

casts is to be the real issue in the general election. Speaking on January 2, the Prime Minister, having said that reform was to be the issue, gave his definition of reform. He said that reform means government intervention; that it means government control and regulation; that it means the end of *laissez-faire*. May I say to the Prime Minister in all frankness that I think in speaking thus of government intervention and *laissez-faire* he does not understand the meaning of the terms, and that he has mistaken what is a means for an end. He has said that the end of reform is state intervention. That is a new definition of reform. My understanding of *laissez-faire* is "to let alone." My understanding of state intervention is "to interfere." In dealing with the relation of the government to public affairs the extent to which it is advisable to leave alone will be determined by the nature of the questions which are before the government and country for consideration, and the extent to which it is advisable to interfere will likewise be determined by the nature of the questions that are before the government and country for consideration. May I say that no political party of which I have knowledge has at any time had a monopoly of the one means or of the other. Both means have been available and made use of by all parties, true enough in the case of each to serve its own ends. It is quite true that sometimes the Liberal party has availed itself more of a policy of *laissez-faire* than of intervention; at other times it has availed itself more of a policy of state intervention than of *laissez-faire*. The Liberal party intends to continue to avail itself of both means, and of the two, the one perhaps most necessary at the present time in one direction and equally necessary with any policy of state intervention in another if we are going to make possible these reforms about which the Prime Minister alleges he is so much concerned, is a policy of more in the way of *laissez-faire* with respect to matters of trade and trade barriers and restrictions.

What has this country witnessed since the present government came into office? Instead of the unemployed numbering 117,000 as was the case when the Prime Minister came to office, the numbers, according to latest estimates stated to be receiving direct relief, have become 1,000,000. What is responsible for conditions in Canada being as depressed as they are more than the excessive intervention with the course of trade, a policy of state intervention? When the government came into office, they began to raise the tariffs. That was state intervention. Every tariff is an interference on the part of the state with

the regular course of business. They began to increase the tariff out of all bounds; they interfered by means of dumping duties; they interfered by means of embargoes, by means of quotas, by means of artificial valuations, they interfered by fixing exchange rates. All along the line, in fact clear across this country there is to-day a network of barbed wire entanglements in the nature of restrictions upon trade that will have to be torn away if in this dominion we are to have greater freedom of trade. I do not mean to say that any party would advocate the abolition of all tariffs, but, if we are to have trade and any possibility of improvement of conditions, we must take away from this ministry or, indeed, from any ministry, the power of arbitrarily interfering with the laws passed by parliament, of making tariff rates by order in council, and of creating by order in council those other restrictions which prevent the natural flow of trade. Where the Liberal party has thought it advisable in greater or less measure to get rid of restrictions of this kind, it has followed, and will continue to follow, a policy of *laissez-faire*, not absolutely, but relatively in comparison and contrast with what has been done by way of government interference with trade by the present administration.

In regard to intervention I shall indicate a little later some of the instances in connection with social legislation in which the Liberal party has thought it advisable to interfere, and where its policy has been consistently one of intervention on the part of the state. But where the policy has been one of intervention it has not been for the sake of intervention itself; it has been intervention for the sake of preserving freedom, or giving a larger measure of freedom.

Here may I just point out the difference between the two parties in their use of these methods in obtaining their ends. Study the history of Liberalism and what do you find it to be? It has been an effort at all times to subject the particular interest to the general interest. Wherever it has been found that the general interest is being made subordinate to some special privilege or some particular interest, there Liberalism has come along and, either by *laissez-faire* or by state intervention, has sought to secure a larger freedom by preserving the general interest in its control over the particular interest. But what has been the history of Conservatism, of the Tory party? It has been the very opposite; it has been to see that particular interests were made superior to the general interest, that the general interest should be subordinated to particular interests.