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HON. JAMES MURDOCH,  
Minister of Labor, who was one of  
the speakers at the Liberal picnic at  
Southside Park yesterday.

without benefitting the industries. When we benefit the farmer and the consumer, we create a larger demand. That is what is wrong today. Our industrial life is depressed. But that is not the result of the policy the administration has adopted. The country will not feel the effect of a policy in a week, a month, nor in two months. It will take time, and conditions in Europe have affected conditions in Canada.

#### THE WASTE OF WAR.

"Our whole life has been affected by the colossal waste of war which has been lost to the world. All the purchasing power which was lost in the war would have been used to increase production if there had been no war, and as we get away from war policies, we will see conditions improve. Speaking at Markham, I said, quoting from a letter written by Mr. Bradshaw, who is at the head of one of the great agricultural implement companies, that the government policies have helped the industries engaged in manufacturing agricultural implements. I may have used the word 'tariff' rather than 'policy.' Policy was what I meant. Our policy was not only to lower the duties on implements, but also to wipe off the sales tax. There was

the form of tax I had in mind when I spoke of the letter of Mr. Bradshaw, in which he said that in wiping off the sales tax the government had helped the industry, and he proposed passing on to the farmers the benefit of the reduction which had come in that way. The point we are concerned with is that the present government took the sales tax off the implements of production, and the previous government had put it on.

"For the first time in ten years, during which we had big increases in our debt and our deficits, we had reached a point where we had a surplus and could knock off taxes. We knocked off the sales tax on implements of production, and made important concessions to the manufacturers of implements, of concessions in the materials needed for implement production. While at the moment there is a period of stagnation, there has been no time to work out our policies, and they will find, as time goes on, the benefits in greater wealth in their pockets, greater demand, and the manufacturers of implements will benefit with the rest of the community.

#### GROWING PAINS.

"In every change there must be growing pains. It takes time to make readjustments. But when we see natural divisions arising, when we see the great west feeling that the east is unfair, when we see one half opposing the other half, I think the government has done right in helping to bring the east and west together. We have helped to unite the dominion so that every business will prosper in a larger measure.

#### PURSUING LIBERAL POLICIES.

"This indicates sufficiently the broad basis of the policy which we are pursuing in the interests of the people. In the last election, we went before the people as Liberals and told them our policies. I spoke in Woodstock, and in the constituencies of Dr. Rankin and Mr. Raymond, and in all my speeches I said that if the Liberals were returned to power we would reduce the duties on the implements of production in the basic industries because they were essential to the development of the country. On every platform on which I spoke, in the Maritime Provinces, in Quebec, in Ontario, through the west and in British Columbia, I said that the policy laid down in 1919 would be kept, not, perhaps, to the letter, but in the spirit of the convention.

W. L. Mackenzie King Papers

Speeches-1922 - 1932

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