of years. When the authorities of that day undertook to put the pound sterling on a gold basis they merely took the day's market quotation for the metal. I do not believe we can arrive at any parity of exchange for gold for a long, long time. I do think that unless we allow the market to be free we are never likely by artificial means to have a true yardstick of the actual values of world currencies.

Mr. EUGENE MARQUIS (Kamouraska): Mr. Speaker, although Canada has covered herself with glory, she is suffering from deep wounds as a result of the war. Our country, proud of her heroes, hails them and strews

[Mr. Adamson.]

their path with the flowers of her everlasting gratitude. War prisoners, infantry troops, sailors or airmen—they exemplify the stamina and the fighting strength of a young and vigorous nation.

However, our joy is tempered with sadness when we think of those who have gloriously fallen on the fighting lines and when we remember the great wounds which the conflict has inflicted on the nation.

We are going through a period of joy and sadness, hope and regret, post-war worries and planning for the future. We are entering the struggle for a new life.

During the war the needs of our three armed services, as well as those of the devastated allied countries, of some occupied territories and of the essential industries of this country have considerably extended our markets both at home and abroad. The steamship lines and the railroads have reached a pitch of activity that has hitherto been unknown. Our production has increased to a remarkable extent. It is now up to us to maintain our economic power at a high level.

In order to attain that goal we must join our efforts without any partisanship but inspired by the purest Canadian spirit. If there are people who would prefer to play politics, they will be sternly called to account by the people of this country.

Our attention must first go to agriculture which, to my mind, is Canada's basic industry. Besides, history shows that from the point of view of their everyday needs successive generations have always turned to agriculture in fulfilment of their normal destiny. To that, let us add the development of our other natural resources. With the advance of science and the growing needs of the nations, the other industries have taken on a necessary and considerable expansion, but this cannot change mankind's destiny, which is to obtain its daily bread from the soil where the Almighty has caused it to grow.

May I be permitted to pay a grateful tribute to our settlers and farmers, whose heroism is on a par with that shown by the warriors of all times? Their bravery is daily renewed in the discharge of toilsome and oppressive tasks. Soldier heroes may achieve glory by a single feat of arms, but our pioneers of the soil achieve their country's glory by assuring its greatness and prosperity by a lifetime of toil and sacrifice. As farmer's son, I take pride in my origin and take this opportunity of paying homage in this house to the memory of my father, for the valuable lessons taught me by his humble and arduous life as a tiller of the soil.