

Eighth Day.
30 April 1907.

PREFERENTIAL
TRADE.
(Mr. Deakin.)

almost for its existence that a customs alliance of some kind should be established; that if it were not established the Self-governing Dominions might be expected to turn to other Powers and possibly to enter into treaties with them which he thought would have an injurious effect. That seems much nearer to-day. He considered by anticipation the question of the effect upon food products of his proposal, and, as I remember, thought that an increased cost of a reasonable duty upon food products other than those from within the Empire which were brought into the United Kingdom, would be slight and of short duration. He entertained a strong hope and expectation that his proposal would be adopted. I do not wish to dwell further upon this side issue, except to say that if Mr. Hofmeyr's speeches in 1887 and in 1894 at Ottawa be taken together, they form a very notable contribution to the discussion of this question from another point of view, though an allied point of view, to that which is touched upon in the Resolution that the Commonwealth has submitted. They seem so important that I venture to interject them here, because of the intimacy of their relation, although they are not directly material to the proposals we have before us. It was in 1897 at which the Resolutions, which I read as of 1894, were passed, showing that at the third Conference Preference was still a live question. Then in 1902 we have the resolutions which Sir Wilfrid Laurier has read to us this morning, and which, I am glad to hear, he proposes to re-affirm.* At every Conference, therefore, this issue has been raised in some form or another, with increasing force on each occasion and with increasing definiteness. It would not, therefore, be quite consistent with the course that has been followed by previous Conferences if this issue were not dealt with, and I hope even more thoroughly, at this Conference. For that, too, we have a special warrant. I find in a document, which appears to be in a sense official, issued by the Imperial Federation (Defence) Committee, reporting very fully a deputation to the Prime Minister of 1904, that Mr. Balfour, speaking as Prime Minister, in reply to their request that the question of Naval Defence and Imperial Defence generally should be pressed upon the coming Conference which was due in 1906—which is this Conference, postponed a year—went on to say: "As everybody is aware, the circumstance which forced upon me at least the absolute necessity of calling such a Conference was the position in which we have been gradually brought by a controversy which has nothing immediately or directly to do with, though it is indirectly no doubt connected with, the subject which has brought you all here to-day"—that is the subject of Defence. "I am not going to say a word upon that controversy"—that was the Tariff Reform controversy. "There are gentlemen in this room, probably, holding very many different views upon the subject, and it would be quite out of place and quite improper for me to drag in the merits of that controversy even in the most indirect manner. But I quite admit that though the question of closer commercial union with the Colonies, or though a discussion of the possibility of finding an arrangement for closer commercial union with the Colonies, may be the occasion for the summoning of the Conference, it is impossible, and it would be improper, that any such Conference should be confined to that, or should be restricted from discussing anything connected with the closer union of one part of the Empire with the other. It would, indeed, violate the very fundamental condition which I believe to be essential to the value of such a Conference—the condition, I mean, that it should meet with perfect freedom, unhampered and unfettered." I quote that for the purpose of showing that the late Government, which had in view the present Conference, held that the discussion of the possibility of finding an arrangement for closer commercial union with the Colonies was the occasion, or the prime occasion, for the summoning of this very Conference.

* [Cd. 1299] p. 36.