

Sir Edward Peacock is reported as saying:

We found it possible in this country to work together in the interests of the state. Australia, New Zealand and South Africa have done the same, but Canada alone lags behind. In Canada in my view, the two chief parties should for a while forget party differences and devote themselves to better understanding and to co-operation that is necessary. If they fail to do so the progress of Canada cannot fail to be retarded.

The parties in the United Kingdom were persuaded to merge in 1931, on the advice of high financial authority in the City of London and the Bank of England, under the fear that otherwise Great Britain would have to depart from the gold basis: the financial authorities prophesied that dreadful consequences would follow any such departure from gold. Shortly after forming the national government, the country abandoned the gold standard just the same—probably abandoned it for ever—but without any such dire consequences as the schemers for financial government behind the political merger predicted.

National government has been the medium for enforcing deflation, drastic economy and severe privation on everybody but the private controllers of national credit power. In Canada, there has been no need for the merging of political parties to produce this result. It has been the "belt-tightening" policy of the present administration. It could have been no more severely applied by any union government. Canadian industries, business, railways and the standard of living generally have been sabotaged at the behest of "sound money." No Imperial governor from the Bank of England could have done it more thoroughly without producing revolution—for Canada is no longer in the colonial stage of Newfoundland.

After commenting in the House last Tuesday night on Sir Edward Peacock's desire to see national government set up in Canada, Mr. Mackenzie King, the probable next prime minister of Canada, gave the following statement to the Canadian Press:

There are many in Canada who will be inclined to believe that the plea that a national government was necessary to a solution of Canada's problems owed its inspiration to Canada's High Commissioner in London, at whose Dominion Day dinner Sir Edward Peacock made his remarks. Be that as it may, there is one thing certain, and that is the next government of Canada will not be a National government, nor a Conservative government; nor will it be a government formed at the suggestion of British financial interests, not even those of Baring Bros. or the Bank of England or any of their directors.

For some reason, the opposition leader's statement to the Canadian Press failed to reach the Canadian newspapers. Under national government, of course, there never could be any such statement, any more than there can under the cruder forms of dictatorship in Germany, Italy and other corporate states. But even without any Canadian Press report of Mr. Mackenzie King's statement about the next government, public opinion in Canada will be less inclined than ever to entertain the suggestion of another union government when it is proposed from the temple of Imperial finance in London. Only Sir Edward Peacock's innocence of politics could have led him into putting forward the suggestion as the principal speaker at Howard Ferguson's Dominion Day banquet, so soon after the recent election writing on the wall in Ontario, Saskatchewan and elsewhere.

W.L.M. King Papers, Memoranda and Notes, 1933-1939
(M.C. 26, J 4, volume 224, pages C152562-C153075)

PUBLIC ARCHIVES
ARCHIVES PUBLIQUES
CANADA

