

1930.
NEW ZEALAND.

IMPERIAL CONFERENCE.

STATEMENT MADE BY THE PRIME MINISTER IN THE HOUSE OF REPRESENTATIVES ON THE
12TH DAY OF AUGUST, 1926, IN REFERENCE TO THE BUSINESS TO BE TRANSACTED AT THE
FORTHCOMING IMPERIAL CONFERENCE.

Ordered to be laid upon the Table, and to be printed.

WHEN I intimated to the House a few days ago the subjects to be considered at the Imperial Conference I undertook to afford members an opportunity of discussing these matters. I suggest, with the permission of the House, that with the discussion of this subject we should combine the discussion on three papers already laid before you—A.-5, the Report of the Dominion Representative on the Tenth Assembly of the League of Nations; A.-6, the Report of the Conference on the Operation of Dominion Legislation and Merchant Shipping Legislation; and A.-7, the London Naval Treaty.

Honourable members will, I am sure, readily recognize that on certain questions it would be premature to initiate a public discussion before they have been considered at the Conference. Defence and foreign policy are conspicuous examples on which a considered opinion could only be given after the fullest information, confidential and otherwise, had been supplied. I hope, however, in the course of my remarks to give sufficient indication of the general attitude of the Government towards the subjects on the agenda paper, and I shall be glad to hear and to consider any views that honourable members may see fit to express on these or any other subjects.

It will be understood, of course, that the decisions of the Conference will not bind any Dominion against the will of its Parliament, and a copy of the proceedings of the Conference will, in the usual way, be laid before you in due course. The House will, no doubt, agree that the representative of New Zealand must to a considerable extent be allowed a free hand in the discussion and decision of the various subjects to be dealt with at the Conference, but I hope to indicate in general terms the lines that it is intended to follow.

I wish to make it plain at the outset that the present Government share in no less measure than previous Governments the traditional attitude of New Zealand towards the United Kingdom. We value very highly our continued association with the Mother-country, and it is our wish to maintain this association as close and as intimate as possible both politically and economically. We have no complaints and no demands, and we shall enter this Conference as the representatives of New Zealand have entered previous Conferences, with the utmost spirit of good will to the Mother-country and to our sister Dominions, and with an earnest desire to bear our share in any measure that will serve the common welfare. The people of the United Kingdom have, I hope, learned to anticipate with confidence such an attitude on our part, and I know that it will be endorsed without reserve by the members of this House and by the people of the Dominion.

As honourable members are aware, it is only within the last few days that the agenda has been sufficiently developed to enable a statement to be made; and, indeed, I think that it is not yet finalized, and that additional subjects may be expected to be added as time goes on. The distance of New Zealand from the United Kingdom and the length of time that is necessarily taken in the transit of documents, combined with a delay on this occasion in preparing the agenda, have been the cause of some embarrassment in this connection. We are, however, leaving no stone unturned to gather the fullest possible information on every subject on the list, and we have also taken steps to obtain the views on economic subjects of the Association of New Zealand Chambers of Commerce, of the New Zealand Manufacturers' Federation, of the New Zealand Association of British Manufacturers and Agents, and of the various Control Boards. The information as it is obtained is being carefully collated and analysed in my own office, and before departure from New Zealand a complete dossier of the necessary information will be available for the New Zealand representative.

Turning now to the agenda itself, and to the first main head, "Inter-Imperial Relations," the most important subject for consideration under this head will be the report of the experts' Conference on the operation of Dominion legislation, a copy of which has already been laid before members. I do not propose to discuss this report in detail, as members may be presumed to be already familiar with it, and it is not necessary for me to call attention to the vital importance of the recommendations or to their effect on the constitutional relationships of the members of the British Commonwealth of Nations. Honourable members will remember that the question of the status of Dominion Governments, and their powers and obligations, has been the subject of continued discussion for a very lengthy period, and has been a matter of deep concern to several members of the Commonwealth. The individual signature by the Dominions of the Treaty of Versailles was, perhaps, the first definite step in the development of a controversy that has from time to time threatened to become acute. The deliberations of succeeding Imperial Conferences have resulted in the emergence of an entirely new theory of the constitution of the Empire, and the birth of a doctrine of Dominion status that could not be made to fit within the construction of the British Commonwealth as it has been understood in the past. The individual membership of the Dominions in the League of Nations and their constantly growing participation in international affairs inevitably focused attention upon the theory of Dominion status, and the matter received the earnest consideration of the Prime Ministers of all the Governments concerned at the Imperial Conference in 1926, when a Committee headed by the late Earl Balfour produced a momentous report, which was accepted by the plenary Conference, based on the dictum that the British Dominions are "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations." In order to bring the existing legal position into conformity with this new theory of constitutional relationships the experts' Conference, of which the report is now before the House, sat in 1929, and New Zealand was represented at this Conference by the then High Commissioner, Sir James Parr, and by Mr. S. G. Raymond, K.C.

