

the socialist policies of the British Government have had no effect on this dollar-sterling crisis. It so happens that I visited England during the last couple of months, and while I was there a series of most interesting articles appeared in the *Times* newspaper on the subject of the dollar-sterling crisis. I do not think that the *Times* can be accused of undue partiality to the socialist government, but this is what that publication had to say on this particular point. I quote:

There is no concrete evidence that specifically socialist measures have made much difference to the deficit—so far, at any rate—but there is ample evidence that excessive expenditure of all kinds, over-grandiose conceptions of the "welfare state," and easy indifference to financial standards bear much responsibility. The mental attitude responsible for these things has extended well beyond the government or the party in power.

I read an interesting article along the same lines in the September issue of the monthly letter of the National City Bank of New York. Here is what it has to say on this point:

It would be both inaccurate and unfair to convey the impression that the Labour government is insensible to the need for improving efficiency and reducing costs. The government is promoting an ambitious (possibly too ambitious) program of investment in industrial re-equipment and modernization for that very purpose. Sir Stafford Cripps has used all the prestige and authority of his office to gain the co-operation of labour in holding the line on wage increases. Despite some exceptions and an increasing restiveness among the rank and file of labour, the average level of wages has been held remarkably steady over the past year. The leadership of Britain's Trade Union Congress, in a frank report to be submitted to the annual convention this month, bluntly tells the nation's 8,000,000 organized workers that business is being taxed to the limit, and that their only hope for an improved standard of living is to work harder.

Having quoted an authority from London and an authority from New York, I should now like to refer to an authority from our own country. Many honourable senators probably read a few days ago the report of a speech made in Vancouver by Mr. J. S. Duncan, president of the Massey Harris Company. He is reported to have publicly expressed the view that the socialist policies of the British government have little, if anything, to do with the problem of the dollar-sterling crisis. I think from this, honourable senators, we should conclude that it would be most undesirable for anyone today to try to use the present critical situation as a basis for attacking the socialist policies of the government of the day in England; or, if I may be allowed to say so, to hunt his own pet political hares, no matter how tempting the opportunity may appear to be.

I am far from saying that the present Labour government in Great Britain is immune from criticism. From what I saw in

England last month, if I were a resident of that country I would strongly resist a good many of their proposals, such as, for instance, those to nationalize the steel industry, the packing industry and the industrial insurance companies. Quite apart from that, however, it is only fair to say that whatever might be the political stripe of the government in power in Great Britain today, that government would be faced with the problems which confront the present government.

There is one criticism that I would make of the British government in a very respectful fashion, and that is that certainly, when I was in England, the government was not doing enough to make its people realize the difficulties and the seriousness of the British position with regard to the dollar-sterling crisis. It seemed to me that the working man of Great Britain was living in a fool's paradise. Wages were very high and unemployment was non-existent. In fact, there was no unemployment; there was over-employment. The fear of dismissal had completely vanished, because a man if dismissed from one job could immediately obtain another at an equal rate of pay somewhere else. It does seem to me that the British working class were living in a fool's paradise.

Let me try to exemplify what I mean by that. During the course of our visit to England we motored about the country a good deal, and it happened that we found ourselves from time to time upon some one of the great arterial roads leading from London to the coast. Any morning on any of those roads you would meet an almost unending procession of motor buses carrying men, women and children from London or its suburbs for a day by the sea. Nobody begrudges the British working man his day by the sea, and it is only fair to say this was the holiday season. But just let us analyze what was happening. That motor bus in which he was travelling was operated by gasoline—petrol, as they call it over there—probably purchased in the United States with American dollars. The pipe or the cigarette that the man was smoking in the motor bus was probably manufactured, largely from Virginia tobacco for which American dollars had been paid. The very breakfast that man had before he started on his journey that morning had in all probability been partially provided for by American dollars under the Marshall plan. It seems to me that there was insufficient realization on the part of the mass of the British people that those dollars were coming to an end. That is perhaps a criticism of the present British government that I have, but it might well be a criticism that anyone might make against the government of a democracy.