

Attitude of the Colonies.

Mr. Ormsby-Gore: The colonies have been referred to in this debate, and in dealing with them I will endeavour to be as brief as possible. There is no doubt that Africa opens a great field for the development of transport facilities, railways, and the like, and I hope you will not think it looking a gift horse too much in the mouth if I say that the success of the proposals of the President of the Board of Trade this afternoon, from the point of view of our delegation, depends entirely upon conditions.

Treasury Control not acceptable.

If it means Treasury control I am afraid it does not mean colonial development. That has been our experience in the past. We must also bear in mind that just as the credit of Australia and New Zealand has been alluded to in connection with this proposal this afternoon, so it is vital to bear that in mind in connection with the colonies. After all, we raised £20,000,000 last year on our own. Nigeria comes out with a loan of several millions this week on its own. The Budgets have to be balanced; if they do not balance they get under Treasury control.

I think the most important consideration is that raised by Mr. Burton this afternoon as to whether bodies like the Empire Cotton-growing Corporation, with the assistance of the financial resources of the British Government, cannot come in and assist Colonial Governments to develop these undeveloped territories.

I am in a difficult position this afternoon, partly because there is at this moment sitting a Private Enterprise Committee, whose terms of reference are: "To consider whether, and, if so, what, measures could be taken to encourage private enterprise in the development of the British dependencies in East and West Tropical Africa, with special reference to existing and projected schemes of transportation." It may be that this Committee may recommend that the development of these tropical areas in future should not be what it has been in the past, a matter of State enterprise. Until that Committee has reported it is very difficult for me to give an answer this afternoon. Of course, if anybody is coming with a free gift the Colonial Governments can spend it to great advantage.

May I say, just as Mr. Innes has informed the Conference, that India is speeding up her orders as far as she can, that instructions have been sent to the Colonial Governments and the Crown Agents to do the same, and they are doing that to the utmost of their ability with a view to helping unemployment here? Of course, in developing some of these more backward countries, like Tanganyika, you have limitations of labour and limitations of other kinds to bear in mind, and consequently it all depends on the conditions and the limitations imposed on any assistance that is forthcoming before one can say how far these propositions will help forward the development of our colonies and dependencies. With these few words, as I know you wish to rise, I will await the further discussion of the details now before you.

Procedure for Further Examination of Scheme.

The Chairman: I think perhaps the most convenient course, subject to the Chancellor of the Exchequer—I do not think the experts can get very far with this until the Ministers have discussed it together—would be if we can arrange for an informal meeting at the Treasury between the Chancellor of the Exchequer and myself and one of the Ministers of each delegation interested, Australia, New Zealand, South Africa, India. Mr. Burton, perhaps you will consider whether you —

Mr. Burton: Yes. Unless there is something definite for us to discuss, some definite scheme, your proposal —

The Chairman: You are looking to the future when it would come in. What I think we ought to get down to facts on is the number of years for which the proportion of interest would be granted, what the amount of that proportion should be, varying with the different types of scheme, and so on, whether it should be exclusively on orders placed here—these practical points—and I think we may also get down to —

Mr. Amery: A small meeting to supply each Minister with enough material on the strength of which he could discuss it with his own people.

The Chairman: Mr. Massey would be in a position to discuss, and Mr. Bruce would.

Mr. Bruce: Not definite schemes, but the definite limits.

The Chairman: Yes, within the limits. You would say if we paid $\frac{1}{2}$ per cent. for two years that is of no use—but I mean general terms.

Mr. Chamberlain: The general terms upon which this assistance should be given.

Mr. Bruce: Is it proposed to arrive at a definite scheme as to what will be done if anything is proposed for a certain period and lay that down so that everybody will get equality of treatment, or is it proposed that if this proposal is generally approved on very broad lines it will be a matter for any Government producing a scheme to negotiate with the British Government as to what they will do with regard to it?

The Chairman: I think they would have to negotiate as to what they would do. We want to get the limits within which the terms would be apportioned. Obviously a scheme put up either by you or your neighbour might have less favourable terms because yours might be a much more revenue-producing scheme than his, but it is the broad limits of the terms we want to get at. I think this thing has gone far enough to show that it is clearly worth going on with, and we shall get schemes under it, and we want to get machinery for working it out, and the financial limits.

Sir Lomer Gouin: Which would apply to all the Dominions?

The Chairman: Certainly.

Mr. Amery: And private and municipal schemes of each Dominion?