

as far as we possibly can, our own economic necessities might drive us into a position in which to some extent we should have to relax it or we should be bringing disaster to our own country and to our own people. It is therefore necessary to consider whether such a relaxation would matter in the very least to Britain—whether it would matter if we removed these advantages we are giving her in our markets.

On many occasions I have heard it stated that the preference we give to Great Britain is of very little value at all. I recognize that that view is not generally held, but there is quite a body of opinion that expresses itself in that way. I think one need only look at the facts to establish quite clearly that it would be very unfortunate from Britain's point of view if Australia were driven to the point where she could not give such favourable terms to Britain as she does at the present moment.

#### Value of Australian Preferences to the British Manufacturer.

Now, in the year 1922-23 the actual amount of the preference which was given to British manufactures imported into Australia was £7,600,000. In addition to that, an effort was made to ascertain the value of the sentimental preference given by Australia. A great number of public bodies and large enterprises and others were circularized with that object in view. The conclusion arrived at was that it would be something in the region of £2,000,000. Those figures are very large, but in addition to that we have passed anti-dumping legislation to safeguard the British preference and to make sure that it will be effective against competition from countries with depreciated currency. I do not wish to go very far into that aspect of preference, or the protection where there are depreciated currencies. I will merely tell you two facts about it: one is that in cases where it is found necessary to safeguard the preference given to British manufactures, as against the manufactures of a country with depreciated currency, the basis on which duty is levied on the latter is the domestic market value in Britain of similar articles of British manufacture; the other is that under our anti-dumping legislation rather more favourable protection is given in some instances to British manufacturers than to our own people.

I pointed out to Parliament that it seemed to me rather an extraordinary position to be taking up to be protecting somebody else rather better than one is protecting one's own people.

The figures I have quoted—£7,600,000—are the actual figures. They can be gathered from the trade statistics. Most of you who have followed the controversies that have taken place in this country will probably remember that when Mr. Deakin and Sir Joseph Ward were pressing this case of Empire preference one of their critics said, "If Mr. Deakin and Sir Joseph Ward can show that the preference we were giving was worth £1,500,000 by way of preference as a figure to take by way of net profits to the manufacturers of Britain there would be something in it." and he almost implied he would be in favour of it if that were the position.

I dare say the preference given would amount to a net profit that is not very far short of the preference we are giving now. I think, therefore, that we have certainly arrived at the point where that challenge which was thrown out could very well be taken up.

Over the whole of the Dominions the preference which Britain received was somewhere between £10,000,000 and £11,000,000, and I personally cannot believe for one second but that this must be of the very greatest value to British manufacturers, and I think anybody who considers the position must also recognize it. It must be of value to the British manufacturer if those goods are going into Australia. It must provide employment for the people of Britain, and it must to a very great extent aid you in the problems you are faced with to-day. As far as individual manufacturers are concerned, I have spoken to many of them, and they all say that the preference is of very great value, and we are constantly, as a Government, receiving representations urging us to maintain the preference which Britain at present enjoys. I think that the Board of Trade could probably give us some information on that point, because they have no doubt ascertained from the manufacturers of Great Britain whether this is a preference that is of value to them and whether it is aiding them in their manufacturing industry at present.

*The Chairman:* There is no difference of opinion as to that.

*Mr. Bruce:* I need not labour the point. I may say that both the Federation of British Industries and the Association of British Chambers of Commerce have made very handsome acknowledgments of the benefits British industry has received. I do not wish to labour this aspect of the matter, but I think it is essential, at the start of this Conference, that we should have the case set out as it is and show what the whole thing means.

I would now like to give a few statistical details of the specific trades which have obtained advantages under this preference. In regard to these particular preferences and the particular industries, for 1920-21, the figures show:—

Class.	Value of Imports of United Kingdom Origin.	Concession of Duty under Preferential Tariff.
	£	£
Apparel .. .. .	3,977,751	577,339
Textiles .. .. .	27,679,925	3,986,232
Machines and machinery .. .. .	4,746,001	551,980
Other manufactures of metal .. .. .	17,960,292	1,487,906
Paper .. .. .	2,168,439	193,536

One must also remember that the history of the past shows that these preferences have been of some value. In 1882 the value of Australia's imports from Britain was £20,984,162, and in 1906