

**Empire Currency and Exchange.**

There is a point mentioned in the Agenda to which I have been giving some thought, and so also has my colleague who is with me to-day. That is a matter of Empire currency exchange. There have been very serious complaints, and, as far as my own country is concerned, most of those complaints have come to me with regard to the very large sum of money which the exchanges have cost between the two countries doing business—that is to say, between New Zealand and Britain. We have got into a better position now, and I hope it will continue to improve; but if we can do anything at this Conference to provide something that will take the place of gold, so far as currency is concerned, between the two countries, then we shall have done something which I believe will be of very great benefit. I know it is not so bad as it was.

In a recent transaction where I was forwarding money to Britain I may mention that instead of having to pay the exchange I got a premium on it, but, of course, that is not always the case. I have no doubt that this matter will be given very serious consideration later on. I do not know that I should go further at present than ask for a Commission of experts to go into this question, but if that is done it will be a step in the right direction.

**Teaching of British Empire History.**

There is just one other point I want to touch upon and it really does not come under the heading of the economic position, but it is, to my mind, of very great importance. It is under the heading of education, and it suggests that practical steps should be taken to encourage the teaching of the history of the British Empire throughout the Empire. I have no hesitation in saying that is a subject that has been grossly neglected in almost every part of the Empire. We are doing a little more at present than we have done up to the last few years, but even then there is plenty of room for improvement still. I believe that every child of British parents should be taught the history of his country and his Empire; it is not a thing to be ashamed of, it is a history to be proud of, and in teaching our national history we should be teaching patriotism and doing a very great deal of good for the future population of the Empire. I ought to apologize for speaking so long, and I know that other opportunities will offer, but the matters brought up to-day are of great importance, and if the Conference does nothing more than bring about improvement in these matters, then it will be worth coming from the ends of the earth to attend it.

**OPENING SPEECH BY GENERAL SMUTS.**

Mr. President, my colleague the Minister of Finance, Mr. Burton, will be the principal representative of South Africa at this Economic Conference, and he may wish to make some remarks to you to-day; but I should like before he speaks to make some general observations which may suitably come from me. I wish, in the first place, to express to you the very great interest with which I have listened to the full and lucid statement that you have made of the position which we have to deal with. I am sure that the very welcome indications that you have given of the trend of British policy will be helpful to this Conference, and will enable us to make this a really fruitful Conference. I am sure that we have a great opportunity at present; we have not only passed through the war, we have passed through the difficult period which has followed the war, and we are in a position now to go ahead in the development of the Empire. We have an enormous estate which is very largely undeveloped, and we would be rendering not only a great service to the Empire and to its various component parts but to the whole world if we develop this great estate which has been entrusted to our care.

**No Attack on British Fiscal Policy.**

There seems to be an impression abroad in certain quarters that the Dominions have come to this Conference to make a concerted attack on the settled fiscal policy of this country. Now, let me say at once, speaking on behalf of South Africa, that I know nothing of any such conspiracy. There is no such intention to launch an attack upon your fiscal policy. We are leaving the British Government a completely free hand to settle the fiscal policy of their own country as they have always done hitherto. We respect your freedom of action, and in return we also claim, and I think you will concede rightly claim, complete freedom of economic action so far as we are concerned. The Dominions first attained their independence in the fiscal sense. Our fiscal independence was the first real victory we scored in our old colonial development, and we value it very highly. We have always settled our own fiscal policy, and we come here, so far as South Africa at any rate is concerned, in no spirit of making any surrender of what we have got, in no spirit of bargaining away rights that we have or trying to induce you to bargain away rights that you have. We come here in a spirit of mutual consultation, to see how we can best, by meeting each others' point of view, develop the trade of the Empire to the fullest extent. That is the spirit in which we come here, respecting your policy and claiming respect for our policy, our freedom of action in developing our various countries to the utmost possible extent.

We in South Africa are in this position, as no doubt many other portions of the Empire also are: that although the British market is, and remains, far and away our most important market it is not our only market. We have other fairly important markets also, and with the trade difficulties which exist all over the world—shortage of markets, overproduction of raw materials of certain kinds—we naturally are very anxious to retain our freedom of action in developing our markets in other countries also as far as possible.