

parties get together and get a small contract and go on with the work. In many cases we pay the ordinary wages. As I was saying, we are trying to let a contract for the construction of twenty-five miles to finish a piece of line on the east coast of the North Island of New Zealand which will connect Auckland City with a well-settled district and a flourishing town on the coast. By that means we shall probably get the work done much more rapidly than if we proceeded with our co-operative men. If that turns out to be a success we intend to go further with it; but it all comes back to this: there are many, many millions required for the development of New Zealand, and I suppose the same thing obtains in Australia and South Africa, and even Canada. I know Canada fairly well, and I know a great deal of work has been done there. I know what has been said by the representative of Canada is absolutely correct. I take the responsibility of saying I shall be very glad if the scheme is carried out and to assist my country in taking advantage of it.

South African Government Undertakings not likely to need Financial Assistance from Great Britain.

Mr. Burton: I take it that your remarks to-day really contemplate, very much as your Trade Facilities Act does, expenditure in governmental schemes in the colonies and dependencies; although I happen to know, and no doubt you know too, of one case in which you exhibited quite a sympathetic attitude to the expenditure in the Union in one big matter. I am not sure that you are aware of it. However, we appreciate very much the attitude of the British Government in all our financial relations with them and the way you have treated our financial needs and requirements from time to time, but, like the rest of the Dominions, our position really is that, so far as Government schemes are concerned, we raise our money for ourselves. So really that leaves two things, one is the scope that this kind of expenditure would have in respect of public-utility schemes for which the Government itself had not primary responsibility, and in the second place private schemes, schemes in which private enterprise was engaged.

The Chairman: Not only, Mr. Burton; because surely while you raise your money at a very good rate, if you get an advance of interest from the British Government during the initial stage that is a direct advantage over and above the rate at which you can raise your money.

Mr. Burton: Yes. We are not in South Africa by way of refusing anything which is to our advantage. I do not suppose we differ from the rest of mankind in that respect. I agree with the views that have been expressed by the representatives of Canada and Australia particularly, and what strikes me, in the matter of the financial enterprises of a Dominion Government, is that our self-respect alone would place us in the position of having to do this work for ourselves, and we can do it, unless there is really some scheme in which it is clear that your special advantage is linked up with a rapid and immediate advantage of our own, when some mutual arrangement of that sort might be made. But, broadly speaking, we look after financial affairs of that sort for ourselves.

Possible Application of Proposals to Public-utility and Private Undertakings.

So that I come to the two things that I have already referred to—namely, public-utility schemes for which the Government is not primarily responsible and schemes involving private enterprise. As to the public-utility schemes, it would be impossible to lay down any general kind of undertaking. Every one of those schemes would have to depend entirely upon its own merits, and would have to be examined carefully and exhaustively by the Union Government, and no doubt by yourselves, before any kind of arrangement could be made involving these advances.

So far as South Africa is concerned, I may tell you, speaking as Minister of Finance, I feel that we are already involved in very considerable development schemes, as much as our financial situation can carry for the present. It is really in respect of the assistance which can be given to private enterprises in important matters that the advantages of the proposals which you have made come in, and with respect to that I am bound to say that if you get to business—because this is precisely one of the matters in which we are wasting our time here by simply talking in generalities—the need is to find out in which particular things and in what parts of the Empire you can do something and to do them at once.

As far as I can make out from the papers given to us, the sort of things which are contemplated are mainly railways, harbours, lighting, and power and water conservation. In respect of most of those, as I say, our business is to do those things ourselves, but there is one way which I can think of now, and which I want to put to you, in which, if you get to work, and we shall get to work, we can really do a great deal for the development of South Africa, and in which I think you will be able to reap great advantage from the point of view you have been urging.

Plea for Application of Scheme to Cotton-growing in South Africa.

There has been recently sent out to South Africa an expert of your Empire Cotton-growing Corporation. He has made an exhaustive examination of the whole of that country, and he has issued a report which, if you have not seen it, I strongly recommend you to read. It is one of the most important and most interesting documents I have seen for a long time. Mr. Keatinge, whose report I refer to, says that there can be no doubt there is going to be a great development of cotton-growing in South Africa. He puts it down at very large figures in the not distant future, and he says in one part of his report that what has got to be done now is for active steps to be taken. Well, I know—we in South Africa all know—what has been done in cotton-growing there already and that the possibilities are immense. Our people are beginning to look to it and have already taken steps in the way of growing cotton, but a great deal more is necessary before the kind of thing which you have in mind, and which I have in mind also, can be accomplished. Now what Mr. Keatinge says in one part of his report—I hope I do not weary you with this.

The Chairman: No.