

That is exactly what you have in regard to all these protected industries to-day; every one is a matter of special privilege; every one is a matter of giving to particular interests a superior place, and of subordinating by means of state intervention the general interest to the particular. Is that the end the present government has in mind when it says state intervention is to be the objective hereafter? It may be so. I shall be very much surprised if there is much in the way of laissez-faire in any of its policies so far as the tariff is concerned; I think we may expect more and more in the way of state intervention in that regard if certain particular interests have to be served.

But now let us see just how sincere hon. gentlemen opposite are in their views—or perhaps I should limit it to the Prime Minister for the present—in the matter of state intervention in industry which is the reform to be brought about in the future. What is the largest single industrial enterprise we have to-day in this country? If I am not mistaken it is the Canadian National Railways, the government owned railways. How has the present Prime Minister revealed his confidence in state intervention as a means of reform in dealing with the Canadian National Railways? If I recollect aright, the changes that have been made by this government since it came into office, with respect to the Canadian National Railways, have all been of a nature designed to put the Canadian National Railways farther and farther away from any authority or control on the part of parliament, from any possibility of state intervention. They have appointed a board of trustees; they have fixed terms during which those trustees are to remain in office. The chairman of the railways has been placed in office for I have forgotten for the moment just how many years; I think it is for a period of either seven or ten years. Perhaps the Prime Minister can tell me.

Mr. BENNETT: Seven years.

Mr. MACKENZIE KING: The chairman of the board has been appointed for a period of seven years, and care has been taken to see that he cannot be removed from that position except by a resolution of both houses of parliament. When we talk of the control of parliament to-day the general public have in mind the control that is exercised by the elected representatives of the people sitting in the House of Commons. I wish to say, however, to this house and to the country that so long as we have an all-powerful Conservative majority in the upper house which is able to defeat any measure

[Mr. Mackenzie King.]

that may come from this house; so long as it is within the power of the upper chamber to prevent any particular reform that may be desired by this house, you cannot say that this House of Commons has any final or necessarily effective authority or control over the business of the country.

That is the position with respect to the Canadian National Railways. I might say a great deal more on the subject, but I think I am quite within the statement that was made over and over again by the ministry that business of that magnitude ought to be put beyond the power of interference by the government. I am not at the moment debating the question or discussing whether or not a particular course is wise; I am simply directing attention to the contradiction between the statement of the Prime Minister with regard to state interference as being synonymous with reform and the action of the government itself with respect to the Canadian National Railways. In the matter of the largest business in this country the one that touches the people in the most intimate way—except for one other that I shall mention in a moment—the Prime Minister has put the control of that enterprise beyond parliament, and he has alienated the authority and control of parliament in respect thereto.

I said I would speak of one other business. It is most important in connection with this reform which is to be brought about, as the Prime Minister says, through the regulation of business by parliament. In broadcast No. 3, on January 7, he defines in another way the reform which he says is to be the issue: the reform of the capitalist system effected by state intervention. Here is how he introduced the subject. He said:

The keystone of the capitalist arch was the profit system, and the profit system still remains.

The capitalist system is to be reformed by the interference of the state, and the Prime Minister says that the keystone of the capitalist arch is the profit system, which still remains. May I say to the Prime Minister that I think the keystone of the capitalist arch is the private control of a nation's credit and currency. The keystone of the capitalist arch is that particular symbol in the capitalist structure that stands for money control and money power, and how that money control and money power are to be exercised, how that credit and currency are to be controlled. In the capitalist system it is to be carefully and securely kept in the control of capitalists.