

**David Lloyd George**

Ian Ivatt reviews Lloyd George's time at the Board of Trade, from 11 December 1905 to 8 April 1908

# Lloyd George's Presiden



# cy of the Board of Trade

Lloyd George flung himself zestfully into his administrative duties at the Board of Trade, soon forcing even his severest critics to concede that he was the most exciting and effective – if not the most orthodox – head of this Ministry in decades.

Don M. Cregier, *Bounder from Wales* (University of Missouri Press, 1976), p. 101

**T**HE THRUST of this article is to demonstrate clearly the difference Lloyd George made, as compared with his predecessors, in his first ministerial position in the 1905–08 Liberal government as president of the Board of Trade. He approached the challenge of this ministry with no preconceived notions and without the supporting benefit of a classical or university education. He used his strength of character, his background as a solicitor to ascertain a full brief of the situations which he encountered, with due reference to those that were actually involved in the job or area of consideration.

In the latter part of 1905, David Lloyd George, the intriguing MP for the Carnarvon Boroughs found that even he had expended too much effort in his endeavours as a much travelled MP. Yet despite his boundless energy, his health needed some urgent attention. In particular, no doubt owing to his regular round of speeches, his throat was troubling him. After a medical examination he agreed to have his tonsils removed, squeezing the operation in between two separate visits to Scotland. Whilst the operation went well enough, there followed an unexpected yet severe throat haemorrhage. This medical problem was solved as Lloyd George, convalesced in the care of the renowned Mrs Timothy Davies, 'Mrs Tim'. The swift medical help had done the trick. Moreover, part of the advice given to Lloyd George was that he should give up all parliamentary and legal work completely for at least two months.

His brother, William, quickly suggested that the two of them, consequently, should have a prolonged joint holiday, and Italy was selected. In mid-November, therefore, the brothers started their overseas tour by way of the boat train sailing

from Southampton to Genoa. The ever-admiring Mrs Tim, and not Maggie, waved them a fond farewell from the quayside. They arrived at Genoa and stayed there for a few days before moving firstly to Florence, where they stayed at the Grand Hotel Verdi. They then travelled on to Rapallo where they somewhat fortuitously met an elderly Liberal Party supporter on 27 November who had recently arrived there from England. He imparted the latest news that the Tory Prime Minister Arthur Balfour's resignation was imminent. Lloyd George remarked that, if the Tory government resigned, 'ministers would die with their drawn salaries in their hand'.<sup>1</sup> Upon hearing this latest turn of events, the brothers decided to return quickly to England. William volunteered to go first (although he undoubtedly wished to return to his legal work where fees could be earned!) to confirm or refute this information. They had agreed that if William thought his brother should return, he would send a coded word so that David too could swiftly get back. If there was no apparent crisis then David Lloyd George would continue with his visit to Italy for a week or so more, and then proceed to return to London by sea after that. William, arriving back at London on 2 December, soon established that the old Liberal gentleman's information was correct, and an especially charted message was swiftly sent by telegraph to Lloyd George. Upon receipt of this message, Lloyd George, in turn, sped back to London, arriving there within twenty-four hours of leaving Rapallo. This was not an opportunity to be missed – especially as, if he were selected for a ministerial office, a salary would be available. This being an immensely welcome addition to the cash-strapped Lloyd George family, who had, during Lloyd George's fifteen and a half years as an unpaid backbencher, relied upon solicitors' fees from the Lloyd George & George practice. There were also his occasional fees for articles published in newspapers and journals. Indeed, at an earlier stage, Lloyd George had even considered retiring from parliament to become a full-time solicitor or barrister so that he could earn a decent fee income. Equally Lloyd

David Lloyd George as President of the Board of Trade: halftone postcard print, circa 1905, published by James Valentine & Sons Ltd (© National Portrait Gallery, London).

## Lloyd George's Presidency of the Board of Trade

George yearned to be free of dependence of the partnership profits effectively all earned by his brother.

The rumours of the Conservative government's weakness, essentially rooted in the tariff quarrel, now turned into reality with the resignation of Balfour and his government. The resignation was accepted by the King who immediately sent for Sir Henry Campbell-Bannerman, the Liberal leader, to form an alternative administration. Would the prominent political outsider, Lloyd George, be in the running here – a man with a clear controversial if not radical background? Even the Unionist protectionist Chamberlain was heard to say Lloyd George is a very able man and will go far. It should also be remembered that Lloyd George was a man who had a thirst for power, after fifteen years on the back benches. His supreme idea, as he told his wife Maggie, was to get on in life. Campbell-Bannerman kissed hands with the king on 4 December 1905 to commence office as the new premier and immediately set forth to form his administration. Rumours abounded as to who might fill the great offices of state and Lloyd George himself even hoped that he would be offered the Home Office, or failing that, perhaps given the choice of either the Post Office or Board of Trade. There would be a clear association here with the Liberal policy of the defence of free trade.

