

*The Budget—Mr. Veniot*

duced the motion the next day in connection with the treaty. The hon. member takes credit for that. He goes on to say:

The records show that the first speakers to follow with support of the treaty were Doctor Manion and myself.

I noticed the other day that the hon. gentleman whom my hon. friend mentions as having followed him in influencing the Minister of Finance was one of those who applauded the loudest the financial critic of the opposition when in unmeasured terms he condemned the Australian treaty.

Mr. MANION: My hon. friend is imagining things.

Mr. VENIOT: I thought my hon. friend would rise at this. What is the spectacle we have in the house to-day? We have members of the Conservative party applauding their temporary leader when he condemns the Australian treaty, and others, when they go out into the country, claiming credit for having forced the government to put the treaty on the statute books. That is the situation. But we have a worse situation than that in the house. We have our friends discussing the tariff and pleading for higher duties, claiming that it is the only way to bring about prosperity in Canada, but perhaps, according to them, to continue the prosperity that we as Liberals have given to Canada under a low tariff. We have these hon. gentlemen on the one hand pleading for higher tariffs; but if you touch hard coal or bituminous coal for steel purposes in Ontario, if you add a duty to it, Ontario will go wild. On the other hand, we have our friends down in the maritime provinces, especially from Nova Scotia, asking for a duty on coal and more encouragement for the steel industry in the way of duty because, after all, the bonus amounts to that. We have the Conservative party representing Ontario at loggerheads with the Conservative party representing Nova Scotia.

Some hon. MEMBERS: No.

Mr. VENIOT: My hon. friends say "No," because they are driven to the wall now. I am laying down the situation as it exists.

An hon. MEMBER: The minister does not know the situation in Ontario.

Mr. VENIOT: I know that the Steel Company of Canada and other steel works and industries in Ontario will not be satisfied until they have obtained a drawback on United States bituminous coal to help those industries. That is equal to free entry.

Mr. MacDONALD (Cape Breton South): They have it now.

[Mr. Veniot.]

Mr. VENIOT: Exactly, they have it, but the very moment the government would attempt to impose a duty on coal, Ontario would go into revolt. It does not surprise me at all to find hon. gentlemen getting up from their seats when their political duplicity is exposed.

I want to refer to a few other statements of the financial critic of the opposition. The other day when he was delivering what I am satisfied to call a very good speech from the standpoint of the opposition, but one of the most inconsistent speeches that I have ever heard fall from the lips of any public man; when he was making his argument on the financial condition of Canada as reported in the budget speech, I happened to smile. I did not think it was any offence to smile while I occupied my seat in the house, but immediately the financial critic of the opposition threw across the floor of the house the question: "Why is the Postmaster General smiling? He has shown complete ignorance of the financial conditions of Canada." That was because I smiled. After this I suppose members on the government side of the house will have to go on their bended knees to ask hon. gentlemen opposite, especially those in the front seats, whether we may smile or laugh. I want to say to the hon. member for South Wellington that there was a reason for my smiling; it was because of the way he was handling the finances of the Dominion of Canada in direct opposition to the way in which he handled them and to the principles he applied in years gone by. Conditions have not changed from what they were in 1916 and 1917 when I, as a Liberal, was wont and proud to follow the arguments and to accept the principles of my hon. friend. If he was right then, he is wrong now, and if he is right now he was wrong then; and he led many Liberals in Ontario and other parts of the Dominion astray by the principles he laid down at that time. He is on the horns of a dilemma, and he cannot very well extract himself from either.

But there was another reason why I smiled at the expense of my hon. friend, and I am going to refer to it. For instance, dealing with the tariff, he laid down the principle that for the benefit of Canada we should have a high tariff, or a tariff higher than we have to-day; that that was the only salvation for Canada, the only solution of our present financial or economic ills. And my mind ran back to those days when I, with other Liberals, travelled many long miles to hear the eloquent voice of the member for South Wellington laying