I do not propose to enter into any examination of the necessity or the desirability of the changes in status and in powers contemplated by the 1926 Imperial Conference, and now proposed by the experts' Conference in 1929. The Governments of this Dominion, whatever their political doctrines, and the people of New Zealand would, I think, have been quite content to leave things as they were. We have not in any way been embarrassed by the terms of our association with His Majesty's Government in the United Kingdom, nor have we been restricted in the control of our own affairs. So far as we are concerned—and I think I am interpreting the view of previous Governments as well as of the present Administration—we should have been content with the existing structure of the Empire, and we had no desire to press for any change. But it is impossible to ignore the fact that a position entirely acceptable to us has not been acceptable to other members of the British Commonwealth, and in a political organization whose most marked

characteristic is its dependence entirely upon the good will of its component parts it is obvious that its continuance in the future must depend upon a basis acceptable to all. It was, no doubt, for this reason that the representatives of New Zealand at the 1926 Imperial Conference concurred in the report of the Inter-Imperial Relations Committee and in the enunciation of the doctrine of equality of status among all His Majesty's Governments, to which I have just referred. It is from this point of view that the present Government have considered the report of the 1929 experts' Conference, and it is from this point of view that the representative of New Zealand at the forthcoming Imperial Conference must discuss that report. We are convinced that the welfare, the safety, and the prosperity of every portion of the British Commonwealth now depend to a very material extent upon its continuation as a close association of partner Governments, the policy of which should be decided after continuous consultation. New Zealand did not press for the changes that are now proposed, and in some respects, I think, New Zealand would not have wished to support the position that has now developed. We must, however, face the facts, and there can, I think, be no question that the experts' report carries to their logical conclusion the necessarily vague decisions as to Dominion status of the Imperial Conference of 1926. The Government do not feel that they could effectively oppose the acceptance of these recommendations in respect of such Dominions as may desire such a course. Whether we may approve of them or disapprove of them, we are forced to the conclusion that they flow naturally from the decisions of the 1926 Conference, and that we could not now, if we wished, alter the position that has developed. If at the forthcoming Conference, therefore, it should appear—and I have little doubt that it will appear—that the recommendations of the report meet with the common acceptance of His Majesty's other Governments, then New Zealand will not dissent.

Honourable members will have noticed that these recommendations are permissive only, and not obligatory upon any member of the British Commonwealth. Even when the immediate steps proposed by the report to facilitate the complete autonomy of the Dominions have been taken either in the form of United Kingdom legislation or otherwise, it will still remain for the New Zealand Government and for the New Zealand Parliament to decide how far these recommendations should be adopted, if at all, in respect of New Zealand. We do not propose in the meantime to take any active steps in respect of the report, and if, as will no doubt be the case, the report is adopted by the Imperial Conference, with or without amendment, then the New Zealand Parliament will be consulted before any action is taken in respect of this Dominion. Indeed, in one respect the New Zealand Government are definitely averse from carrying into effect the full implications of the report—we do not wish to make any alteration in the present powers in regard to New Zealand legislation that would adversely affect the very high standing of New Zealand credit on the London market, and whatever the event, we shall carefully safeguard the position in this respect.

The House will understand that, while the recommendations of this report, if adopted by the Imperial Conference, will no doubt dispose of any question as to the status of each member of the British Commonwealth, they cannot be regarded as a complete solution of the problems of our association together. Certain implications of the report will require to be carried to a final conclusion. It is perhaps wise, however, to take one step at a time, and I think there will be general agreement that the step that is proposed by the report is sufficiently wide for the moment. The passage of time will, no doubt, indicate further necessary adjustments in the position now to be laid down, and in the meantime, in our opinion, the most important problem of our constitutional relationships is no longer that of freedom or equality, but that of consultation and co-operation. If the British Commonwealth of Nations is to continue as we in this country devoutly hope it will, then some means must be found of co-ordinating, in so far as they have a common bearing, the now free and unrestricted activities of the several members of the Commonwealth. That from our point of view is the problem of the moment, and it is in this direction that our efforts will be principally directed at the Imperial Conference. A solution of this problem will be by no means easy to discover, and, indeed, I think that time and the tests of practice will be the principal factors in evolving a satisfactory system.