John Wilson, in his *Life of Sir Henry Campbell-Bannerman* suggests that he was not favourably inclined to including Lloyd George at all. However after some further consideration, Campbell-Bannerman remarked to his parliamentary colleague, Reginald McKenna, 'I suppose we ought to include him'.<sup>2</sup> A more upbeat assessment of the new premier's intentions is contained in Bentley Brinkerhoff Gilbert's 1987 work, *David Lloyd George – A Political Life (Vol. 2)*, namely 'early invitation [for Cabinet office] provides clear evidence that Campbell-Bannerman intended to begin Cabinet building on the fringes, with leading radicals. Lloyd George evidently was his first choice'.<sup>3</sup> Lloyd George's earlier track record of campaigns for temperance, Welsh disestablishment and his anti-Boer War stance was self-evident. This could well explain some reluctance of a handful of leading Liberal figures to give him unqualified support. The new Secretary of State for War, Richard Burdon Haldane was one not so enamoured, referring to Lloyd George as 'an illiterate with an unbalanced mind'. Asquith too, was not favoured by Haldane either, being described as 'a man of no imagination'.<sup>4</sup> Haldane would be proved wrong on both counts.

Campbell-Bannerman, of course, needed to balance his selections for Cabinet between the Liberal imperialists and the more progressive Liberal radical groups. Peter Rowland, in his 1975 biography, suggests that Campbell-Bannerman's recruiting officer, the infamous Lewis [Lulu] Harcourt, asserted that 'Lloyd George would be quite

**John Wilson, in his *Life of Sir Henry Campbell-Bannerman* suggests that he was not favourably inclined to including Lloyd George at all. However after some further consideration, Campbell-Bannerman remarked to his parliamentary colleague, Reginald McKenna, 'I suppose we ought to include him.'**

satisfied with the Local Government Board'.<sup>5</sup> In the event, Lloyd George was given the choice of either the Post Office or the Board of Trade, and without hesitation Lloyd George chose the latter. This involved an annual salary of £2,000 – £500 lower than the less demanding Post Office position. Many congratulations, by letter and telegrams, were sent over his appointment as president of the Board of Trade, including from Sir Alfred Thomas, the chairman of the Welsh Parliamentary party.<sup>6</sup> Nevertheless, presidency of the Board of Trade (this government appointment dates back to the days of Charles I, in one form or another) was a Cabinet ranking appointment and even at this low starting point was a supreme honour. Especially so for a man who had begun life where he did – a signal personal triumph. Ironically, back in his trainee solicitor days with Messrs. Breese, Jones and Casson, Lloyd George, when writing a political article for the *North Wales Observer* in October 1884, reported with great enthusiasm on the abilities of the then president of the Board of Trade, Joseph Chamberlain, who happened to be visiting Wales at the time!<sup>7</sup> After all, Lloyd George would be treading in the footsteps of such eminent politicians as Gladstone, John Bright, and Joseph Chamberlain, all holders of the president of the Board of Trade office in the past.

His family, especially Uncle Richard Lloyd, were absolutely delighted as were the Liberal Party supporters of the Carnarvon Boroughs. His triumph was reflected in the ensuing 1906 general election when Lloyd George's majority increased from 296 in the year 1900 to 1,224 votes – admittedly aided by a weak Conservative opponent, the rich and successful R. A. Naylor, who had made his fortune in the timber trade. Moreover, at the time, Lloyd George was, effectively, a national figure and in view of his strong opposition to the Boer War and his role in the 1902 Education Act, his re-election was almost guaranteed – the constituency had previously been marginal.

Thus, on 11 December 1905 Lloyd George conventionally attired in a frock coat and pinstripe trousers, presented himself to the king, his status as a backbench MP being transformed into a minister of the Crown. He was salaried and a Privy Councillor – in short the new president of the Board of Trade. Lloyd George himself claimed that he had pressed the premier, Campbell-Bannerman into agreeing for certain pledges. These related to education and to the extension of self-government for Wales – and Lloyd George got them as part of his price for taking on the Board of Trade. There was also the added attraction that his new ministerial position ensured some regular contact with Wales and his own constituency.

