

No. 18.

New Zealand, Dominions No. 227.

MY LORD,—

Downing Street, 7th July, 1922.

With reference to my despatch, Dominions No. 56, of the 20th February, I have the honour to transmit to Your Excellency, for the information of your Ministers, copies of a Parliamentary Paper, Cmd. 1683, containing a despatch which I have addressed to the Governors of certain West Indian colonies, relating to the continuance for ten years of the existing preferential rates of Customs duties.

I have, &c.,

WINSTON S. CHURCHILL.

Governor-General His Excellency the Right Hon.

Viscount Jellicoe, G.C.B., O.M., G.C.V.O., &c.

Enclosure.

WEST INDIES.

Despatch to the Governors of certain West Indian Colonies relating to the Continuance for Ten Years of the Existing Preferential Rates of Customs Duties.

The Secretary of State to the Governors of British Guiana ; Trinidad ; Barbados ; Windward Islands ; Leeward Islands ; Jamaica.

SIR,—

Downing Street, 9th March, 1922.

You are no doubt aware that, at a meeting of the Associated West Indian Chambers of Commerce held in Trinidad on the 29th January, the Parliamentary Under-Secretary of State for the Colonies announced that His Majesty's Government proposed to give to the West Indian colonies an undertaking that the preference on goods at present entitled to preferential rates on importation into this country shall be continued for ten years. I have now the honour to transmit to you, for your information, and for publication in such manner as you may deem advisable, a copy of a question on the subject which was addressed to me in the House of Commons on the 23rd February, together with a copy of my reply.

2. The general depression of trade throughout the world has not spared the British West Indian colonies. Great difficulties are being experienced by most, if not all, of their staple industries, and by none, I believe, more than by the sugar industry, in which so many of them are interested. His Majesty's Government have great sympathy with the unfortunate position in which that and other West Indian industries are placed, and it has been a source of satisfaction to them to be able to give a practical proof of their sympathy by making a proposal which, if it commends itself to Parliament, cannot in their opinion fail to have important effects in restoring confidence in the future of all the West Indian industries to which the British preferential tariff applies. I trust that the hopes of His Majesty's Government in this matter will not be disappointed, and that the announcement of their intentions will reassure both those who are engaged in production in the West Indies and those who may be hesitating to embark their capital and their energies in extending and developing cultivation in the colonies affected.

3. I shall be glad if you will communicate this despatch to the Legislature and to the public generally in the colony under your government.

I have, &c.,

WINSTON S. CHURCHILL.

Enclosure.

WEST INDIES (IMPERIAL PREFERENCE).

SIR S. HOARE asked the Secretary of State for the Colonies, Whether his attention has been drawn to the statement that the Parliamentary Under-Secretary of State for the Colonies announced at a meeting of the Associated West Indian Chambers of Commerce in Trinidad on the 29th January that the British Government had decided to make a trade arrangement with the West Indies guaranteeing the continuance for the next ten years of the existing rate of preference ; and whether he has any announcement to make on this subject ?

MR. CHURCHILL : I have seen the report of the announcement by the Parliamentary Under-Secretary of State for the Colonies, which represents in substance the policy which His Majesty's Government propose for the acceptance of Parliament, namely, an undertaking to the West Indian colonies that the preference on goods at present entitled to preferential rates on importation into the United Kingdom shall be continued for ten years. The undertaking would be that the Customs duties on such goods, other than spirits, shall bear to the duties on similar goods imported from foreign countries the proportions prescribed by the Second Schedule of the Finance Act, 1919, and that the Customs duties on spirits shall be lower, by not less than 2s. 6d. per proof gallon, than the duties on foreign spirits of a like kind. His Majesty's Government do not consider that it will be necessary to make any formal agreement with the West Indies. They assume that the West Indian colonies will continue to accord preference to goods of the Mother-country throughout the period. The proposal for an undertaking to the West Indian colonies is due to the representations made to His Majesty's Government that the introduction of further capital is necessary to maintain and develop the main industries in the West Indies, and that the raising of this capital will be greatly facilitated if the producers can be guaranteed that the preference which they enjoy in the United Kingdom market will be assured to them over a definite term of years. Although the Hon. Member's question relates solely to the West Indies and has been answered accordingly, I ought to make it clear that there is no intention of giving less favourable treatment to goods imported into the United Kingdom from any other part of the Empire during the ten years in question.