

the then Minister of Finance (Mr. Dunning) in introducing his budget. What was the nature of that budget? In a word, we sought so to arrange trade as to favour in our trading those who traded with us. The country to the south had by an act of its own, which was within its own right, raised tariffs against Canada and made it more difficult for us to trade with them. Britain had been our best customer and had taken no similar action. We said: We will seek by means of legislation to transfer to Britain certain purchases that are now being made in the United States so that what has to be purchased outside can be purchased from Britain rather than from the United States. That was not working an injury to any interest or to any industry or class in this country. During the discussions in parliament, on the hustings and through the campaign you never heard anyone come forward and say, "My business is being injured by the Dunning budget; my business is hurt by the steps being taken in connection with the preferences being given to Britain." The matter was so arranged that what we were doing for Britain was being done in a way that would create a helpful atmosphere in that country, and would in turn prove immediately helpful to the consumers in this country and those manufacturers who later on hoped to get their home market through what might come from sales of our own across the sea in return for what we were buying from them. The whole purpose of the approach was to create that atmosphere and to help if possible to get that additional opportunity of trade.

In order to be clear as to the purport of the Dunning budget in reference to what it was hoped might be accomplished as a consequence of the Imperial conference, let me as already said, quote the concluding words of the then Minister of Finance. They will be found on Hansard of May, 1, 1930, at page 1631, and are as follows:

These tariff favours to those who favour our products are not the result of any bargain with any other country but of an attitude in international relations which we believe to be mutually beneficial and are an expression of the spirit in which Canada will approach the Imperial economic conference in a few months time. In other words we do not intend to meet the other countries of the British commonwealth of nations in a spirit of party bargaining but rather in the broad spirit of willingness to become in ever increasing measure good customers to those who treat us in like manner. This is the spirit in which we desire to meet all nations, but we believe that within the British community of nations lies the greatest measure of opportunity for mutual development of trade because of our common heritage, kindred institutions and a common patriotism.

[Mr. Mackenzie King.]

That was the statement of the Liberal position. It is quite true that in parliament at that time my right hon. friend (Mr. Bennett) did not say very much against the preference features then announced. He did say something against them in the last hours of the campaign, and his action at the special session was altogether in the direction of wiping out those preferences. Of this entirely different attitude I shall have something to say later on. The position while parliament was in session was as set forth by Mr. Dunning. When we went to the country that was the attitude which hon. members on this side of the house supporting our policies took from one end of the country to the other. We made it perfectly clear that the Imperial conference had an all important bearing on the question of the sale of western wheat, and we stressed over and over again how all-important to Canada was the question of which party was to represent this country at that conference. We stressed that, not merely in relation to individuals, although the names of individuals were mentioned because there was reason to believe that from the part they had taken in previous conferences they would be the best qualified to obtain beneficial results; but we stressed it because we believed the policies we had adopted were going to be helpful to Canada. We stressed those points with emphasis right up to the very close of the campaign.

In order that I may do no injustice to my right hon. friend by any possible misrepresentation of our respective points of view, I would ask the house to allow me to make reference to speeches made during the campaign which related to this question of policies and methods of approach. I ask hon. members again to keep in mind the Liberal point of view as expressed in voluntary preference, and the point of view, if I may say so, of the Conservative party as expressed in bargaining, and consider these opposing points of view. Our attitude was in the nature of a conciliatory approach; the attitude of hon. gentlemen opposite was in the nature of economic coercion. If I quote from my last address of all in the campaign, perhaps I shall be setting forth more emphatically than in any other way the policies upon which above all we were making our appeal to the people. The last address that I gave in the course of the campaign and which was broadcast from one end of Canada to the other, contained mention of our policies, our methods and of the significance of the right policy in regard to the great economic problem Canada was facing and the problem