Of the challenges ahead he was in some awe, yet he wrote to his brother a little earlier, on 8 December 1905, indicating that he was delighted with his new ministerial portfolio. This covered not just labour aspects, but supervision of

railways, bankruptcy, and a point of special interest to him, harbours and foreshores.<sup>8</sup> He was in charge of 1,000 men in ten separate departments, with a budget of £750,000. Nevertheless, his joy was tempered by a later comment to his fellow MP, Charles Masterman, 'when I came to the Board of Trade I was in a blue funk. I thought here I was with no business training and I shall have to deal with all these great businessmen. I found them all children.'<sup>9</sup>

His immediate thoughts were, 'What can I do for commerce?' His eagerness to get involved, especially with his supportive wholesale grocer (International Stores) parliamentary secretary colleague, H. E. Kearley, was undoubtedly equal to his newly emerging private interests of motor-ing and golf. It only took one week for Lloyd George to make progress as he tells us, 'I am gradually getting into my work, and liking it.'<sup>10</sup> On 14 December, government papers were placed before him, for a decision, relating to the Portmadoc Railway and Criccieth foreshore, to whet his appetite. His quick wit came into play when, at Question Time in the House of Commons, an exchange with Sir Howard Vincent, a senior Tory Protectionist, was as follows:

Vincent: 'Has the Right Hon. Gentleman no list at the Board of Trade of the firms in this country who have established their works in Germany, France, Russia and other foreign countries in consequence of protective tariffs?'

Lloyd George: 'Yes, I have one in my pocket right now and I will show it behind the Speaker's Chair to the Hon. Member after Questions.'

Vincent: 'But why not give it to the House now? Why should I be preferentially treated or have preferential right of access?'

Lloyd George: 'I thought that my Hon. Friend was a believer in preference!'<sup>11</sup>

Equally, in the House Lloyd George's opposite specialist for Trade was Andrew Bonar Law, and they had a great respect for each other. No doubt this is due, at least in part, to the fact that neither of them came from the ruling class, public school, or from the university intelligentsia. There was always a strong rapport between them despite differences of political persuasion.

From this point on he invariably sought the opinion and advice of his permanent secretary, Francis Hopwood (who later moved to the Colonial Office, and was replaced by the Welshman, Hubert Llewellyn Smith); Lloyd George had the irritating habit of not fully reading anything that was put in front of him, leaving Hopwood to provide a simple summary of any issue. It was from this purposeful start that Lloyd George came to admire the self-made commercial classes and held near contempt for most of the public school and Oxbridge educated civil service. The special advisers that haunt ministers today were essentially a Lloyd George invention.<sup>12</sup> With an eye

to the near future, he lost no time in setting up a royal commission to consider the future of Britain's canals and waterways and was instrumental in getting newly appointed consular service personnel to include commercial intelligence in their briefs.

Lloyd George next tackled the initial investigations into the question of registered patents. He discovered more than half the said patents were held by foreigners yet operated outside of Great Britain. Lloyd George's view was that this was an abuse of Britain's free economy. The Patent Law and Designs Amendment Bill (1907), as it became known, was designed to prevent foreign patents from being registered in this country at all. Both major political parties had no argument with this. The industry most benefiting from this legislation was the dye manufacturers businesses where 95 per cent of British patents were held by foreigners. In particular the chemical giants of Brunner Mond (the forerunner of ICI) welcomed this new approach. The partners of the business were Liberal MPs and equally were generous donors to Liberal Party funds. Not the least was the fact that Alfred Mond was a golfing friend of Lloyd George's.<sup>13</sup>

Lloyd George made his first main priority, in his new role as president of the Board of Trade, to review the existing arrangements regarding merchant shipping – and in particular the overloading of merchant vessels themselves. His enquiries, besides cargo aspects, also embraced safety provisions, seamen's welfare and accommodation. The key matter to be addressed was an updated approach to the Plimsoll line on merchant vessels to embrace further and to enforce the earlier 1876 legislation on this matter. In all, once completed, the draft bill measures amounted to eighty-six clauses. The idea here was to focus on these changes and general shipping business aspects, which turned out to be quite a complex bill. Even so, it was unlikely to cause major divisions on party lines in its passage through parliament. The bill then passed through the House of Commons and the House of Lords without a single division, although two peers of the realm wished to move two amendments but failed on the account of their drunkenness.<sup>14</sup> The thrust of this legislation was to protect British sailors (including the foreign 'Lascars'), and shipping in general against 'unfair' overseas competition by foreign vessel owners, and to upgrade the conditions of crews in general. Interestingly Lloyd George's method of discovering the background to all this new territory was to approach the ship owners themselves who had concerns over load lines and hence profit levels. Indeed Lloyd George gained their support, whilst equally maintaining and increasing good connections with the Seamen's Union, which in the early stages only gave qualified agreement to the bill's proposed terms, prior to the drafting of the actual final parliamentary bill. This was a clear indication of Lloyd George operating as

