Re: QUOTA.

(Mr. Bennett)
Lord Hailsham: "I think he/said at the final meeting
that he was not prepared to reject the quota system as possibly
a competitive substitute for the tax. That offer to subscribe
to the principle of Imperial Preference was accepted on behalf
of the Conservative Party. Mr. Baldwin said:-

"The striking offer made by the Prime Minister of Canada cannot fail to create a profound impression throughout this country and the Empire, and, speaking on behalf of the Conservative Party, I say, without hesitation, that the great principle of Imperial Preference embodied in that offer is one to which we must and do subscribe, and I heartily endorse Mr. Scullin's statement that it is our duty to affirm not only the maintenance of that principle but also the extension of its operation."

What is the good of saying that the Conservative Party has not accepted the principle of Mr. Bennett's offer?

It is true that we think the quota system a more effective method of carrying out Empire Preference in the case of wheat.

> W.L. Mackenzie King Papers Memoranda & Notes

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