

Twelfth Day.

7½ May 1907.

PREFERENTIAL
TRADE.

(Mr. Churchill.)

Empire which you are asking us to forge laboriously now, would be irremovable, and upon them would descend the whole weight and burden of popular anger in time of suffering. They would be irremovable because fixed by treaty with self-governing Dominions scattered about all over the world, and in return for those duties we should have received concessions in Colonial tariffs on the basis of which their industries would have grown up tier upon tier through a long period of time. Although, no doubt, another Conference hastily assembled might be able to break the shackle which would fasten us, to break that fiscal bond which would join us together and release us from the obligation, that might take a great deal of time. Many Parliaments and Governments would have to be consulted, and all the difficulties of distance would intervene to prevent a speedy relief from that deadlock. If the day comes when you have a stern demand, and an overwhelming demand of a Parliament in this country, backed by the democracy of this country suffering acutely from high food prices, that the taxes should be removed, and on the other hand the Minister in charge has to get up and say that he will bring the matter before the next Colonial Conference two years hence, or that he will address the representatives of the Australian or Canadian Governments through the agency of the Colonial Office, and that in the meantime nothing can be done—when you have produced that situation, then, indeed, you will have exposed the fabric of the British Empire to a wrench and a shock which it has never before received, and which any one who cares about it cannot fail to hope that it may never sustain.

Dr. JAMESON: Would not it be possible to mitigate this "awful shock" by making some original reservation to provide for these awful possibilities—these emergencies?

Mr. F. R. MOOR: We have it already.

Dr. JAMESON: There are often reservations for emergencies in treaty obligations.

Mr. WINSTON CHURCHILL: It is not a mere question of goodwill on either side. When you begin to deflect the course of trade you deflect it in all directions and for all time in both countries which are parties to the bargain. Your industries in your respective colonies would have exposed themselves to a more severe competition from British goods in their markets, and would have adjusted themselves on a different basis, in consequence. Some Colonial producers would have made sacrifices in that respect for the sake of certain advantages which were to be gained by other producers in their country by a favoured entry into our market. That one side of the bargain could be suddenly removed without inflicting injustice on the other party to the bargain, appears to me an impossibility.

Those are practically all the observations with which I wish to trouble the Conference, and I must say I am very much obliged to members of the Conference for the patience with which they have heard these views.

I submit that preferences, even if economically desirable, would prove an element of strain and discord in the structure and system of the British Empire. Why, even in this Conference, what has been the one subject on which we have differed sharply? It has been this question of preference. It has been the one apple of discord which has been thrown into the arena of our discussions. It is quite true we meet here with a great fund of goodwill on everybody's part, on the part of the Mother Country and on the part of the representatives of the self-governing Dominions—a great fund of goodwill which has been accumulated over a long period of time when each party to this great confederation has been free to pursue its own line of development