**From this point on he invariably sought the opinion and advice of his permanent secretary, Francis Hopwood ... Lloyd George had the irritating habit of not fully reading anything that was put in front of him, leaving Hopwood to provide a simple summary of any issue.**



**Lloyd George wrote to his brother William in euphoric mood on 21 October 1907, to say, 'The railway strike is demanding all my attention. Things are all going well so far. Whatever happens I am coming out on top of this business. I can see my way clear to the station. Conciliation at first but failing that, the steamroller [compulsory arbitration] the railway companies must give way at that point, I am definite.'**

a consensual politician. In essence the proposals were to embody the load line question of all ships including foreign vessels that used British ports, with accompanying crew improvements and to similarly safeguard passenger steerage conditions. He writes to his wife, later on (30 October 1906), reflecting, in a speech at Rhyl, North Wales that, 'I have had a number of Bills this year and they [the House of Lords] have blessed them all. I think it was largely because they did not understand them.'<sup>15</sup>

In the summer of 1906 Lloyd George managed to ruffle the sovereign's feathers as King Edward VII heard rumours, via the House of Commons, that Lloyd George was proposing to appoint a separate Minister for Wales. King Edward approached the prime minister, Campbell-Bannerman to indicate that any such appointment, without the sovereign's sanction, was intolerable. The King's Memorandum, of 18 July 1906 is set out below:

I am much astonished to read an account in newspapers of the debate in the H. of Commons when it was stated (yesterday) that it is proposed by the government to institute a Minister for Wales. I have heard nothing on the subject from the Prime Minister. This proceeding is unconstitutional and I cannot pass it over in silence. I wish my Private Secretary, Lord Knollys to call on the Prime Minister without delay and enquire in my name what is the cause of this most strange, and may I say unheard of proceeding. Edward R & I.<sup>16</sup>

Lloyd George, immediately responded, via the prime minister, to the effect that no new ministry was intended, merely that an existing member of the government, possibly a junior Treasury minister be made responsible, without any salary increase, to answer for Welsh matters. In this way there would be accountability to parliament. This would not be the only time that Lloyd George managed to attract the king's ire. With that minor episode behind him, Lloyd George, now being in receipt of a regular salary, took his entire family, Margaret, the children and brother, William on a summer cruise voyage to Lisbon. The tickets were upgraded to 'Upper Deck' status by courtesy of Owen Phillips, MP for Pembroke and Haverfordwest, who was also a director of the steamship company. They would be back in time for the annual Eisteddfod, which was never missed.<sup>17</sup> He would have been well pleased with the comment in the *Evening Express* article describing that 'Lloyd George had proved himself to be the most admirable President of the Board of Trade since Mr. Joseph Chamberlain.'<sup>18</sup>

In early 1907, when the rumblings of Welsh (church) disestablishment had temporarily died down, another quite separate matter arose. This new challenge would indeed test Lloyd George's mettle – the make-or-break situation

of a threatened national rail strike. The real possibility of a rail stoppage was fuelled by concerns over low wage structure (money wages had only increased by 5 per cent over the previous twenty years). This effectively left railway workers with less spendable net wages than those in similar skilled employment.<sup>19</sup> Additionally, disunity between the Amalgamated Society of Railway Servants (founded in 1872) and the Amalgamated Society of Locomotive Engineers Federation (1880) was a major stumbling block. Even though only 10 per cent of the railway workforce were actually trade union members – it was recognition of the unions by the railway bosses and owners that was the key underlying issue.

Now that trade union activity was lawful under the 1906 Trades Disputes Act, Richard Bell, the progressive secretary of the ASRS led negotiations for union recognition, including wages, working conditions and hours, with the various British railway companies (however this was not totally supported by Albert Fox of ASLEF).

