

and I am glad to see that there is considerable revival in the British motor-car trade and a general feeling of optimism with regard to it. I hope that that feeling can be realized, but I am certain that there is much more that can be done with regard to motor-cars in the Australian market, while I understand that very much the same circumstances apply to New Zealand and South Africa. I am equally certain that if those markets were really being dealt with seriously by the British manufacturer it would enable him to make a further bold bid for the South American market.

At the present moment the facts with regard to motor-cars are that in 1924 Great Britain produced 123,000 motor-cars and exported 15,659. In the same year the United States produced 3,500,000 motor-cars and exported 178,000. That discrepancy, of course, can to a great extent be accounted for by the tremendous home market that the American producer enjoys; but I venture to suggest that there is a great home market awaiting the British industry if it will take advantage of it, and that is the home market inside the Empire. Australia, New Zealand, and South Africa together import not less than one-fifth of the total motor-cars that are exported from all countries of the world, but out of the amount of £18,000,000 worth of motor-cars purchased by those three Dominions only a little over one-tenth is going to the British manufacturer.

In certain parts of the Empire a preference is given to the British motor-car. In Australia, for example, on unassembled foreign cars we charge a duty of 12½ per cent., while British unassembled chassis come in free. The people of Australia want to buy the British motor-car, but at the present moment, although the sales are going up, the cars which are being purchased in Australia from the British manufacturer are not suitable to Australia, they do not meet Australia's requirements nearly as well as the American car, and with very few exceptions it is because the Australian people desire to purchase British cars that those British cars are being sold. Here are figures showing the expanded British sales.

EXPORTS TO AUSTRALIA OF BRITISH MOTOR-CARS AND CHASSIS, 1922-25.

Year.	Exports of Motor-cars, Touring and Commercial.		Exports of Chassis.	
	Number.	Value.	Number.	Value.
		£		£
1922	246	138,628	549	279,386
1923	707	347,285	1,302	560,889
1924	2,329	835,801	1,621	630,292
1925	3,310	987,224	7,108	1,327,418

Those figures look very encouraging on the surface—a great expansion in numbers and a great expansion in value—but there is a large market that is not being taken up by the British manufacturer at all. In 1924-25 the United States sold £7,295,000 worth of motor-cars to Australia. To a great extent the British purchases come about by reason of the sentimental preference that is being given. The actual position with regard to motor-cars is that Great Britain has its home market, and has a system of taxation upon motor-cars which is dependent upon the power of the car. You have extraordinarily good roads throughout Great Britain, and the manufacturer in Britain naturally produces a car suitable to his own country. He produces a low-power car to avoid the taxation, he produces a low-power car because it is suitable to the perfect roads of this country. But it is not suitable to Australia, and while our experience is that British cars will last much longer, and in that sense are a better purchase, it is no good purchasing something, even if you believe it is better, if it is unsuited to the local conditions.

Joint Action by British Motor-car Industry suggested.

The point I would stress is that it is not the slightest use looking at these figures and saying that everything is all right. It is not; because you could be doing so much better. Nor is it possible, I suggest, for any British motoring firm to say: "All right, we will cater for the Australian trade, we will produce a car that is suitable to it, and we will fight the American in this market." It cannot be done, because the overhead charges would paralyse any individual manufacturer in this country, and I suggest that the only possible way in which it can be done is for the motor industry as a whole to make up its mind that it is going to get this very great British market oversea, to come together and combine to assemble in Australia certain cars specifically built on behalf of the whole motor industry of Great Britain; otherwise we shall continue to get this multiplicity of cars from different manufacturers with the resulting difficulties about spare parts. If that were done it would be possible for us to overcome the trouble we are faced with to-day, and to obtain British cars absolutely suitable to our requirements. I can say, on behalf of Australia, that if you need assistance to achieve this we should have no hesitation at all in giving you any help in our power, along the lines of our national policy, which as you know includes the principle of preference to Britain.

This question, of course, is one that has to be taken up with the motor industry itself, but I think it is worth while putting it forward because it is a typical case of the position in Australia, where there are a great number of things in which Great Britain is to-day doing a certain trade, and conceivably an expanding trade, but in which there is not anything like the trade which she could do with proper organization. This is how I view the possibility of our assisting to ensure markets for British production, and I am certain that there is a tremendous amount that can be done in a similar way to that which I have suggested with regard to motor-cars.