*Lloyd Georges 1909 Peoples Budget was devised to bring about social reform and featured increases in income tax and excise duties, new taxes on cars, petrol and land, and a new supertax for those with incomes above 5,000.

The speech an extract of which is reproduced here dates from the immediate aftermath of the Budget. It was a sensitive period; the governments supporters had responded favourably to the Budget, but its author had to assess carefully the fighting spirit manifested by the Opposition.*

 *Many elements in society landowners, financiers, brewers and the licensed trade were up in arms against the Budget.

It was against this background that on the evening of 30 July 1909, Lloyd George, fulfilling a promise made a month earlier, addressed an audience of 4,000 at the Edinburgh Castle in Limehouse, one of the poorest areas of the East End of London. There he delivered not the best, but the most famous and possibly most effective speech of his life.

In an address to an overflow meeting in an adjacent hall, he defiantly declared that amendments proposed by the Lords to the Finance Bill would not be accepted. The speech was well received by his audience and by Liberal supporters throughout the country.*

*In preparing his Limehouse speech, Lloyd George had two principal aims: to demonstrate the justice and fairness of his Budget proposals, and to warn the Unionists of their potential vulnerability should they reject it. Limehouse itself did not cause rejection of the Peoples Budget, but it did strengthen the antagonism of those already opposed to it. Its rejection by the House of Lords led to a constitutional crisis and two general elections in 1910.*

Here is an extract from the Limehouse speech :

The ownership of land is not merely an enjoyment, it is a stewardship

I claim that the tax we impose on land is fair, is just and is moderate. They go on threatening that if we proceed, they will cut down their benefactions and discharge labour. What kind of labour? What is the labour they are going to choose for dismissal? Are they going to threaten to devastate rural England by feeding and dressing themselves? Are they going to reduce their gamekeepers? Ah, that would be sad! The agricultural labourer and the farmer might then have some part of the game which they fatten with their labour. But what would happen to you in the season? No week-end shooting with the Duke of Norfolk or anyone.

But that is not the kind of labour they are going to cut down. They are going to cut down productive labour their builders and their gardeners and they are going to ruin their property so that it shall not be taxed.

All I can say is this the ownership of land is not merely an enjoyment, it is a stewardship. It has been reckoned as such in the past; and if they cease to discharge their functions, the security and defence of the country, looking after the broken in their villages and in their neighbourhoods then these functions which are part of the traditional duties attached to the ownership of land, and which have given to it its title if they cease to discharge those functions, the time will come to reconsider the conditions under which the land is held in this country.

No country, however rich, can permanently afford to have quartered upon its revenue a class which declines to do the duty which it was called upon to perform since the beginning. And, therefore, it is one of the prime duties of statesmanship to investigate those conditions. But I do not believe it. They have threatened and menaced like that before. They have seen it is not to their interest to carry out these futile menaces. They are not protesting against paying their fair share of taxation of the land, and they are doing so by saying: You are burdening industry; you are putting burdens upon the people which they cannot bear. Ah! They are not thinking of themselves. Noble souls! It is not the great dukes they are feeling for, it is the market gardener, it is the builder; and it was, until recently, the smallholder. In every debate in the House of Commons they said: We are not worrying for ourselves. We can afford it without broad acres; but just think of the little man who has only got a few acres. And we were so very impressed with this tearful appeal that at last we said: We will leave him out. And I almost expected to see Mr Pretyman4 jump over the table when I said it, fall on my neck and embrace me. Instead of that he stiffened up, his face wreathed with anger, and he said: The Budget is more unjust than ever.

We are placing burdens on the broadest shoulders. Why should I put burdens on the people? I am one of the children of the people. I was brought up amongst them. I know their trials; and God forbid that I should add one grain of trouble to the anxieties which they bear with such patience and fortitude. When the Prime Minister did me the honour of inviting me to take charge of the National Exchequer at a time of great difficulty, I made up my mind, in framing the Budget which was in front of me, that at any rate no cupboard should be barer, no lot would be harder. By that test I challenge them to judge the Budget.

Lloyd George – speech 1909