In response, the employers, as usual, referred to the vital nationwide position of the railway sector, stability of employment for the men, and the free travel and uniforms that were privileges of working on the railway. Upon Lloyd George's return from a brief alpine holiday in the early autumn of 1907, these railway matters took his immediate attention. That autumn, Bell announced his next move was to ballot his now increasing membership on the vexed subject of union recognition, and put the result before the reluctant railway company employers.

This led to cries for mediation and then ascended to become a Board of Trade matter. In fact the Board was in an ideal position to intervene effectively; a recommendation in any case by parliamentary secretary, Hudson Kearley. Moreover, Sidney Buxton, the Postmaster General had recently recognised the Post Office Clerks Union, so, on a larger and different scale, perhaps, Lloyd George was faced with the same situation. After obtaining Prime Minister Campbell Bannerman's authority to proceed, Lloyd George made it clear that, if the joint negotiations failed, then government-authorized compulsory arbitration would need to follow. Lloyd George wrote to his brother William in euphoric mood on 21 October 1907, to say, 'The railway strike is demanding all my attention. Things are all going well so far. Whatever happens I am coming out on top of this business. I can see my way clear to the station. Conciliation at first but failing that, the steamroller [compulsory arbitration] the railway companies must give way at that point, I am definite.'<sup>20</sup> And again, on the next day, 22 October 1907: 'Very busy. No further news of railway trouble. It will be a tough job – that is all I know'. This reflected a marked sympathy for the trade union standpoint.<sup>21</sup>

Lloyd George arranged, firstly, to talk to the employers who were obstinate, if not hostile

over the question of union recognition. Lloyd George's opening stance was to show a conciliatory spirit and using carefully chosen words (emphasising the national loss of trade, key position of railways, etc.) saw the employers' stance weaken. It was made abundantly clear by Lloyd George that any possible rail strike must not happen, especially as this would affect all important industries. Lloyd George won them round and a further meeting was proposed with a more manageable six railway company directors only to represent all rail employers' interests. A few days later the *Daily Mail* helpfully printed an article, clearly supporting government intervention in the matter and if need be, to end in government arbitration. Another meeting with the nominated six railway proprietors occurred on 31 October with the objective of finalising their position. The company representatives were well reminded, again, of what the disastrous effects would be on trade for the entire country, and not just on the railways, if a strike were to ensue. What Lloyd George did not decide to pass on to the employers was the fact that there were divisions in the union members' views, and was aware that the union membership rank and file did not really want to press the matter to a strike.

Nevertheless, in the meantime, the campaign for union recognition moved forward with the separate main railway unions. Matters were put to the entire union membership by ballot on the issue of whether to strike or not. In this ballot 77 per cent of the 100,000 ballot papers issued surprisingly reflected the need for strike action unless conditions were met during 1907. Lloyd George continued his discussions with both sides of the dispute, albeit separately, but never with both sides being present at the same time. Lloyd George's idea was to negotiate pledges on the basis that employers would adopt union recognition, with a system of conciliation and arbitration. There was also the question of the differences over wage levels, hours and working conditions. Similarly, Lloyd George talked to the railway union representatives to pass on the news that the employers would back down and accept the union requirements and conditions. This tactic proved successful and a damaging strike would not happen. When the news was passed to the prime minister, compliments came forward regarding Lloyd George's role in the matter and this, to a point, completely overwhelmed Lloyd George. Even the king wrote of his delight that the strike had been averted. A note of praise from the German Kaiser Wilhelm II also arrived at Lloyd George's doorstep. The nation, too, breathed more easily now with particular relief being expressed amongst the upper classes – the outsider and Welsh rebel had worked wonders. The newspaper, *The Weekly Press*, with a large centre page photograph of him and a three column summary of his qualities, commented, 'the nation that only a few years ago was ready to stone him now realises that it

possesses in the Board of Trade an asset of the first value'.<sup>22</sup> Many writers and historians have held this achievement as Lloyd George's finest and most important Board of Trade agreement.

