

The *per capita* figures are well within the knowledge of most of you. According to their populations the Dominions buy on a much higher basis than any foreign countries in the world, as shown in the following table :—

	Population (Whitaker, 1923).	Exports.		
		British Produce and Manufacture.	Re-exports.	Total.
		£ s. d.	s. d.	£ s. d.
New Zealand	1,200,000	13 4 5	13 10	13 18 3
Australia	5,500,000	10 19 6	19 2	11 18 8
Denmark	3,000,000	4 3 0	8 3	4 11 3
South Africa	6,000,000	4 1 9	4 3	4 6 0
Canada	7,300,000	3 9 5	7 3	3 16 8
Argentina	8,250,000	2 15 0	1 7	2 16 7
France	40,000,000	1 4 2	8 10	1 13 0
Germany	65,500,000	0 9 10	5 2	0 15 0
United States of America	105,000,000	0 10 6	4 1	0 14 7
Spain	21,350,000	0 11 2	0 11	0 12 1
Greece	7,000,000	0 10 10	0 2	0 11 0
Italy	38,500,000	0 10 0	0 11	0 10 11
Russia	136,000,000	0 0 6	0 1	0 0 7

The highest is New Zealand, with £13 18s. 3d. a head. Australia is next, with £11 18s. 8d., and the lowest on the list, if I exclude Russia, is Italy, which takes 10s. 11d. a head. A country such as the United States takes 14s. 7d. a head, as against a Dominion like Australia £11 18s. 8d.

Those figures, I think, show that the Dominions at the present time are doing their trade with Britain as far as it is possible for them to do it. I think they must convince anybody that at the present moment the Dominion markets are of very great value to Great Britain, and that their potential value is a thing, if we proceed along a proper line of development, which no man can possibly estimate.

There are some people who say everything is all right in this best of all possible worlds ; that there is nothing wrong with British trade or British methods or anything else. I am not saying that as against Britain. It happens in every country. It happens in Australia. We also have people who say everything is all right in this best of all possible worlds. But it is not. That is not the attitude that is going to help.

We are very often told that everything that is happening now is a result of the war ; that if there had been no war everything would have gone on perfectly well for Great Britain, and that there would have been no industrial situation to meet and no economic trouble at all. In 1913 I used to live in England, and I certainly did not gather the impression that everything was running quite on oiled wheels at that time. If one considers the positions of Britain, Germany, and the United States over the period between 1890 and 1912 (not complicating the situation at all by dealing with the period after the war) the export figures are certainly of considerable interest. I am quoting them only to show the relative advances made by the three countries :—

Total Exports.

Year.	United Kingdom.	Germany.	U.S.A.
	£	£	£
1890	263,000,000	166,000,000	176,000,000
1900	291,000,000	230,000,000	302,000,000
1905	329,000,000	281,000,000	310,000,000
1910	430,000,000	367,000,000	356,000,000
1912	487,000,000	440,000,000	452,000,000

I think these figures must suggest that there was certainly a very difficult period ahead of Britain on account of the intense competition of those two countries, which reserved to themselves their own markets, and used Britain only for the purposes of their surplus production.

Another point that I would venture to state (though in regard to anything I have to say I wish to make it perfectly clear that we are not in any way interfering in affairs which are matters of purely British interest and matters of British determination) is that the requests which have come in recently from rather surprising quarters that some action should be taken to protect their industries certainly point to the fact that the position is not as satisfactory as might be desired. The woollen industry, the silk industry, and other industries have asked for protection under the Safeguarding of Industries Act. I am not using that as an illustration of any particular fiscal system at all. All I am using it for at this moment is to show that it is desirable that Britain should exhaust all the possibilities of creating new markets for herself, and that there is a real necessity for her to give that matter serious consideration.

Effect of a Preference Policy on Britain's Relations with other Countries.

There is one other point I have to deal with, and that is a fear which was expressed in many quarters that if the British markets were ensured in any way—and I say quite deliberately, in any way—to the Dominions it would provoke foreign retaliation and would complicate the whole of