

Australia's Need of Population and Markets.

But it is necessary that I should say a word or two with regard to the other angle of the situation, that is, the position of Australia and the markets that we require, and what we believe can be done to ensure our being able to get them, ever remembering that upon the obtaining of markets depends the solution of the problem of a better distribution of the white population of the Empire. This question of oversea settlement is, of course, being considered by a sub-committee of this Conference, and possibly we shall have a discussion upon it here, but, while such a committee can consider the ways and the machinery and do a great deal to stimulate the flow of people into the Dominions, the real fundamental thing that will revolutionize the whole situation is for great developments to be going on in the Dominions, and for their absorptive power to be increased. Increased population means increased production, and the problem we have to solve before that can be achieved is to find markets for what we produce.

Increased Customs Duties in Great Britain not suggested by Australia in 1923.

In 1923, when I was at the last Imperial Conference, it was continually stated—I read it myself hundreds of times—that I was urging upon the people of Britain that they should tax foodstuffs and raw materials. I never urged anything of the sort, but a mis-statement of this sort, once it gets loose, can never be overtaken, and I am sure that practically all the people of Britain are convinced that I did suggest that. Britain in 1919 had granted certain preferences and had accepted the principle of preferences within her limited fiscal system. This did not really apply to anything that was of very great importance; it certainly did not apply to anything that could have had any effect upon the cost of living in Britain. The preferences that were granted in 1919 were upon wines, dried fruits, and canned fruits; &c., and all I urged was that Australia would be glad if this preference, having been granted, should be made effective. I think it is very desirable that I should make this matter quite clear because I know the belief exists that I came in person and urged that a duty should be placed on the food of the people and on the raw materials that are so vital for British industry. One or two other commodities were introduced during the discussion, but they were introduced by the voluntary action of the British Government who came forward with proposals with regard to them. As far as I was concerned, my only concrete proposal in regard to tariff preference was that existing preferences should be made effective. But to-day I would urge exactly the same thing, that where there is a duty, and where a greater preference to any part of the Empire can be given by reducing the amount of duty which Empire goods must pay, it would be desirable, having regard to the great value of getting a market for some of these commodities of the Dominions, to consider whether such a reduction is not desirable. It could have no possible effect on the cost of living in Britain other than that it might conceivably reduce it.

Methods of Stimulating Empire Trade.

The other point which I urged in 1923, after having put forward the views of the Commonwealth in regard to the certain preferences which we suggested it would be desirable to increase, was that we should examine every possible way in which Empire trade might be stimulated. I referred to five different methods that conceivably might be adopted, and I suggested that it was very desirable they should be fully examined. These five suggestions included tariff methods, import licenses, and similar methods. My suggestion of a tariff method was put forward just as tentatively as my other proposals, but attracted an altogether disproportionate amount of attention. It is no use my referring to such methods as import licenses again, because under the Anglo-German Treaty Britain is quite precluded from adopting them, so I leave these entirely aside and we are brought back really to the position which has been indicated very clearly in the report of the Imperial Economic Committee—namely, the question of voluntary preference. The President of the Board of Trade referred yesterday to the great advance that had been made in regard to voluntary preference and his belief that by an intensive campaign much could be done to advantage Empire produce in the markets of this country. As far as we are concerned, we entirely agree with the principle. Voluntary preference has certainly existed to a great extent in Australia for a long time, and we are prepared to go on and do everything in our power to try and ensure that voluntary preference will be given both in Britain and in the Dominions. The basis of voluntary preference will be very greatly helped if this Bill which the British Government has introduced—the Merchandise Marks Bill—is actually brought into operation and put on a basis that can be effectively worked.

Closer Settlement Products in the Dominions.

The only other point with regard to this side of the preferences which I would like to say a word about now is that I believe it is essential, having regard to the importance of a better distribution of the white population of the Empire, that serious consideration should be given in Britain to the position of certain products which are what I describe as closer-settlement products—products that are produced on small areas and lead to close settlement. These industries only cover three things which I would suggest, dairy produce, fruit, and pig products, but these things, having regard to the great advantages that would flow from greater settlement and an increased population in the Dominions, are, I suggest, well worthy of the consideration of the British Government. But again I would stress that as far as I am concerned I only put this suggestion forward for the consideration of the British Government. I have never suggested the general taxation of foodstuffs, and I have always recognized the great importance to Britain of having adequate supplies of cheap food and raw materials.

Appreciation of Preferences and the £1,000,000 Grant.

I desire to express the appreciation of Australia for those increased preferences which were given after the 1923 Conference, and also for the action that was taken in regard to the grant of