

LETTER ADDRESSED BY THE RIGHT HON. J. G. COATES TO THE RIGHT HON. STANLEY BALDWIN, AND CITED IN ARTICLE 4 OF THE AGREEMENT.

Dear Mr. Baldwin,—

Ottawa, 19th August, 1932.

I have given further consideration to the matter of an agreement between His Majesty's Government in the United Kingdom and His Majesty's Government in New Zealand. In my conversations with you and your Ministers we have agreed that a policy will be adopted that will have for its definite objective the twofold purpose of raising the price of meat to a remunerative level, and of progressively increasing the share of the Dominions in the United Kingdom market. I accept your undertaking that effective steps will be taken to secure these results.

2. For the purpose of restricting foreign supplies of mutton and lamb, the arrivals, as compared with the corresponding periods of the year ending 30th June, 1932, as I understand the United Kingdom proposal, are to be reduced by at least 10 per cent. for the quarter ending 31st March, 1933, 15 per cent. for the quarter ending 30th June, 1933, 20 per cent. for the quarter ending 30th September, 1933, 25 per cent. for the quarter ending 31st December, 1933, 30 per cent. for the quarter ending 31st March, 1934, and 35 per cent. for the quarter ending 30th June, 1934, and thereafter, unless otherwise agreed between the Governments concerned, for the remainder of the period of the agreement concluded at Ottawa by not less than 35 per cent.

3. During the year 1933 and in the light of the experience gained, His Majesty's Government in the United Kingdom will consider, in consultation with His Majesty's Government in New Zealand, the best means of ensuring an improved price situation and the more orderly marketing of supplies.

4. To assist in the orderly marketing of supplies, the Dominion will give a reliable estimate of shipments of mutton and lamb as early as possible in each export season. This season will necessarily cover the period 1st October in one year to 30th September in the following year. For the season 1932–1933 we estimate our exports of frozen mutton and lamb at 200,000 tons, with a 5 per cent. increase in each of the following two years. For the calendar year 1933 you may take it that our shipments of frozen mutton and lamb will be the same as those of the twelve months ended 30th June, 1932—i.e., of the year which ended with the month immediately preceding the opening of the Conference.

5. It is understood that, in consideration of this undertaking on our part, no restriction will be placed by His Majesty's Government in the United Kingdom upon the importation of any meat from New Zealand during the period ending June 30, 1934.

6. In frozen beef, we estimate our exports for the season 1932–1933 at not more than 22,000 tons, representing a maximum increase over the previous season of approximately 10 per cent.

7. With regard to bacon and other pig products I am informed that your Government are now dealing with the reorganization of this industry, and that an effective policy of control of foreign imports will be adopted. This policy, as I understand it, will provide for some expansion of Home and Dominion supplies of pig products. New Zealand is already an exporter of pork and bacon carcasses and will be granted a reasonable share of the expansion made possible by the reduction of foreign imports.

8. All frozen beef (carcasses and boned beef) from foreign sources is to be subject to the same reductions as are specified in paragraph 2.

9. No increase of chilled-beef imports from foreign sources into the United Kingdom in excess of the twelve months 1st July, 1931, to 30th June, 1932, will be permitted during the period 1st January, 1933, to 30th June, 1934, and the rate of importation will not thereafter be increased during the period of the Ottawa agreement except with the concurrence of the Governments concerned.

10. Should it appear to His Majesty's Government in the United Kingdom after inquiry that, at any time in consequence of a restriction upon foreign imports, the supplies of meat of any kind are inadequate to meet the requirements of consumers in the United Kingdom, then His Majesty's Government may remove any such restriction until supplies are again adequate.

Yours sincerely,
J. G. COATES.

The Right Hon. Stanley Baldwin, M.P.,
United Kingdom Delegation,
Imperial Economic Conference,
Ottawa, Canada.

Approximate Cost of Paper.—Preparation, not given; printing (1,300 copies), £4 15s.

By Authority: W. A. G. SKINNER, Government Printer, Wellington.—1932.