

by 100; they were beaten in 1906 by 300, at least, and I have no hesitation in saying that whatever the contributory elements to that disaster were, there was none that was more potent than the proposals made for a preferential tariff which involved a tax on food. I do not say that was the only issue. It would not be fair for me to say so. You are all gentlemen who have fought elections, and you know you cannot say that 45 per cent. of the result is due to this consideration and 20 per cent. to another consideration. But I do say that this was one of the largest elements. That is twenty years after the proposals were made, and now it is a time of booming trade. Then it was a very disappointing time of bad trade. What is your position now? Have you noticed—and here I want to keep clear of party politics—that our party is solid against taxing food? I am going to put this frankly. Is the other party as solid in favour of it? Mr. Balfour, the late Prime Minister, when he was Prime Minister and Leader of the Party, said at Sheffield that this country, in his judgment, for historical reasons, could not be induced to put a tax on corn. He stood by that position for two or three years, and at the last general election not half of the Conservative candidates in the country ever put a duty on corn on their programmes. They were asked “Will you do it?” They either avoided the question or said: No, they would not. I do not think I am exaggerating when I say that was the case with fully one-half of them. Some of the most powerful members of that party now are men—I do not want to name them—who are opposed to the idea of a duty on corn to the very utmost extremity. Their names will present themselves to your minds. Dr. Jameson knows them very well. Where is Mr. Balfour now? Two months ago the question was put to him directly in the House of Commons: “Would you put a duty on corn as a basis of your preferential tariff?” He absolutely refused to reply. He said something about wine, but that is a small matter from any point of view—too small a matter in my judgment to affect the position one way or the other. But when you come to the large and the most important matter, the question of corn, the Leader of the Opposition refused to pledge himself. Has he done so now? I have seen two or three interpretations of the declarations he has made—interpretations placed upon them by his own supporters. Were you to write a letter to him to say: “Does this mean, “Mr. Balfour, that if you were returned to power next year you would “propose a duty on corn in order to give a preference to the Colonies?” the Liberal Publication Department would pay a good price for the answer, if it should be in the affirmative. You will not get it. I am certain you will not. What may happen in the course of the next two or three years, heaven alone knows. You may have some other great issue precipitated into the arena which will divide parties and recast them. You cannot tell. No one can predict now how much the fiscal issue will count at the next general election—things change so rapidly in our politics, as in the politics of other countries. There may be a combination to fight the present Government on other issues which may be sprung upon them. But you must not assume too readily that the question of preferential tariffs is going to be, I will not say a dominating factor, but even a factor at all in the next appeal by the other party to the electors of this country. My reason for saying this is to ask whether, having regard to all these considerations, it would not be well to devote some time to the consideration of proposals of a different character.

Eleventh Day.
6 May 1907.

PREFERENTIAL
TRADE.

(Mr.
Lloyd George.)

Mr. DEAKIN : A bird in hand.

Mr. LLOYD GEORGE : That is it. Would it not be well to devote some time to the consideration of proposals which are none the less important in practical effect in that they are not flavoured with an element of bitter