Whilst Lloyd George was basking in this well-earned glory a quite sudden personal tragedy was to befall the entire family. Mair Eluned, the eldest of the three daughters, unexpectedly died after an unsuccessful appendix operation. Mair was the 'apple of Lloyd George's eye' and he had a special tenderness for this clever, talented and beautiful child. She was only 17 years of age when she passed away on 30 November 1907 – only a matter of days after the failed peritonitis surgery. Lloyd George was totally grief stricken, almost tortured, and was not easily comforted by his wife Maggie, nor brother William who swiftly arrived in London from Criccieth. It was a personal blow from which Lloyd George never really recovered. Even, quite unnecessarily, taking Maggie to task for arranging for the appendectomy operation to be, in view of the urgency, performed at their London home, without the benefit of skilled surgeons and with insufficient antiseptic hospital type conditions. Lloyd George would never return to this family home (Routh Road, Wandsworth) and would always partly blame himself for Mair's very early demise. This event marked the occasion of Lloyd George's marriage to Maggie coming under serious stress and also the point at which they began to slowly drift apart, even though there was never any meaningful question of a formal divorce. Yet in the immediate aftermath of Mair's unexpected passing, there was no sign of estrangement or recrimination.<sup>23</sup>

The funeral and interment were on 3 December 1907 at the Criccieth Public Cemetery which was within sight of Mair's own birthplace seventeen years before at Mynydd Ednyfed Fawr. Lloyd George hastily travelled from London in a special carriage of the Great Western Railway Company. He drew comfort by leaning on the shoulder of his elderly uncle, Richard Lloyd, throughout the simple funeral service itself.<sup>24</sup> After the funeral, Lloyd George despite his total sorrow was obliged to proceed to Manchester to play a part in a dispute in the cotton trade, where his involvement was successful. Lloyd George then promptly departed, with his good friend Stuart Rendel, to southern France via Boulogne, and Lyon, where he remained as a guest of a former Hull ship owner's widow, until mid-January 1908, accompanied by his two sons, Dick and Gwilym, Hudson Kealey and his two boys.

Feeling somewhat refreshed, although still in mourning for Mair, Lloyd George then turned his attention to one of his main Board of Trade responsibilities, namely shipping and the attendant port facilities. This involved, at the outset, an exploratory trip to other overseas harbours such as Hamburg and Antwerp to see how the dock arrangements were in being there. Also included in this research was the organisation of

**This tactic proved successful and a damaging strike would not happen. When the news was passed to the prime minister, compliments came forward regarding Lloyd George's role in the matter and this, to a point, completely overwhelmed Lloyd George. Even the king wrote of his delight that the strike had been averted. A note of praise from the German Kaiser Wilhelm II also arrived at Lloyd George's doorstep.**

## Lloyd George's Presidency of the Board of Trade

the dock workings, and swiftly Lloyd George saw for himself that Britain's major port, London, was really inefficient and hopelessly out-dated. This suggested, at the very least, some serious in-depth review and changes. It was clear, as a result, that the various port operating companies in London had achieved in the past, some excellent trade expansion, but had now descended, over the last few decades, to petty quarrels. There were also differences between the companies (such as disputes over dredging) to the extent that trade was being actively harmed, even lost to foreign ports, permanently. Certainly, over the last fifteen years, London's share alone, of the UK shipping trade had been declining.<sup>25</sup> Previously, in 1902, a royal commission had concluded a detailed study of the London docks and proposed a government Port Authority to take control, instead of the numerous bickering parties, but nothing transpired. At the time, the Conservative Cabinet thought such a task would be an increasingly considerable project and simply deferred any decision until 1907. In the meantime, any suggestions of reconstruction and improvements were stalled by the dockland companies refusing to consider joint action with the vessel owners. Undoubtedly this was essentially due to likely capital money costs and approach channel considerations with the ongoing associated expenditure. In summary it was effectively an economic impasse which needed to be resolved, perhaps even ruthlessly.

It was Asquith, shortly to become prime minister, who encountered a number of issues regarding the docks, invariably as an Elder Brother of Trinity House but equally due to his legal involvement as counsel in court actions relating to the docks. Consequently, Asquith had a sizeable insight into port management as, indeed, to a similar extent had Lloyd George, by way of his earlier Portmadoc days.<sup>26</sup>

Lloyd George now followed in Asquith's footsteps by using his usual enthusiasm, thoroughness and study – the North Sea ports were visited. He was ably assisted by Hudson Kearley and Sir Edwin Cornwall (a Fulham coal dealer). The initial examination of the entire position was underpinned by the eminent accountant, Sir William Plender, who was asked to audit the dock companies' management records and books and it was immediately apparent these were badly kept (if at all) and in a poor state. Bargaining for improvements began with a selection of vested interests, strengthened by Asquith's support as an eminent legal authority on port matters. The Lloyd George solution on which many hopes were pinned was to invest full control into one central authority, aptly named the Port of London Authority (PLA). Such a new body, as the 1907 commission proposed, would have its own access to capital, with a clear objective to own and expand the present dock facilities – indeed, anything to reverse the reducing trade situation.

