

it was our business to face the whole of this question perfectly frankly. Well, Mr. Graham has said, "We are not trying to dictate to you, but, of course, the things we are particularly interested in are wheat, and so on." Mr. Bruce has said, frankly, that the position with him is largely dependent upon beef, and we recognized, when we went into the question of settlement and finance—and this was the common opinion of the Conference—that the extent of settlement must in the long-run depend on the extent of the markets, which, in turn, must depend on the extent of mutual trade within the Empire. If we have said that in the course of the Conference—and we on our side agree to it—I do not think we shall be embarrassed by any resolution which restates that fact. But people do want to know what the real position is, and unless they know what the real position is they cannot form a fair judgment.

I will take, specifically, the points put by Mr. Graham and Mr. Bruce. If people in this country are to form a final and considered opinion on whether or not they should have taxes upon basic food products, they would want quite definitely to know certain things: they would want to know whether, if such a policy were adopted, the Dominions could supply the requirements at a fair price; they would want to know what they would get in return. That is not a matter of a haggling bargain; it is something much bigger and yet much simpler than that; it means that they would want to know whether, if on their side they adopted that policy, it would absorb our population and our products. As I say, that is certainly not a question of driving a bargain; it is merely saying what I think is the plain truth—that we have not finished with this matter, that it is a matter which will require much closer study, and that that closer study can only be given if, on both sides, we are able to state our difficulties frankly and are able to consider what would be the effect of any policy in one part of the Empire and in another.

Amended Resolution suggested.

In these circumstances I think it is not only reasonable but natural that this Conference should pass a resolution which sets out our collective opinion as to the need of Imperial development and as to the value of preference in that development, and I can assure the Conference that if that is the sentiment we should not feel it a matter of any embarrassment at all.

After some discussion, the Conference agreed upon a resolution in the following terms:—

This Imperial Economic Conference, holding that, especially in present circumstances, all possible means should be taken to develop the resources of the Empire and trade between the Empire countries, desires to reaffirm the resolution on the subject of Imperial preference passed by the Imperial War Conference of 1917.*

The Conference also adopted the report of the Food and Materials Committee, which is printed on page 120.

At the Twenty-second Meeting, held on the 8th November, 1923, the following discussion took place on the subject of the preference on Empire wines:—

Colonel Walter Guinness: I am very sorry it was not possible to take this when the Chancellor of the Exchequer was back, because he has given close attention to the matter and has been most anxious to meet the wine-producing industry of the Dominions to the utmost in his power, but I have heard this morning that he has now finally agreed to give the following preferences:—

Wines over 30°.

In the case of wine of over 30° there will be an increased preference, bringing the total preference up to 66½%. Up till now we have been giving 33½%. At the present time the duty on non-Empire wines is 6s.; on Empire wines it is 4s., and in future it will be only 2s. That will be a preference of 66½% per cent. Those are wines over 30° of proof-spirit.

These wines, when imported in bottle, also pay a surtax of 1s., as against a surtax for non-Empire wines of 2s., and the combined effect of this 50 per cent. preference on the surtax and the 66½% preference on the ordinary wine duty, in the case of these wines of over 30° imported in bottle, will give a preference on the combined duties of 62½% per cent.

Sparkling Wines.

On sparkling wines negotiations have been progressing, and on the surtax it is proposed to give the Empire produce an increased preference from the present 30 per cent. to 50 per cent. Here again there is the ordinary wine duty apart from the surtax. The ordinary wine duty gives a preference of 40 per cent., so in the case of sparkling wine the combined effect on the two duties will be a preference of just under 50 per cent. I am sure the Conference will realize that this is a far higher rate of preference than has been given in any other case where a Customs duty is levied.

* The resolution of 1917, which appears on page 114 of Cd. 8566 (1917), is in the following terms:—

"The time has arrived when all possible encouragement should be given to the development of Imperial resources and especially to making the Empire independent of other countries in respect of food-supplies, raw materials, and essential industries. With these objects in view this Conference expresses itself in favour of—

"(1.) The principle that each part of the Empire, having due regard to the interests of our Allies, shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire.

"(2.) Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag."