

*The Budget—Mr. Dinsdale*

Liberal party are not akin to mine but to me the budget speech suggests that the Liberal party is coming back to a more orthodox Liberal position, and is seeking a base upon which to make a stand.

The *Ottawa Journal*, in summing up the budget speech in a phrase, used significant words when it described it as a "Lead, Kindly Light" budget. In other words, it exemplified faith without works. This suggests strongly a return to discredited classical orthodox Liberalism, and the laissez-faire theory based on the natural law.

I think I can best sum it up by one or two quotations from outstanding authorities in this particular field. It is the idea that if we leave things alone long enough they will gradually work out for the best by the process of natural law; or again, if I may quote Voltaire, the great French liberal, one of the early leaders of liberal thought, through the mouth of Candide, one of his brain children, he used the phrase that "all is for the best in this best of all possible worlds". The hon. member for Greenwood, speaking the other night, used the Coué summation of Liberalism: Every day in every way we are getting better and better.

The belief in inevitable progress towards inevitable perfection, of course, is a by-product of the materialism of the nineteenth century. Other political theories that were spawned in that same era were socialism and Marxism. I think the budget speech indicates a return to this more orthodox Liberal position. Certainly in 1929, when the economic deluge descended upon the western world, the Liberal party at that time was strongly motivated by the classical theory because it did nothing except to wait for things to get better in the United States. The throne speech in the session of 1929 indicated that it was just a temporary set-back and that before the year was out things would be much better indeed. In fact, there was in some of the sentiments expressed by the minister the other night, with regard to Canada's tie-up with the United States economy, a striking resemblance to the sentiments expressed and the remarks made during the 1929 throne speech.

As is well known, as a result of the onset of the depression a Conservative government was elected in 1930. It was left to wrestle with lost markets, surplus agricultural products, the Hawley-Smoot tariffs and a general breakdown in international trade combined with the tragedies of nature in the form of drought, dust and grasshoppers; and, along with it all, the general backwash of the first

stages of the industrial revolution in Canada. The first stages of any major social change are always marked by a high degree of social disorganization. On top of all these problems it was confronted with an apathetic opposition. I do not think the government of today can come to the conclusion that they are confronted with an apathetic opposition. Perhaps they sometimes feel that we are much too critical. Perhaps they feel that we talk far too much.

I do not want to stretch too far the parallel between 1929 and today because conditions in Canada have changed tremendously since then. When I hear members talk in this house as if we stand, financially and economically, back at 1929 or 1930, I disagree with them most heartily. Canada has passed through an economic revolution. The world has changed and has passed through an economic revolution. The centres of influence in the world have moved from the continent of Europe to the North American continent. Again, as I think my friend the hon. member for Inverness-Richmond (Mr. MacEachen) would say, we have passed, in economic terms, through the Keynesian revolution.

There was the new deal in the United States. We did not have a new deal, in so many words, in Canada although the late R. B. Bennett tried to introduce a new deal forced by the impact of these changing conditions. There is no doubt that we have been influenced by the changed circumstances all around us. There is, for example, the fact that the late Dr. Clark was brought in from Queen's University in 1932 in order to give his expert assistance in wrestling with the problems of the depression. The success he had in this regard is indicated by the fact that he remained in the post of deputy minister of finance up until his unfortunate and untimely death last year. I was quite impressed by the tribute paid to the late Dr. Clark by the Minister of Finance in his budget speech last year when he gave outstanding credit to Dr. Clark for the contribution he had made in bringing about economic and financial stability in Canada.

Very often we in this house hear discussions that arise from time to time as to who did what and when with regard to the new look in our economy. For example, we hear members laying claim to paternity of family allowances. There was, a short time ago in this house, no less than three members laying claim to having initiated the idea of family allowances. The same thing applies to other social security measures. However, Mr. Speaker, I am going to suggest that these