The dock companies involved were the London and India Docks, the Surrey Commercial Dock and the Millwall Dock Company. The main financial provisions affected directors and shareholders alike. Additionally the directors of each concern were compensated for the loss of their office by the allocation of stock in the new PLA authority. Apportionments of the former dock companies' debenture and preference shares were exchanged into new PLA A and B stocks. Moreover, in addition the existing undertakings, assets and work in progress were effectively transferred and vested in the new PLA stock.<sup>27</sup>

Separate arrangements were made for existing shareholders to be compensated accordingly. A good question, bearing in mind his aptitude, even appetite, for share ownership and profit was did Lloyd George involve himself and his family in these arrangements to ensure some capital reward?

A bill was accordingly laid before parliament on 2 April 1908, which was endorsed on behalf of the Conservative opposition by Bonar Law and separately, for the House of Lords, by Lord Milner. The measures to bring in this new authority were heartily welcomed by both houses in swift succession. The bill itself subsequently passed into law and yet, as it would transpire in the longer term, the legislation proved to fall short of the fullest possible benefits. The PLA legislation included a number of smaller measures, all relating to business and commerce and covering such diverse subjects as employers' liability, the lighterman and wharfingers situation and other watermen. There were further measures relating to changes in patent procedures, totalling eight in all, although only four eventually became law.<sup>28</sup>

A further almost unexpected event now occurred with the ailing prime minister, Campbell-Bannerman firstly resigning on 4 April 1908 and then shortly passing away on 22 April following a severe heart attack. Accordingly, a new, or at least partially different Cabinet would now need consideration. With Asquith now swiftly moving into the prime minister's position, senior Cabinet ministers such as John Morley or Reginald McKenna appeared likely successors to Asquith. Yet as Roy Hattersley observes, 'in retrospect, it seems that Lloyd George's claim to the Treasury was irresistible'.<sup>29</sup> It was more than evident that Lloyd George had certainly made his mark at the Board of Trade, especially his adroit handling of the railway dispute. Similarly, his endeavours regarding shipping interests, the new arrangements for patents, with the expanded concept of new commercial intelligence connections, had seriously pleased British manufacturers, together with his business-like hand on the tiller at the Board. Moreover the PLA creation had endeared him to the entire Liberal host despite such rivals as Haldane, Morley and McKenna, who grudgingly, if at all, acknowledged his achievements.<sup>30</sup> Asquith,

**The Lloyd George solution on which many hopes were pinned was to invest full control into one central authority, aptly named the Port of London Authority (PLA). Such a new body, as the 1907 commission proposed, would have its own access to capital, with a clear objective to own and expand the present dock facilities – indeed, anything to reverse the reducing trade situation.**

**Certainly, as was proved, his time spent at the Board of Trade provided a vital base upon which he could lay a legitimate claim to even higher party and government ambitions.**

nevertheless, clearly recognised Lloyd George's merits and whilst balancing his new Cabinet positions, to counter any old Liberal League suggestions and claims, gave the Chancellor of the Exchequer portfolio, without further hesitation, to Lloyd George. Prior to his demise Campbell-Bannerman had written to the king saying 'The Country was largely indebted for so blessed a conclusion to the knowledge, skill, astuteness and tact of the President of the Board of Trade'.<sup>31</sup> What he brought to his work at the Board of Trade was a refreshing aura of understanding in financial, employer and employee relations with his straightforward logical ideas and methods – a significant change from earlier presidents. Richard Lloyd George in his 1961 book was equally generous in his praise, 'It is generally accepted that in his term of office at the Board of Trade, Lloyd George effected more progressive change than in the Ministry's entire history, and laid the foundations of the modern Board'.<sup>32</sup>

When he left the Trade ministry in the spring of 1908, he did so with the significant regard of the business community. This was despite mutterings from the Unionist Balfour and separately McKenna that Lloyd George's principles were not understood. Yet his consultation techniques were praised equally by industrialists and the press – even coming from his old enemies of *The Times* and *Daily Mail*. Businessmen and workforce unions alike felt he outshone any of his earlier Board of Trade office holders' achievements. Indeed plaudits and much acclaim came from overseas leaders too. It should also be borne in mind that by 1908 exports of goods to the main commonwealth countries accounted for 25 per cent of the total (America only amounted to 10 per cent). Since 1906, the balance of trade (exports minus imports) had been moving towards parity and by 1907 and 1908 had reached virtual parity, only to become wider apart by 1914 and the onset of war.<sup>33</sup> It would not be beyond reason to suggest that Lloyd George's influence at the Board of Trade had been at work here by promoting trade in the way he did. Indeed, the *Welshman* newspaper (edition 3 January 1908) underlined that the 'Signal services and cause of industrial peace have made the status of the Board of Trade a more urgent matter than it ever was before' ... and then goes on to state: 'it would seem desirous to retain the services, for as long as possible, of a man [Lloyd George] who has shown such an aptitude for the work of conciliation.' Certainly, as was proved, his time spent at the Board of Trade provided a vital base upon which he could lay a legitimate claim to even higher party and government ambitions.

