

Britain's economic relations with other countries. I personally cannot believe that that is so. Other countries have tariffs protecting their own industries, and those countries have offered preference to Australia. Could anybody resent it if Britain, Australia's own Mother-country, did exactly the same thing as foreign countries are doing at the moment? We in Australia and all the other Dominions have taken action to ensure that our markets to some extent will be available to Great Britain. Nobody has resented that, and nobody has ever suggested that it is not a perfectly legitimate and proper thing for us to do, and one that is well within our competence as an independent people.

We must remember also that foreign nations are not particularly apt to consider Britain's interest. At the present time we are not obtaining such extraordinary concessions and benefits from foreign countries that we need be very apprehensive that they would do anything to alter them even if they did not like what we are doing. I think it can generally be accepted that most foreign countries have done everything possible to see that Britain's trade did not get into their markets. I do not think, therefore, that we need be very much concerned with that side of the matter. This question has been raised, of course, many times, and I have a quotation here from a speech by Mr. Austen Chamberlain in the House of Commons. He said :—

"What we choose to do within the British Empire is the concern of the British Empire. It gives no right for any foreign nation to take offence. No foreign nation invites or would tolerate our interference in their internal customs arrangements, and I see no reason, but for the suggestions coming from the honourable gentleman, why any foreign nation should take offence at our doing what other foreign nations have done for years without complaint from us or anybody else. If that be the issue, if a foreign nation chooses to raise that issue, and to say, when one portion of the British Empire treats another portion of the British Empire as kinsmen, as parts of one whole, as partners in one great commonwealth, that that is an offence to the foreign nations, then the whole British Empire would be ready to meet that and to stand shoulder to shoulder to combat it."

The whole question of tariff policies of different countries towards their dependencies has been very carefully studied, and there is a very illuminating report on the subject which was prepared by the United States Tariff Commission. Anybody interested in the subject would be well advised to read it, because it is a mine of information which sets out the whole position very clearly. I do not wish to deal extensively with it at the moment, but I do wish to give certain figures which are extracted from this report of the United States Tariff Commission. They show the arrangements which have been made by the chief foreign and colonial Powers in order to protect their dependencies in their own markets.

The United States has a differential tariff for its possessions as against foreign countries, which on the average amounts to about 100 per cent., Japan gives 100 per cent., France 50 per cent. to 80 per cent., Portugal 50 per cent. to 90 per cent., Spain 50 per cent., Italy 50 per cent. to 90 per cent. There are two countries which do not protect their colonies—namely, Belgium and Holland. There are particular reasons, however, in regard to those two countries; and, as far as Holland is concerned, without directly protecting her colonies, she does a great deal to help them through insisting upon their shipping in Dutch boats only, and she assists them in other ways.

I apologize for speaking for such a long time, but to my mind the keystone to every question we have to consider at both the Imperial and Economic Conferences is the establishment of markets for the Dominions so that we can get true Empire-development.

I have tried to show that there is a real value in Dominion preferences and Dominion markets; that there is a wonderful possibility of expansion in those markets; and I have tried to indicate that it would be a serious thing to British manufacturers if the position they have at present in the Dominion markets were lost to them.

Value of British Market to the Dominions.

It is also necessary, of course, to consider the value of the British market to the Dominions. I think there is no Dominion which does not recognize that the British market is the best in the world, and that it has been an invaluable market to the Dominions in the past; and their greatest aim and greatest ambition is to ensure that they shall at all events hold their own in that market in the future. But the Dominions feel that there is a real danger that they are not going to hold their own in the British market in the future. There are some people who say that the Dominions ought to be prepared to consider that the free access they have to this, the greatest and best market in the world, is more than an equivalent for any preference that the Dominions might give to Britain. I am not sure that the Dominions would not agree with that, if the great ideal of those who founded the theory of free trade had been carried out, and we had world free trade instead of every country protecting itself, and we had also the corollary of a reasonable standard of living in the countries with which we should be likely to compete. If that were the position I think there would be a great deal in the argument that to have free access to this market would be all that anybody could ask; but, unfortunately, that is not the position, and I am certain that the great founders of free trade did not visualize a world of tariffs such as has grown up. I came across an extraordinarily interesting statement of Mr. Cobden's made in 1862 which I think bears out to some extent what I am saying, and which is really direct support to the case I am trying to make now—namely, that it is necessary to keep the British market as far as possible for the Dominion production of food and raw material so that we can develop the Empire. What Mr. Cobden said in 1862 was, "I doubt the wisdom, I sincerely doubt the prudence, of a great body of industrial people to allow themselves to live in dependence on foreign Powers for the supply of food and raw material."

To a great extent that is the case that Australia is making to-day. We say that for the Empire it is a suicidal policy, quite apart from the fact that we believe we ought to develop the Empire.