

I think it is almost necessary at this stage to deal with the matter at some length, because there is no question but that the solution of the problem of Empire-development is dependent upon three things—men, money, and markets.

These matters are dealt with on the Agenda as separate items. One cannot, however, deal with the question of Empire settlement and come to an effective decision, because such settlement depends upon the markets available for the resultant production, and also upon the money which is provided for the purpose of Empire-development.

I certainly think that the most useful course to follow at this stage is to deal with the whole problem; to try and show how, in our opinion, all these points depend one upon another; and to stress again, in the strongest possible way, that we believe the paramount question is that of markets, and that it is quite useless to deal with Empire migration and discuss questions of that character in detail until we have arrived at some solution which ensures markets for the increased production that would result.

I do not, of course, wish to suggest that nothing can be done if we cannot solve the market problem. A great deal can be done; we will continue to absorb a certain number of men; we will employ a certain amount of money; we will proceed with the development of our countries; but we will be able to do it only at a very slow rate. There can be—in Australia's opinion, at all events—no really great development of the Empire until we can solve this vital market problem. Holding that view so very strongly, Australia believes that this Conference must appreciate that there is one outstanding question, and that we will be wasting our time if we are going to discuss these matters only on a general way and not be prepared to face the vital problem that confronts us and really see if we can find a solution of it. I must stress that point because in the past a great deal has been said in a general way that all our problems would be solved by migrating the people of Britain to the other parts of the Empire and by developing our amazing resources; but the question, I venture to say, has never yet been dealt with on a definite and proper basis with a full realization of what the great underlying problem is. We admit we have done this in Australia—we do not plead that we are guiltless—we have gone ahead, we have talked migration, we have brought people in, we have held up alluring pictures of what we could do, and now, to some extent, we are reaping the harvest.

When we brought our soldiers back from the war we adopted extensive land-settlement schemes for them. The Commonwealth provided the finances and gave a rebate of interest; the State handled the different propositions, because practically the whole of the land in Australia is controlled by the States. We put a large number of men on the land to grow fruit, and now we are faced with the problem of marketing the enormously increased production. For each season during the last three years the Commonwealth Government has had to come to the aid of the fruitgrowers. This was quite inevitable. It did not matter whether one believed in Government assistance or in Government intervention, or whether one did not; it had to be done. The Government advanced large sums of money to these settlers, who were allowed thirty-six years in which to repay the advances. Something had to be done with their products or the men would have gone off the land. These men would have then migrated to the cities and increased unemployment. In addition the Government would have lost the very large sums which had already been advanced. Over the three years referred to, the Commonwealth Government has lost, through the fruit pools they have established and handled, something like £600,000. One cannot continue in that way, and the Government has now to face the position that unless some method of marketing can be found the efforts that are at present being made to settle Australia more closely must be seriously limited.

I quote the fruit industry merely as one instance to show the position in which we find ourselves. In spite of this we certainly must go ahead with migration schemes in fairness to our own people. We have established a certain standard of living in Australia; we have a certain economic position, and that economic position only enables us to absorb a certain number of migrants. Unless we have assured markets we are going to have a serious surplus of labour and the most disastrous results arising from it.

I am afraid I am to some extent taking a pessimistic tone, but, believe me, I am by no means pessimistic. I am perfectly certain the whole thing can be solved and that its solution is not as difficult as is sometimes suggested.

The position I desire to put, and put very clearly, to a Conference of this character, where all parts of the Empire have come together to consider our great national problems, is that Australia cannot stand still. We have to go on. We have a great country. We must populate it, or our very safety and integrity are menaced; and if we cannot solve the problem of marketing while we are here, then inevitably we must go back to our own country and seek some other solution. We recognize that any other solution must seriously limit our development. If we cannot find markets we shall be able to go forward only very slowly, but at least this will relieve us from a menace we are faced with to-day as a result of what we have already done and what we have in prospect. Consequently one would have to look at what one has to sell, and find a market for. This would mean looking round the world to see if there was not somebody with whom a bargain could be made so that the produce could be disposed of.

Policy of Tariff Preference for British Goods.

During the last few years in Australia we have had many requests that we should enter into reciprocal arrangements with different countries. These countries offered to give us very great advantages in their markets for our primary production in exchange for advantages they sought in our markets for their manufactured goods. We have rejected all those requests and have refused to listen to them.

We say that the whole basis of our trading policy is to try to ensure, as far as we can, the Australian market for the British manufacturer. But one must stress (and I am sure everybody would desire that one should stress) the point that while we are determined to pursue that policy in the future