*Ian Ivatt attained an Open University Research Degree in 2009. His previous articles on the Liberal Party have been published in the Journal of Liberal History and he has also written a number of local history books relating to West Sussex, where he lives. His The Financial*

*Affairs of David Lloyd George, was published by the Welsh Academic Press in June 2019.*

- 1 W. Watkin Davies, *Lloyd George 1863–1914*, (Constable & Co., 1939), p. 236.
- 2 John Wilson, *A Life of Sir Henry Campbell-Bannerman* (Constable, 1973), p. 463.
- 3 Bentley Brinkerhoff Gilbert, *Lloyd George – A Political Life*, vol. 2 (B. T. Batsford, 1987), p. 282.
- 4 Peter Rowland, *The Last Liberal Governments: The Promised Land, 1905–10* (Barrie & Rockliff, 1968), p. 39. Alternatively in Richard Haldane's own autobiography of 1928 (Hodder & Stoughton), p. 217, he refers to Lloyd George as 'very good' whilst Churchill was depicted as being 'longwinded'.
- 5 Peter Rowland, *Lloyd George* (Barrie & Jenkins, 1975), p. 182.
- 6 *Cardiff Times*, 23 Dec. 1905.
- 7 *Ibid.* p. 39.
- 8 William Lloyd George, *My Brother and I* (Eyre & Spottiswoode, 1958), p. 206.
- 9 Frank Owen, *Tempestuous Journey: Lloyd George, his life and times* (Hutchinson, 1954), p. 148.
- 10 Don M. Cregier, *Bounder from Wales* (University of Missouri Press, 1976), p. 94.
- 11 4 Hansard, vol. CL11, col. 1307–8 (1 Mar. 1906).
- 12 Roy Hattersley, *The Great Outsider – David Lloyd George*, (Little, Brown, 2010), p. 188.
- 13 Cregier, *Bounder from Wales*, p. 105.
- 14 Lloyd George, *My Brother and I*, p. 209.
- 15 Rowland, *Lloyd George*, p. 190.
- 16 J. Graham Jones, *David Lloyd George and Welsh Liberalism* (National Library of Wales, 2010), p. 105.
- 17 Hattersley, *The Great Outsider*, p. 198.
- 18 *Evening Express* (Birmingham), 24 Jan. 1907.
- 19 In 1907, the average weekly wage for men on the railway was 26s.9d., as compared to 32s.5d. in the engineering sector or 33s. in the building trade. Source: *British Labour Statistics Historical Abstract 1886–1968*, (London, 1971), pp. 95–6.
- 20 Lloyd George, *My Brother and I*, p. 212.
- 21 *Ibid.* p. 212.
- 22 *Ibid.* p. 214. See also the *Carnarvon and Denbeigh Herald* edition 13 May 1907, 'Mr. Lloyd George has been conspicuously successful at the Board of Trade.'
- 23 John Grigg, *Lloyd George, the People's Champion 1902–1911* (Penguin Books, 1978), p. 130.
- 24 Jones, *David Lloyd George and Welsh Liberalism*, p. 114.
- 25 Brinkerhoff Gilbert, *David Lloyd George*, p. 327.
- 26 Donald McCormick, *The Mask of Merlin: A Critical Study of David Lloyd George* (Macdonald, 1963), p. 60.
- 27 Source: *Port of London Act 1908*, ch. 68, 8EDW.7.
- 28 Brinkerhoff Gilbert, *David Lloyd George*, pp. 327–28.
- 29 Hattersley, *The Great Outsider*, p. 219.
- 30 McCormick, *The Mask of Merlin*, p. 61.
- 31 *Ibid.* p. 61.
- 32 Richard Lloyd George (Earl Lloyd George of Dwyfor), *My Father, Lloyd George* (Crown Publishers, New York, 1961), p. 89.
- 33 'From Empire to EU', www.parliament.uk, July 2017.