35 A.—6A.

Apprehensions as to Future of British Market.

One thing which makes the Dominions very apprehensive as to the future value of the British market to them is that in this market they have to compete with the production of cheap and/or coloured labour. That is the situation which faces a country which has as its policy to remain a White Australia and to have a reasonable standard of living for its people. We are confronted with competition from cheap labour—and by cheap labour I mean labour that is not paid a reasonable and fair wage according to the standard of civilization we have reached—or coloured labour which has a different standard of living altogether.

Another thing that makes us very apprehensive is the dumped surplus production of other

countries, and in a moment I will give an example of how that affects Australia.

Depreciated currency is also a factor against which, of course, one has to some extent to protect oneself.

The last, and probably one of the most dangerous factors, is the great combines which are growing

up all over the world.

The examples which would stress those cases I have indicated are these: In Australia we have at present a large surplus production of dried fruits, and this production is increasing. We must find a market for it, but we are faced with competition from places with very cheap labour. The places I refer to are the Levant and those countries where there is certainly not a standard of living which would be acceptable to any British community. The other factor which affects our dried fruits is that we are subjected to the competition of dumped surpluses from California.

Those two factors make it very doubtful whether in the future the value of the British market

is really going to be as great as we could wish.

The question of meat I do not intend to go into at any great length at this stage, but, of course, the British market is, if I may say so with all respect, practically at the mercy of a great combine over which Great Britain has no control at all, and that combine at the present moment is surely and inevitably driving Australia out of meat-production.

The factors which I have stated certainly make us very apprehensive as to the future, so far as the British market is concerned. But I hope that I will not leave any impression but that Australia certainly, and I am sure all the Dominions, realize the amazingly good fortune they have in being dependencies of the British Crown and in having this great British market, together with a great sympathy towards them which has been available at all times throughout their history and their growth up to the present hour.

Resolution of 1917 Conference.

The foregoing more or less covers the points I want to try and establish. We have then to consider the position in which we find ourselves. I do not want to go over the story of what has happended in regard to Imperial preference, or the necessity of trying to find markets in Britain for Empire production, but I think I must refer to one matter because it is of such very recent date, and that is the resolution that was passed by the 1917 Conference. I would remind the members of the present Conference of what actually took place then. The resolution passed was that—

"The time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food-supplies, raw materials, and essential industries. With these objects in view this Conference

expresses itself in favour of-

(1.) The principle that each part of the Empire, having due regard to the interests of our Allies, shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire.

(2.) Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag."

That resolution was passed unanimously by the representatives of every one of the Dominions and Britain herself.

That was the first occasion upon which the British representatives had associated themselves in a resolution of this character. I want to quote that, and I want to stress it very much, because you will remember that in 1917 we were in the midst of the war, and during the war I think most of us saw things with a little greater clarity than we do under ordinary circumstances in periods of peace. I am afraid that most of us are rapidly forgetting what we learned in the war and the lessons that we ought to have drawn from it as to regulating our future conduct.

But as far as that resolution is concerned I remind the Conference of it only because it is the last expression of the view held by a Conference of this character. It is now for us to express the view we hold.

As far as Australia is concerned, we still hold the view we held in 1917. We would again subscribe to that resolution with the utmost pleasure, and we think it would be a good thing if a similar resolution were actually recorded by this Conference. But I think it would be very much better if, instead of following the usual habit of Conferences and passing resolutions, we could on this occasion do something practical to give effect to what we actually believe in. I think that would really lead to the result that we all desire to achieve. Now, as far as Australia is concerned, we have taken action along the lines of that resolution. We have passed a new tariff, as I have told you, increasing the favourable circumstances under which Britain comes into our market; we have passed legislation protecting Britain against countries with depreciated exchanges; we have done everything in our power to try and promote the trade of Britain, which is the underlying idea of the resolution; and in certain cases where Britain has appealed to us with regard to individual industries, such as the dye industry, we have taken action to try and help her to foster the new industry which she is building up.