

No. 19.

New Zealand, No. 72.

SIR,—

Downing Street, 1st April, 1926.

I have the honour to request Your Excellency to inform your Ministers that the High Commissioner for the Western Pacific has reported his high appreciation of the cordial and prompt assistance which has been afforded by the New Zealand Naval Board in connection with the handling of the recent disturbance at Ocean Island, Gilbert and Ellice Islands Colony.

2. I shall be glad if you will convey to your Ministers an expression of the grateful thanks of His Majesty's Government for this assistance.

I have, &c.,

L. S. AMERY.

Governor-General His Excellency General Sir C. Fergusson, Bart.,
LL.D., G.C.M.G., K.C.B., D.S.O., M.V.O., &c.

No. 20.

New Zealand, Dominions No. 172.

SIR,—

Downing Street, 12th April, 1926.

With reference to my despatch, Dominions No. 353, of the 14th August, 1925, I have the honour to transmit to Your Excellency, for the information of your Ministers, the accompanying copies of a statement which I made in the House of Commons on the 31st March regarding the marketing of Empire produce.

I have, &c.,

L. S. AMERY.

Governor-General His Excellency General Sir C. Fergusson, Bart.,
LL.D., G.C.M.G., K.C.B., D.S.O., M.V.O., &c.

Enclosure.

EMPIRE PRODUCE (MARKETING).—GOVERNMENT DECISIONS.

45. SIR HARRY BRITAIN asked the Prime Minister what steps His Majesty's Government propose to take to give effect to the recommendations of the Imperial Economic Committee on the subject of promoting the sale in this country of Empire products.

THE SECRETARY OF STATE FOR DOMINION AFFAIRS (Mr. Amery): I have been asked by the Prime Minister to reply to this question. The following decisions have been reached by His Majesty's Government with regard to the recommendations of the Imperial Economic Committee on the subject of the proposed grant for the furtherance of Empire marketing:—

- (i) As some time will be needed before the more important schemes for the expenditure of the grant mature, it seems unlikely that the full amount could profitably be used in the next financial year; it is therefore intended to set aside the sum of £500,000 in the financial year 1926-27, but it is proposed that the full amount of £1,000,000 should be provided for the year 1927-28.
- (ii) The Imperial Economic Committee in their report contemplated that the body to be set up for the administration of the grant should be responsible to Parliament, and, in order to preserve strictly the principle of Parliamentary responsibility, the estimate for this service will be brought before Parliament in the form of a special vote to be administered by the Secretary of State for Dominion Affairs. He will be assisted by a Commission or Board, which, in addition to himself as Chairman, will include the Parliamentary Under-Secretary of State for the Colonies as Vice-Chairman, the Financial Secretary to the Treasury, the Parliamentary Secretary to the Ministry of Agriculture, the Parliamentary Under-Secretary for Health, Scotland, and members nominated by the Secretary of State in consultation with the Chairman of the Imperial Economic Committee. The Secretary to the new body will be accounting officer for the vote.

The grant will be in the form of a Grant-in-aid, so that the balance unexpended within the financial year can be carried forward. The new body will be able to appoint sub-committees, when necessary, with outside personnel; but it is desired that it should so far as practicable make use of existing Governmental machinery—*e.g.*, that full use should be made of the existing organizations for research. It will be a direction to the new body that home agricultural produce should be included with imported Empire products in the scope of the grant. I should add that His Majesty's Government have proposed, and the other Governments concerned have agreed, that an additional member should be appointed by His Majesty's Government to the Imperial Economic Committee itself as representative of home agricultural interests. The form of the proposed organization for the administration of the Empire marketing grant, as well as the future of the Imperial Economic Committee itself, will no doubt be fully considered at the forthcoming Imperial Conference.