

- (ii.) That, with a view to ensuring that in future the reconstituted Institute may have expert assistance in regard to finance—*e.g.*, in establishment matters—a representative of His Majesty's Treasury be added to the new governing body and to the new Managing Committee proposed in paragraphs 100 and 101 of the Report of the Imperial Institute Committee of Inquiry.

RESOLUTION 2.

This Imperial Economic Conference approves the estimate of the cost of maintaining the reconstituted Institute as set out in paragraph 5 of the memorandum by the Secretary of State for the Colonies submitted to the Conference (I.E.C. (23)–18); and suggests that in order that the sum of £8,000, which is proposed as an annual contribution from the Dominions and India, may be obtained, the Ministerial representatives of the Dominions and of India advise their respective Legislatures to contribute the following annual amounts for a period of five years :—

	£
Canada	2,000
Commonwealth of Australia	2,000
New Zealand*	1,200
Union of South Africa	1,200
India	1,200
Irish Free State	200
Newfoundland	200

RESOLUTION 3.

This Imperial Economic Conference take note of the memorandum on the co-ordination of research bearing upon industry and the suggestions for its development submitted by the Department of Scientific and Industrial Research in consultation with the Ministry of Agriculture and Fisheries and other Departments, and they are of opinion that all possible steps should be taken to encourage the exchange of scientific and technical information between the various parts of the Empire, and the co-operation of the official and other organizations engaged in research for the solution of problems of common interest.

(K.)—Immunity of State Enterprises.

It was decided that the following resolutions be adopted :—

I.

This Imperial Economic Conference, so far as it is competent for its members without prejudice to the rights of the States or Provinces of a self-governing Dominion, agrees with the recommendation of the Committee on the Liability of Dominion and Foreign Governments, &c., to United Kingdom taxation expressed in the following terms, viz. :—

“ Any Government within the Empire, so far as it engages in trade, shall be treated as liable to the taxation of any other country within the Empire in which it may either own property in connection with trade or make trade profits; the liability of the United Kingdom Government or any Dominion Government so far as engaged in trade shall be co-extensive with the liability of a private trading corporation in similar circumstances.”

It is agreed that each of the several Parliaments of Great Britain, the Dominions, and India shall be invited to enact at the earliest opportunity a declaration that the general and particular provisions of its Acts or ordinances imposing taxation shall be deemed to apply to any commercial or industrial enterprise carried on by or on behalf of any other such Governments in the same manner in all respects as if it were carried on by or on behalf of a subject of the British Crown. It is not contemplated that such legislation should have retrospective effect for any year prior to 1924.

This Conference further agrees that, as soon as possible after the passing of the aforesaid legislation, negotiations should be opened with the Governments of foreign countries, in accordance with the recommendations of the aforesaid Committee, with a view to reciprocal agreement between those countries and the Empire to the following effect: If or when the Government of a foreign country carries on trade in the United Kingdom or in a Dominion, and if or when the Government of a country within the British Empire carries on trade in a foreign country, the trading Government shall not, in its character as such, be treated as entitled to any sovereign immunity from taxation either directly or through the claim of superiority to the jurisdiction of municipal Courts; not shall a Government so trading be treated as entitled to any sovereign immunity from taxation in respect of property in the other country concerned which it may own or hold in a trading capacity or in connection with trade.

It is understood that, as the Committee recommended, it would be a proviso to the whole agreement that it should be without prejudice to the national interests of a sovereign State in any emergency of war.

II.

The Conference further recommends that the draft convention on the immunity of State-owned ships adopted by the meeting of the International Maritime Committee held at Gothenburg in August

* On the understanding that New Zealand is willing to raise this amount to £1,500, provided that the Exhibition Galleries of the Institute are retained.