

The British farmer states that if he cannot get substantial aid many thousands of acres of arable land must go back to grass, and tens of thousands of agricultural workers will join the ranks of the unemployed. I desire particularly to draw the attention of this Conference to the similarity between the position of the British farmer and the farmers of the Dominions, in the hope that as a result of the deliberations of this Conference some common policy may be found. Cannot a policy be framed to stabilize the price of such commodities as meat and wheat, to eliminate fluctuations, thereby confining the trader to his legitimate sphere of distribution, removing any incentive to speculation, and thus relieving at one and the same time the agricultural producer and the industrial consumer at the expense of no legitimate interest?

I fully appreciate that even a suggestion that any steps should be taken towards stabilization will be greeted by many people with absolute horror. Our minds have run in certain directions for a very long time and we are very reluctant to contemplate any change, but I am quite certain that if we are going to be stereotyped in every opinion we form and are not prepared to alter these views at all we shall find most of our problems almost impossible of solution to-day. Circumstances have changed enormously. Personally, I believe in the law of supply and demand, no Government interference, no sort of control. I believe in letting trade and industry flow in its own channel; but to-day we have some extraordinarily grave problems before us, and there are certain aspects of trade and industry which have developed, and, although we are told we should not interfere with trade and industry, these problems have assumed such a character that some action must be taken to defeat the machinations that are being carried on. I refer to great combines, and especially the great combines handling the foodstuffs of the people.

While I approach this question personally with an open mind, I do recognize that many people will not be prepared even to consider anything that involves any interference with the ordinary flow of trade throughout Great Britain. We have the same feeling in Australia, but I say without hesitation we must at least examine the position and see if there is not something which can be done.

One point we have to realize, I think, is that agriculture at home and in the Dominions cannot flourish so long as Britain remains the dumping-ground for every available foreign surplus. Some foreign produce is produced by cheap coloured labour, and labour that we Anglo-Saxons can only regard as sweated; other produce comes from countries with severely depreciated currencies. Where neither sweated labour nor depreciated currencies assist the foreign producer he generally has a protected home market, and can often afford to dump his surplus production into Britain. It is essential to regulate and, where necessary, to restrict the foreign imports.

I have not come to this Conference with any suggestion that I have the solution of this problem, but we do so regard it as the keystone of the whole Imperial structure that we feel we should try to put forward some ideas in regard to it.

Three Objectives.

I suggest that the first objective we must have in mind in any solution that is arrived at is that we should ensure that the British agricultural producer should have priority over all-comers for the sale of his produce in the British market. In Australia, educated as she has been in regard to her fiscal system, that appears to some people to be an absolutely essential factor. Of course, it is perhaps surprising that Australia takes that view, but as we demand that our own production shall have first rights in our own market we recognize that the British agricultural producer has exactly the same rights as we claim for ourselves.

The second objective is that, so far as the British farmer is not able to supply the British requirements of foodstuffs, the Dominions producer should be placed in a position to supply, to the greatest possible extent, the necessary requirements.

In order to achieve these two objectives the importation of foreign agricultural produce should be limited to supply the deficiency that the British and Dominion agriculturalist is not able to supply. That is, of course, the producer's side of the problem.

The third objective is that we should realize that in a country such as Great Britain the consumer's point of view must have the fullest consideration. Any agricultural policy which resulted in a permanent increase in the cost of necessary foodstuffs might place the industrial interests of this country at a disadvantage in the markets of the world. It is, therefore, of the greatest importance to examine any proposals that may be put forward to achieve the objects which I have just stated in the interests of the producer, in order to see whether there is a reasonable chance of safeguarding the producer's interests without sacrificing those of the consumer and, through the consumer, those of the industries.

These are the three points that occur to me by which we must be guided: (1) To assist the British farmer, (2) to encourage the Dominion producer, and (3) to safeguard the British consumer.

Five Proposals suggested for Examination.

I wish now to deal with five different proposals for achieving these objectives. There is only one that I must say I think stands out over the others. With regard to all the rest, I am merely putting them forward as suggestions for examination, and I do not express any opinion at all with regard to them.

(1.) Protective Tariff on Foodstuffs and Raw Materials with Preference to Dominions.

Dealing with them in order, the first method that naturally occurs to the mind, when considering how British and Dominion agriculture may be safeguarded against what we may term the unfair competition of foreign supplies, is a protective tariff for British agriculture, with adequate preference