

(October 6th, 1936)

## Observations on World Conditions

HON. G. HOWARD FERGUSON.

COL. MESS:—Gentlemen, the Honourable G. Howard Ferguson.

HON. MR. FERGUSON:—Mr. President and gentlemen, I certainly appreciate the introduction of the chairman. I have heard him introduce a great many people in terms of exaggeration and sometimes perhaps not too close to accuracy, so that I am glad indeed that he left me to introduce myself.

When your executive was good enough to pay me the compliment of asking me if I would come and talk to you for a few moments in an informal way about the problems that are disturbing the world's condition today, I said, as I always say under such circumstances, "I will be very glad to do it". To begin with, I like to talk and I don't get much chance at home. And in the second place, if the results of the observations that I have had the opportunity of making are of any value, I regard it to some extent as a public duty to inform you, as best I can, as to what I have seen, the views I hold and the impressions I have had.

At the present time it is most difficult for one to sit down and think out a carefully prepared address, because what you prepare today does not fit the circumstances of tomorrow. Things are developing and moving so rapidly in the world and the kaleidoscopic change not only puzzles the greatest minds in the world today, but is upsetting the equilibrium of the steadiest countries in the world at the moment. Notwithstanding, however, the great convulsion, the upheaval, the confusion that exists in Europe at the present time, my analysis of the situation still leads me to the conclusion that I had when I last was in Europe, that there is not to be any war for some little time. Every

nation of course is strengthening its position. Those that are most likely to bring about conflict are not ready as yet because they fear they will be unable to accomplish their objective. There is no doubt in my mind that Germany is waiting the opportune time when she can acquire some territory. The hive will only hold so many bees and the German hive must swarm some day. Whether it will be any enlargement of European territory, which is my present belief, or an attempt to recover colonies, remains to be seen. The other menacing factor, of course, is on the Mediterranean, the Italian situation, and it has its compensations. Neither Germany nor Italy, I think, will undertake a serious conflict except in cooperation. And Germany happens to be in a position, unfortunately for her ambitions, fortunate for the rest of civilization, between France and Russia. And it is going to be very difficult for Germany to carry out any extensions, her progress to the south barred by the French Republic and on her back the great Russian bear, with his teeth and claws prepared to tear Germany to pieces.

Now, in the few observations that I have in mind today the thing uppermost in my mind is: "how does this situation affect us in Canada and how should we behave towards it?" In my own belief, it affects us seriously. We must declare our position. Because so far as Canada is concerned, I do not believe that we can play the part of isolationists, although we are 3,500 miles from Europe. If we are ever going to become a worth-while country, we have to play our part with other nations in the world of affairs. Look at Canada's relation to the situation. There are two features that present themselves that I would like for a few moments to refer to. On altruistic, broad, humanitarian principles, Canada is affected. And if we put it on the much lower ground of sordid material interests, Canada is seriously affected.

We have our birthright from the greatest humanitarian nation in the world. We have inherited temperament, character, disposition, world outlook, worthy of the greatest nation in the world. Can we as a people renounce all the blessings of this great heritage of ours and turn our backs upon the motherland? If we do, what will be the inevitable result? Any of you, I am quite sure, is

convinced, everyone of you, that the great saving factor, that has prevented the outbreak of a serious tragic conflict long ere this, has been the disposition and the influence of the great British Empire. Nobody can go to Europe, aye, and you do not have to go to Europe to discover that the world is looking to Great Britain for leadership. You read only yesterday an interview from the head of the great Vancouver Publishing Co., a citizen of outstanding position, a student of world affairs. He comes back from a lengthy visit to Europe and he says to the American people, "The only people in the world capable of leading the world along right lines is the British Empire." And our friend Mr. Dafoe of Winnipeg said only yesterday, "We must not lull ourselves into a sense of security, thinking Canada is not interested in or Manitoba is not threatened as a result of the chaos in Europe." Coming from those two men alone, representing different points of view, citizens of competitive countries, are you not impressed with the idea that the great "old Empire" is the leader to which everybody throughout the world is looking today?

