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Penitentiaries Inquiry.

One of the first things a Liberal government would do would be to inquire into the administration of penitentiaries and see if some reforms could not be effected. The people knew, he said, that where trouble in one penitentiary followed trouble in another there must be something wrong in methods of administration.

Peril of Dictatorship.

Mr. King then referred to the "peril" of third parties attempting to run the country in days of stress; the "greater peril" of a National government springing up, and the "still greater peril" of dictatorship. In his radio speeches, Mr. King said he referred to each of these but would elaborate on the third tonight.

In the last five years the trend in Canada had been away from parliamentary rule. The issue today was between democracy and dictatorship or parliamentary rule as against cabinet rule. In the last five years he had been appalled by some of the legislation introduced by the Bennett government and which the Liberals were forced to accept against their wishes and desires. It was only when these acts were taken as a whole it was noticed how liberties had been taken away and how close Canada was to a "precipice of complete change in our government system which assures our liberty.

Highest Tariff.

Instead of winning the goodwill of nations, Mr. Bennett raised tariffs to the highest point in history and deliberately angered them, the Liberal leader charged. Not even Sir John Macdonald, the author of the protectionist system in Canada, ever dreamed the tariff would be raised as high as Mr. Bennett set it. It was raised not only against foreign nations but against the United Kingdom as

As one of the "dictatorial actions" of Mr. Bennett, Mr. King instanced the blank check relief legislation, which set no limits on expenditures. Not even in war days was this necessary, said Mr. King. The Prime Minister had said it would only be temporary, but the legislation was continued year after year, being in effect even today.

Under that system, a remedy for an emergency became the established order. Under the guise of relief, banks were guaranteed against loss, Newfoundland was

financed.

Another instance of dictatorial power by Mr. Bennett was the "peace, order and good government" legislation, Mr. King said—a further instance of the subordination of Parliament. It was the same sort of thing that Hitler did in Germany and Mussolini in Italy and for the same reason—to deal with emergencies. Even today, with Parliament prorogued, Mr. Bennett and his cabinet could do almost anything they liked simply by passing an order-in-council under that legislation. They could do it even when Parliament was dissolved.

Control of C.N.R. Similarly, said Mr. King, the government did away with parliamentary control over the Canadian National Railways. Formerly the board of directors of the railway were responsible to Parliament through the government. But Mr. Bennett had abolished parliamentary control by abolishing the board of directors and appointing trustees for a fixed number of years. The president of the board could only be removed by approval of the two Houses of Parliament and the Senate was now overwhelmingly Tory. What control, he asked, had the representatives of the people now over the Canadian National Railways?

Bank of Canada. government had shown a similar disregard for parliamentary control by setting up the Bank of Canada. The Liberal party believed in a national central bank to control credit and currency in the national interest but not the type of bank Mr. Bennett had created. He had taken the gold reserves from the federal treasury, the backing for the country's currency and turned them over to a private corporation. The government had no representative on the board of the bank except a deputy minister who had no vote. The governor and his deputy were appointed for a fixed number of years and could not be ousted by popular will.

"In this Bank of Canada Mr. Bennett has fashioned another Fascist institution," said Mr. King. "He has created a great private corporation with his own appointees in office for a fixed term of years. Again he was taking control of affairs away from the representatives of the people."