

That plan was predicated upon the general adoption of preferential tariffs, and we maintained that such a plan could best provide reciprocal benefits to those participating in it. At that time a most profitable enquiry, in my opinion, was held into the merits of our proposal, and all competing plans and projects were fairly and fully canvassed. The Empire as a whole was not then ready to adopt our plan. By common consent the Conference was adjourned. This Conference follows upon that adjournment.

In the interval, as I have said, the United Kingdom has adopted the principle of tariffs as an instrument of economic advancement. As a consequence, the difficulty in adopting our plan has been removed. Our policies are now uniform. Our desire for achievement is even greater now than then. Our common need is now more urgent. No one, therefore, can now deny that the time for action has arrived, and that the British Empire at last is able to fulfil its long-time hope of real and helpful closer Empire economic association. And that the son of the greatest protagonist of Empire trade is to-day one of the delegates to this Conference seems to me prophetic.

I will resubmit in principle my earlier proposal, with such modifications as the present circumstances make advisable.

I do not need to tell you that its terms have engaged the anxious attention of His Majesty's Government in Canada. We have considered the question not only from the point of view of our own advantage, but also from the point of view of yours. And we have resolved upon a proposal which we believe it will be to our common interest to disclose at the outset of this Conference, so that there may be before you for examination—and we earnestly trust acceptance—the plan this Government holds to be the best.

What do we hope for from this Conference? The answer is, I think, from all of us, greater markets within the Empire. This is the answer from all of us undoubtedly, if we are persuaded, as I am, that greater Empire markets mean as well greater world markets. For to us in Canada closer Empire economic association does not mean in any sense world dissociation. The trading potentialities of this Empire are great. But even one-quarter of the human race cannot profitably shut itself off from contact with the rest of the world.

When we reach an agreement by which our products pass more freely from one Empire country to another, we drive clear channels through the stagnant pools dammed up by the world upheaval, and naturally we will carry past the boundaries of the Empire and to its benefit, establish once more again throughout the world that commerce which is its very life blood. The British people in their vigour, industry, and experience have nothing to fear from foreign competition when they are united in that economic association which is now possible. When from this Conference that results, we will welcome fair and friendly competition. In our own interest we will welcome it.

But we have no right to invite unfair attack upon the plan so full of promise for us. We within the British Empire have established our own standards of living. Those it is our duty to safeguard. I am disinclined to comment adversely upon the standard of living of any other country, or upon the economic scheme on which that standard of living is based. But I do say that where they are unlike and antagonistic to our own, we must resist the conscious or unconscious efforts to put them in free competition with our own.

The plan we must achieve will lead us through this world period of reorganization and change. So when we find our orderly progress opposed, and when our social and industrial existence is threatened, it is our common duty to provide the safeguards which will leave us free to go forward on the course we have decided to be the right one. State-controlled standards of living, state-controlled labour, state-aided dumping dictated by high state policy, conflict in theory and in practice with the free institutions of the British Empire. The subordination of individual right and liberty to a national economic plan affronts our whole idea of national development. We must be active in the defence of our institutions. We must put before all else our peace and happiness.

As we desire greater Empire markets, it is our task to decide the means by which they may be obtained. As each of us must find markets for our exportable surplus products, it is in our common interest to achieve a plan which will provide the maximum exchange of goods compatible with those domestic considerations fundamental to the development of our natural resources. Those considerations cannot be forgotten if the Empire project is to succeed.

In the past, Canada's manufactured products have enjoyed a measure of protection, though at times it is claimed by some a not wholly adequate measure of protection, in the home market. Our natural products have enjoyed little or no fiscal advantage over their foreign competitors in Empire markets. It is now our hope to secure it for them. Inasmuch as the ideal application of the principle of protection involves an equalization of benefits thereunder as between