commercial intercourse. But in regard to preference, as in regard to all other tariff questions, the discussion cannot possibly be practical unless the propositions are examined in precise detail—in exact and substantial detail. Many people will avow themselves in favour of the principle of preference who would recoil when the schedule of taxes was presented to their inspection. I, therefore, leave generalities about preference on one side. I leave also proposals which have been discussed that we should give a preference on existing duties. I think it is quite clear that no preference given upon existing duties could possibly be complete or satisfactory. It could at the very best only be a beginning, and Dr. Jameson and Dr. Smartt when they urged us with so much force to make a beginning by giving a preference on South African tobacco have clearly recognised and frankly stated that that preference would in itself be of small value, but that it would be welcomed by them as conceding the larger principle. Therefore, I think, we are entitled to say that before us at this Conference is not any question of making a small or tentative beginning on this or that particular duty, but we have to make up our minds upon the general principle of the application of a reciprocal preference to the trade relations of the British Empire. If that be so, I am bound to say that I think that the representatives of the self-governing Dominions who ask us to embark on such a system ought to state bluntly and abruptly the duties which would be necessary to give effect to such a proposal. I thought what Mr. Deakin said on this point was extremely correct. He said that if the principle of preference were agreed upon between the Mother Country and the Colonies, it would be left to each partner to that general resolution to select the duties by which they would give effect to the principle of preference. That is a very correct attitude, and I am quite sure that Mr. Deakin was very glad to be able to assume it. I know, in the House of Commons, myself, the satisfaction with which I have been able sometimes to parry an awkward question with a highly correct answer. The question whether raw material is to be taxed is absolutely vital to any consideration of Imperial preference. Although I think it is a very good answer, when the direct question is raised, to say that the Colonies would leave that to the Mother Country, those who urge upon us a system of reciprocal preference are bound to face the conclusions of their own policy, and are bound to recognise that that request, if it is to be given effect to in any symmetrical, logical, complete, or satisfactory, or even fair and just manner, must involve new taxes to us on seven or eight staple articles of consumption in this country. I lay it down, without hesitation, that no fair system of preference can be established in this country which does not include taxes on bread, on meat, and on that group of food stuffs classified under the head of dairy produce, and which does not also include taxes on wool and leather and on other necessaries of industry. No uniform or fair system which did not include that could possibly be established. If that be so, seven or eight new taxes would have to be imposed to give effect to this principle you have brought before us. Those taxes would have to figure every year in our annual Budget. They would have to figure in the Budget resolutions of every successive year in the House of Commons. There would be two opinions about each of these taxes; there would be those who like them and favour the principle, and who will applaud the policy, and there will be those who dislike them. There will be the powerful interests which will be favoured and the interests which will be hurt by their application. So you will have, as each of those taxes comes up for the year, a steady volume of Parliamentary criticism directed at the taxes. Now that criticism will, I imagine, flow through every channel by which those taxes may be assailed. It will seek to examine the value, necessarily in a canvassing spirit, of the Colonial Preferences as a return for which these taxes are imposed. It will seek to dwell upon the hardship to the consumers in this country of the taxes