That being so, it is essential that the Empire should have consolidated action. It is essential that there should not be any weak links in Imperial organization. One of the things that impressed me tremendously was the deference paid to a united Empire, and when day after day and night after night the representatives of Great Britain and the Dominions and India sat down to discuss these problems and decided upon what course of action was to be taken, and then when we went into open Assembly or Council and it was learned by the nations of the world that Great Britain is leading a consolidated Empire, it had a tremendous effect upon the deliberations of that great assembly. And if we believe, as I think you do, that the leadership out of our great difficulty and the security of liberty and peace depend upon British leadership, then, I think you will agree, we are interested in standing behind Great Britain in the day of her distress and the day of her need. The only worth-while friend is the one that stands by you when in difficulty. And that applies to nations. We have played a great part in Europe. We will play a great part in world affairs, but we must look at the realities

of the situation and learn whether we are to profit by it or otherwise? Yes, and we are not free from menace in this country. It has been said that the United States would protect us. And that may be true. I can quite conceive, it would not be in the interests of the United States to have a European country north of the line rather than the present Dominion. But I do not want to be dependent upon the United States. I have no reason to expect assistance from the United States. I am not entitled to call upon her at any time. I have no resentment, nothing but the kindest feelings and the deepest gratitude for what gestures and overtures she has made of a friendly character to us. But I want to be able to call on the partners in this great Assembly to which we belong, the British Empire of which we form a part.

Look at it from another point of view, the Imperialistic or the selfish point of view, if you will. Should we stand by the Empire and what will we get out of it? I think, in my humble opinion, we shall get much greater prestige as a part of a great world organization, dominating and directing civilization, than we shall as a small unit of ten million people. The prestige of being part of the Empire is something that is one of the wonders of foreign countries. "How is it you people all stick together?" I have had that question put to me over and over again by delegates and representatives of foreign countries. Why is it? Because we have the same ideals, I say. We inherited the type of government we enjoy, which gives us freedom and security and gives us monarchical interests based upon popular responsible government, the system that exists nowhere else in the world.

It would pay us from the standpoint of trade to stand by the rest of the Empire and when you stop to think three-quarters of our trade is done with the Empire, over 40 per cent of it with the little islands in the foggy North Sea, you hard-headed business men, I think, will conclude that they are pretty good customers and we ought to cultivate them. All the world pays tribute at the seat of customs in Great Britain. We trade there freely as we do between our own provinces in this Dominion of Canada and our trade is growing not slowly but rapidly. The trade between this country and the country to the south of us is

growing, but not at the same pace as that of the British Islands, and speaking again personally and without any feeling whatever, I have a deep-seated conviction that I would rather trade with my friends than with my competitors. We are not subject in this country nor in the old country to the periodic instability and upheaval that is the inevitable result of the situation, south of the line, and their method of handling their political affairs. And that, it seems to me, is a great safeguard. So I say, it is important, even from the standpoint of our business advantage, that we should stick to the old country.

A year hence the whole situation commercially is to be reviewed. I believe and I hope it will be reviewed on all sides with a flexible spirit of give and take, looking at it in the broad way, what will be the best for the whole, the Imperial organization, rather than what will be best for us at the expense of some other part of the Empire? I think you will be met with a generous attitude on the part of the British people, far more generous may I say than a few years ago, because they did not understand, for some time, the new method and the new system. As an evidence of what is happening, you saw the other day, where they are taking steps to limit further the quota of bacon, that is coming in from Denmark, and what they take off Denmark will come to this country, but we must remember, if we expect to sell to them, we must be prepared to buy something from them. You cannot encourage trade, you cannot afford to encourage trade, without being prepared to safeguard and protect your trade and there is where trade and navigation or navy, if you like, are bound up together. In a great scattered Empire like this, joined together by sea lanes of thousands of miles, our trade can only be secure if these routes are policed. Are we to continue to take all the advantage we can of that situation, and not furnish a single policeman to keep the track clear for us? I feel that the time has come when we should sit down and consider seriously with all parts of the Empire, if we are to trade with one another, should we not share in the system of protecting one another? As you know, that problem came up at the conference in 1932 and it has been up at almost every conference. It was shelved by being

sent to what is known as the Shipping Committee and it is still there. New Zealand was the last to bring the problem up but I hope New Zealand, if not Canada, will see to it that it comes up again at the next conference, because we must look beyond today or tomorrow or next year.

