

Fourteenth Day.
9 May 1907.

IMPERIAL
SURTAX ON
FOREIGN
IMPORTS.

(Mr.
Lloyd George.)

of view. Instead of trading to a certain extent with, for instance, the Argentine, we should trade with you. The benefit from the Imperial point of view would be great. You would develop your trade enormously. All I say in a proposition of that sort is that you ought to contribute at any rate equally—I am not putting it higher than that.

Dr. JAMESON : You are going to take the trade by this proposition from the Argentine to the British Colonies. By so much as you transfer it, the less will be the money you will pay to this fund, the fund will be smaller.

Mr. DEAKIN : That is another point.

Mr. LLOYD GEORGE : But to what extent ?

Dr. JAMESON : Exactly to the extent you say.

Mr. LLOYD GEORGE : To the extent of one per cent. Our imports of manufactures would be practically unaffected.

Dr. JAMESON : It is on the manufactures you introduced into this country.

Mr. LLOYD GEORGE : Yes, practically unaffected by a proposal of this kind.

Dr. JAMESON : That brings in the point that you will probably make them yourselves.

Mr. LLOYD GEORGE : That is quite a different question.

Dr. JAMESON : Not different, merely a bigger part of the same question.

Mr. LLOYD GEORGE : But the proposition as it stands at the present moment, is that we should, if we prefer it, make an equivalent contribution instead of levying one per cent. on our imports from foreign countries. That means upon the present basis of our fiscal policy a contribution of 4,500,000*l.* as against 600,000*l.* by the self-governing Colonies. I do not think the thing is workable for a moment.

Mr. DEAKIN : May I say that I am not altogether surprised at the nature of the reply, but entirely surprised at the line of argument which has been pursued. I have never heard more fallacious and transparently inapplicable comparisons applied from one set of circumstances to a different set of circumstances than I have just listened to. I must say that to attempt to take the consequences of alterations in our several schedules of duties as a measure of what you are to gain by some unknown and yet undefined mail service or cable service improvement, a reduction in canal dues, or anything of that sort, is perfectly futile. If such reasoning carries conviction to anyone, it certainly does not to me. I laid no stress upon the particular amount of 1 per cent. I took that from Sir G. Sydenham Clarke for the purposes of launching the proposition, as I thought I carefully explained. But the worst fallacy of all is, that because each country is to dedicate a certain amount towards Imperial purposes, therefore, of course, there must be some proportion either of population or other proportion between those amounts. There is no necessity for any proportion whatever in the amount paid by each to its fund while that fund remains, as I said, under the control of the people who raise it and