

Mr. Chamberlain : If we do once agree upon these terms they might be brought back again, and then those Dominions who, up to now, have not seen any possibilities in this might, after all, think it was worth while to send them back and consider them with their own people.

The Chairman : Surely; and, indeed, we should want to do that. We shall require, I think, legislation, and we should certainly wish to take that legislation with the full approval of the whole of the Conference. You would approve of it just as much, although you were not able to take as much immediate advantage of it.

Mr. Graham : And we might be able to give more valuable advice by looking on.

The Chairman : Perhaps, Mr. Chamberlain, then you will arrange when it is convenient to you to have such a meeting at the Treasury.

In accordance with the decision arrived at in the above discussion, meetings outside the Conference took place of a small informal Committee of Ministers. The discussions in the full Conference were resumed at the Eighteenth Meeting, held on Friday, the 2nd November, 1923, as follows :—

The Chairman : The Chancellor is unable to be here himself this afternoon, but the Committee met to go into the question of financial co-operation, and we arrived at complete agreement on that Committee, both as to the desirability of such a proposal and as to the terms of the scheme to be adopted. The Committee therefore proposes to the Conference that we should recommend for adoption the scheme which is set out on the paper which I have circulated and which comprises the proposals which the representatives of the British Government put forward as the result of the discussions which took place on the Committee.

The report of the Committee reads as follows :—

“The Committee on Financial Co-operation recommends for adoption by the Conference the following scheme which was submitted to the Committee by the representatives of His Majesty’s Government :—

“The suggestion which the Imperial Government make is that, in order to facilitate the anticipation of work which otherwise would not be taken in hand for some years, they should give a contribution towards the interest charges on loans raised for capital expenditure of this kind by public-utility undertakings (viz., communications, power, lighting, water, drainage, irrigation, &c.). These undertakings might be under either public or private control or management.

“The assistance would be in respect of expenditure on orders placed in this country, and would be applicable only to schemes approved by the Dominion or Central Government concerned and certified by it to be in anticipation of normal expenditure. Payment would be made to the Dominion or Central Government, which would be responsible for payment to the ultimate recipient.

“It is suggested that the maximum grant should be three-quarters of the interest charges for a period of five years.

“In order to qualify for the Imperial contribution a scheme must be accepted by the Imperial Government within the next three years. The approval on behalf of the Imperial Government would be given after consultation with the Treasury, the Colonial or India Office, and the Board of Trade.

“It would be understood that priority will be given to schemes involving the earliest placing of orders.”

If this scheme is adopted and recommended by the Conference, and as I say the Committee was unanimous in its favour, it would, of course, require legislation in this country; and the British Government would propose, if that is adopted, to introduce legislation as early as possible to enable us to make these contributions of interest in order to anticipate the schemes. You endorse it, Mr. Graham?

A General Welcome extended to the Proposals.

Mr. Graham : Yes.

Mr. Bruce : I do not think there is very much that one wants to say. We have, of course, all been at the meeting where it was discussed, and, as far as Australia is concerned, we quite concur in this proposal. I am very hopeful that something may flow from it. It may not be a Federal Government proposition; it may not be a State Government proposition; it may be a municipality or private enterprise proposing to press on with work in connection with public utilities in regard to which, as they are placed at the moment, they are unable to contemplate the full burden of interest involved in the expenditure they would have to undertake. But with relief from the interest over a period while the initial stages are being passed, and having to bear the full burden only when the undertaking will have to come on to a paying basis, I am reasonably hopeful there may be something which will come from these proposals. I think we are very well advised to make the proposal as simple as possible. When we considered it before we had many complications which presented themselves, and I personally had some doubt whether the thing was practicable if we were going to introduce those complications, but now that it is based solely upon the amount of orders placed in this country—and that amount will be determined entirely by the country from which the orders are coming, and will only be placed when they are not in a position to fulfil their own requirements—and the interest relief is solely in respect of money actually expended, the scheme seems to me to be very simple, very easy of understanding, and I believe it is quite possible that some substantial benefit will arise from it. Certainly, as far as Australia is concerned, we welcome it, and even if no great results follow we think it a statesmanlike proposal of the British Government, and we will do anything in our power to see if some results can be achieved under it.