379 A.--5.

in this country, we do not ask it." Our opinion is, it will not increase the cost. We know we differ from you on that subject. Our proposal is "preference," which we say will be better for the poor men of this country. We have no business to urge an opinion against the poor men of this country. We have no idea of imposing any burden upon the poor men of this country.

Eleventh Day. 6 May 1907.

PREFERENTIAL
TRADE.
(Dr. Jameson.)

Mr. LLOYD GEORGE: Of course, you have every right to present it to us, and we are doing our best to give it the most careful and the fairest consideration we can. I point out why we are alarmed, and genuinely alarmed at this proposal, from the point of view of our poor people.

Dr. JAMESON: But it seems to me your argument was not the 2s., but the risk you might take here, by following the example of Germany and raising it up to 5l., but surely nations must take risks occasionally.

Mr. LLOYD GEORGE: I put both points. First of all, I put the danger which undoubtedly we would incur from the temptation which has been found irresistible in France and Germany, the temptation to increase the duty. In France the duty started at 1s.; it is now 12s. In Germany it started at 2s., and it stood at 7s. 7d. in 1902, and has gone up, and I think it is now somewhere in the neighbourhood of 12s. If these powerful governments have been unable to resist the clamour for increased duties for the protection of agriculture, why should we be able to resist it?

Mr. DEAKIN: Because your manufacturing constituencies send in such an immense majority over your agricultural districts and have such an immense majority of representatives to safeguard their interests.

Mr. LLOYD GEORGE: But take the case of Germany. I have not the figures and would not like to express an opinion at once, but I think you will find, that in Germany there is a similar state of things.

Dr. JAMESON: I think the answer is, you have enormous Colonial possessions which will keep down this price. You have put the time forward by years and years, but I am told by Canadian and Australian authorities, it is not a very long time before they will be able to supply the needs of the Empire.

Mr. LLOYD GEORGE: Asking you on your responsibility, how many years do you think it would take before the Colonies could supply us with the deficit of about 150,000,000 bushels of wheat which is now made up by foreign supplies?

Dr. JAMESON: I think I can leave that to the representatives concerned. It would best come from Mr. Deakin and Sir Wilfrid Laurier, and they have told me it would be very rapid. I think two years was mentioned.

Sir WILFRID LAURIER: Canada produces now 100,000,000, and we expect to reach a figure of 600,000,000. But I would not venture any prediction as to the time. That is very contingent.

Mr. DEAKIN: Then there are Australia and New Zealand.

Mr. LLOYD GEORGE: But we cannot make the poor men's bread contingent. A poor man cannot wait three years for his bread.