We are looking away into the future. How are we going to lay down a structure that will increase in extent and in strength in the years to come, unless we all cooperate? And I say that trade is indissolubly bound up with the question of defence and the two must be dealt with as one problem. What will Canada's position be? I feel sure that Canadian people and the Canadian government, whatever government may be in power, will be prepared to consider sympathetically and generously suggestions that will bring about greater coordination of Imperial effort and Imperial progress. There are people who seem to devote their efforts to inducing certain elements to refuse to encourage or induce anybody to come to the defence of his own family, his own country, his own Empire. Those efforts, I think, will result in utter failure, because of the overwhelming sentiment that supports that leadership, that represents the highest ideals in the world and the best elements of civilization.

We are either going to be in the Empire or we are going to be out of it. There cannot be any half way. We cannot have the trade all going one way, nor can we have a protection of that trade and the burden involved, loaded upon one or two members of the organization. I have too much respect for the pride and the manhood of the people of Canada, to believe for a moment, that we will not be prepared to do a reasonable share to consolidate our position as a part of this great organization. If we do not do that of course we are not a strength to the Empire at all. We are a weakness to it. If we are prepared to sell everything we can to her and buy as little as we can and we are not prepared to contribute toward the protection and safeguarding of that trade, I think you will agree that we are a distinct burden to the rest of the Empire. We have to come to some conclusion, reach a definite basis of co-operation. The evolution that is going on today is creating an entirely new world situation. We must be prepared for

it. It would be really a Utopian situation if we were able to interest the great American republic to join hands with us in saying there shall be no more war, because, if the English-speaking peoples were to give that notice to the world, there would be no war. And I pray that that hope may be realized.

I witnessed United States navy manoeuvres down the western coast. There were one hundred and sixty naval craft in one section of their navy. I also saw not scores but hundreds of planes, in one shed, almost five hundred, stored, ready for use. That means that the United States is alive to the gravity of the situation and it may mean, as I hope it does, that when the die is cast, if some fool-hardy, swash-buckling little postage-stamp nation in Europe starts a war, we will find that the United States will be prepared to support the interests of civilization and protect the best interests of the world, just as readily as we are. With the confusion of today it is impossible to draw any conclusion; it is dangerous to criticize because the little belligerent countries, the fellows who believe in swords and pistols and force and noise, they print every statement that is made by any part of the Empire that they think is critical of the Empire's action. You can go into the reading rooms at the League of Nations and have translations of these articles given you, and you can understand with what glee they exaggerate the fact that there is cleavage in this huge British organization. And then there is great jollification amongst these little chaps.

We are not responsible for the League of Nations. It is a foster child. But having adopted it in the interests of the world Great Britain is doing the only possible thing that can be done in trying to bring this youngster through. They stood by and allowed a great statesman south of the line, who apparently conceived he had more vision in world affairs than he really had, to lay down a basis of representation at a great world parley of nations and when everything was done and the document signed and everyone felt secure, he comes home and finds that he has put his foot in it, and his people say you had no authority to carry out such a program. The United States withdrew. Since that time Germany, Japan and possibly Italy have withdrawn and today we find the

spirit of unselfish humanitarianism still struggling at tremendous cost to reclaim something that will be of value from the wreck that has recently occurred. I am convinced you will see some organization, at the instance of the British people, that will serve a great purpose in allaying unrest and restoring confidence in the world's outlook and make for a civilization, including ourselves in Canada, security to enlarge the right of freedom as it is the heritage of every British people.

COL. MESS:—During the recent visit of the Lord Mayor of London when we asked him to speak at the Canadian Club, he said he had only two speeches. For short occasions he said "Thank you gentlemen", and for more serious occasions he said, "Thank you very much".