

**South Africa prepared to reshape her Fiscal Policy for greater Common Advantage.**

So far as we in South Africa are concerned, our policy has been to give a general percentage preference in our Customs system in favour of British products. It has been a general percentage extended to practically all articles. We are quite prepared to reshape our policy in such a way as to be more beneficial both to the South African consumer and to the British producer. It is quite possible to give, instead of this general percentage preference, specific preferences and thereby increase the existing preference on those articles which are of greater importance to your producers. In that way I think we shall be able to meet you fairly. And we are also willing to consult with you in regard to those items which are of special importance to your industries. I think a consultation like that will supply us with guidance in shaping our policy when we come to deal with our tariff. It is not only with regard to Great Britain that the question is important; we have important trade relations also with the other Dominions, and I hope that use will be made of this opportunity to discuss with our colleagues from the other Dominions what can be done in order to facilitate trade and exchange with them too. We take, for instance, a great deal of stuff from Canada. Canada is a great exporter to South Africa, and I hope it may be possible, not only with regard to Canada but also with regard to Australia and New Zealand and other portions of the Empire, to make arrangements which will be mutually beneficial and helpful in fostering inter-Empire trade.

**Improved Communications an Essential Need.**

I only wish to make one further remark. You have referred to the question of communications. I have seen with great pleasure that the British Government has, of its own motion, embarked on a policy of improved communications. The airship policy which we discussed a couple of years ago was then abandoned under the stress of the anti-waste policy—I might almost say the anti-waste “stunt”—which was then raging in this country. You have come back to the ideas which we discussed at that last Conference, and the British Government is going forward with their airship policy. The question of communications is probably the most important of all for the British Empire. One may adapt a legal phrase and say that communications are of the essence of our Empire, and unless we succeed in solving some of the more urgent problems of communications—more rapid and cheaper communications—it will be almost impossible in the future to hold together this vast Empire scattered over the whole globe. The Empire is developing in all its constituent parts to such an extent that unless we can solve this problem of communications the machinery for working this Empire will fail. At any rate, that is what I am afraid of, and I hope, therefore, that the lead you have given will be followed up, that we shall continually give attention to this difficult problem, and that in the end our inter-Imperial communications will be such as to make not only governmental consultation but every other process of communication and consultation with each other much easier and more rapid than it is at present.

**Advantage of a Permanent Consultative Body doubtful.**

I notice that you have referred to the question of further machinery, consultative machinery to be established to carry out the policies which may be recommended here. Personally I am somewhat doubtful about machinery. This Empire works so well without machinery. The spirit is so strong, the spirit has carried us so far—the spirit of good will and co-operation—that I am always somewhat diffident to tie us up with machinery of any kind which may be misunderstood and which may become the subject of debate in other portions of the Empire. However, I await the details of the proposals you will lay before us, and we shall then consider what we can do. My hope is that this will be a fruitful Conference. The opportunity is great, and the atmosphere is good. There is indeed a great psychological opportunity for marking a step forward in the business development of the Empire, and I hope that that opportunity will be utilized to the full in the few weeks we shall be together here.

**OPENING SPEECH BY MR. McGRATH.**

This, as you are aware, is the first occasion on which Ireland has been represented at an Imperial Economic Conference, free to present our own opinions and safeguard our own special interests. Those of us who are in charge of the responsibility for the economic well-being of the Irish Free State, lacking, as we do, the experience and knowledge of the representatives of other countries represented here, must take a modest, if an attentive, part in the deliberations of this Conference. Many of the items to be discussed are of great importance to our country, but it will be appreciated, I am sure, that less than a year has elapsed since the establishment of our State. During that brief period we have had to take over and adapt all the machinery of government, to initiate the collection and the examination of all the detailed particulars with which the delegates of this Conference should be familiar, and to deal with the other issues with which this Conference will not be concerned and to which I need not further refer. In consequence, neither the people nor the Government have had sufficient opportunity to examine the economic situation of our country in all its aspects and to determine a policy for the future. We are engaged upon these matters at the present time and will be so engaged during the coming year. On the present occasion we propose to hear the views of the other delegates, to take part in the discussion of subjects in which we feel we can legitimately assist, and on other subjects to keep an open mind, learning from the deliberations how best we can improve our economic relations with the other nations here represented. We will then return to our country so that, in consultation with our own people, through their representatives in the Dail and through the associations directly concerned in economic matters, we may work out our policy for the well-being and prosperity of the Irish Free State and for the development of its economic intercourse, to our mutual advantage, with the nations whose representatives I have the pleasure of addressing.