

culable results. I think, too, that those of us who have been dealing with the publicity work of the Board believe that we can very largely change the current of trade in this country, and consequently immensely enhance the market available to the rest of the Empire by a purely educational campaign, appealing through all the various media of the Press, posters, cinema, lectures, and in other ways, to the consumer and to the trader generally. I feel it really a great privilege to have had to preside over so enthusiastic and keen a body of workers. I should like to say also that we have been extraordinarily fortunate in having a most capable and enterprising Secretary, Mr. Tallents.

#### **Future of the Imperial Economic Committee.**

As I said before, this is in the main a matter within the sphere of the British Government, but it does link up very closely with the work of the Imperial Economic Committee. As to that work, though I have not been directly concerned with it, I can only say, as I said at the beginning, that under Sir Halford Mackinder's chairmanship the Imperial Economic Committee has progressively developed a most interesting system of inquiry, and has produced reports which are of the very greatest value. One cannot assess that value in actual figures; but I believe that the committee's inquiries, if effect be given to its recommendations, will in practice result in very great additions to the value of the Empire's production. I should like to express the hope that the Conference will look into the whole work of the Imperial Economic Committee, and will consider the shape which should be given to it for the future. Whatever that shape may be, I should like to express the earnest hope that they will encourage the continuance of the work for the common good of all.

### **STATEMENT BY THE PRIME MINISTER OF CANADA.**

*Mr. Mackenzie King:* Prime Minister, we listened with interest yesterday to the lucid summary given by the President of the Board of Trade of the chief economic questions which are to receive the consideration of this Conference. A number of the minor, or at least more technical, questions are being referred for preliminary examination to sub-committees, so that it is not necessary to refer to them at this stage. One of the most important issues, that of Imperial migration and settlement, is to be discussed in full at a later sitting. I shall therefore confine my observations at this time to a few of the more general economic questions before us.

#### **Trade of Canada with Great Britain.**

First, as to inter-Imperial trade. Sir Philip Cunliffe-Lister was able to report that an appreciably larger percentage of Great Britain's exports were being taken by the other parts of the Empire. The same satisfactory position as to total inter-Empire trade is indicated by an analysis of trends in Canada. In the past four years, our imports from the British Isles have increased approximately from 117,000,000 dollars to 163,000,000 dollars, and from 15.7 per cent. of our total imports to 17.6 per cent. We would wish that British imports formed a larger proportion of our purchases, but in view of increasing competition from other countries, and particularly the advantage which United States exports derive from close proximity and knowledge of Canadian requirements, it is striking to find the share of British exports on the increase. I think it will be agreed that but for Canada's extension of preference to Great Britain in 1897, the starting-point of the present intricate inter-Imperial preferential system, and further developments such as the grant in our Budget of 1923 of a one-tenth additional tariff preference to British goods entering by Canadian ports, the position would be far from as satisfactory as it is to-day. It may further be of interest to note the very high percentage of manufactured goods in these imports from the British Isles, 87 per cent. in the last fiscal year, or more than half as great again as in the case of imports from the United States, from which we derive a good deal of our raw materials. In the same four years the rate of duty levied on dutiable imports from Britain declined from 24.8 to 22.1 per cent.

Great Britain was last year our best customer; it has alternated in this position of late years with the United States. Four years ago we exported to Great Britain 300,000,000 dollars' worth of Canadian products; last year, over 500,000,000 dollars. Yet the percentage of our exports taken by Great Britain fell during these years from 40.4 to 39 per cent., a fact which reflects the growing diversity of our export trade and the increasing amounts taken by Continental Europe and Asia.

During the past four years our trade with the other members of the British Commonwealth has shown marked expansion in totals, and a slighter increase in percentage of our whole export and import trade.

#### **Trade Agreements with Australia and British West Indies.**

During the past year two important trade agreements have been negotiated with other members of the Commonwealth. After long endeavour, we succeeded in making an agreement with our Australian friends for a very considerable reciprocal exchange of preference. The agreement has had to run the gauntlet of a good deal of criticism in both countries, which is perhaps an indication that it was not one-sided, but we believe that it will prove of very distinct advantage both to Australia and to ourselves. More recently we have renewed our trade and steamship service agreement with the British West Indies. I think Mr. Amery, who has kept intimately in touch with this development, will agree with me that Canada entered into this new arrangement as into the old one in no haggling spirit, and with a full appreciation of the desirability of rendering still closer the ties between these two North American units of the British Empire. The new agreement has not yet formally gone into effect, and negotiations for the provision of the new steamship services which are contemplated are still under way, but as an earnest of good will we have extended the agreement rates to British West Indies produce since April of this year.