It will be noted from the report that the experts recommend for the consideration of the Imperial Conference the establishment of a tribunal for the determination of any dispute that may arise between members of the British Commonwealth. In international relations, disputes on matters of right in which we are concerned will now be settled by reference to the Permanent Court of International Justice at The Hague; but in accepting the compulsory jurisdiction of this Court a special reservation was made of inter-Imperial disputes, and it is for the consideration of such disputes that this tribunal is now proposed. We feel it very unlikely that we ourselves would be involved in any dispute with another member of the British Commonwealth that might call for the intervention of such a tribunal, but, at the same time, it is our intention to fall in with any reasonable proposal for the setting-up of such a tribunal in order to avoid any possibility of friction between His Majesty's several Governments.

One of the special subjects referred to in the report as calling for an agreed policy throughout the Commonwealth is that of nationality, including the very vexed question of the nationality of married women. Under the auspices of the League of Nations a Conference on the Codification of International Law has recently been considering this subject, and its report, which is only just to hand, is now receiving the consideration of the Government. It is our view that a uniform law of nationality throughout the British Commonwealth is desirable, but we do not feel that uniformity will be easy to attain, or, indeed, that it can be attained without a considerable compromise, especially with reference to the case of married women. The House will recognize that this subject is by no means free from difficulties, and that perhaps the outstanding necessity of the situation in the interests of the woman herself and of the children of such a marriage is that the nationality of the whole family should be the same. The possibilities of complications — and, indeed, of hardship — where, say, the husband is of one nationality, the wife of another, and the children perhaps of a third, are by no means negligible, and the utmost that I can say at the moment is that if I am to represent New Zealand at the Imperial Conference I shall use my best efforts towards a solution that will meet with general acceptance throughout the Commonwealth, and that I will do all that is proper to protect the interests of women. I might add that the Codification Conference was unable to arrive at any really effective decision on this subject, and the utmost they were able to decide upon was that to avoid certain cases of "statelessness" a woman, on marriage, should not lose her existing nationality unless she received the nationality of her husband. They added a recommendation, however, that States should continue to study the possibility of introducing equality of the sexes in matters of nationality.

I do not propose to enter into any lengthy disquisition on the delicate questions of foreign policy. We welcome, of course, the growing strength of the movement towards international peace and disarmament, and we shall do all that properly lies in our power to further this movement, having due regard to the safety and protection of this Dominion and of the British Commonwealth. Honourable members are referred to the increasing activities of the League of Nations in the direction of security, as evidenced by the proposed amendments to the Covenant of the League, the General Act and Model Treaties for the Pacific Settlement of International Disputes, the Model Treaty to strengthen the Means of preventing War, the Model Treaties of Mutual Guarantee and Non-aggression, and the Draft Convention on Financial Assistance. Some account of the proceedings of the League in this connection will be found in parliamentary paper A.—5, and it is the view of the League that the encouragement of a feeling of security will stimulate the rather disappointing progress of disarmament. The New Zealand Government are giving careful study to these instruments and to the recent activities of League Committees on the subject, the reports of which have just been received, and we hope that an opportunity will be afforded for further discussion at the Imperial Conference. However encouraging the continued improvement in international relations may be—and there is no doubt that it is encouraging—he would, I think, be a rash man who concluded that the possibility no longer exists of international complications and their attendant conflicts and miseries. We in New Zealand are in a happy position in our geographical isolation from the problems of the Old

World and in our very complete economic affiliation to the United Kingdom. By reason of these facts we are relieved to a considerable extent from the apprehensions and the perplexities of less-favoured countries, and are thus enabled to devote our attention to the everyday affairs of our own national existence without an undue regard to international friction. But that the possibilities of such friction still exist I, for one, have no doubt, and it is the duty of the Prime Minister of this country to take such steps as the international situation may require to provide for every possible eventuality. Our safety, of course, depends very largely, if not entirely, upon the British Navy, and, though we shall welcome any progressive and common reduction in the heavy burden of national armaments, the day has not yet, in our view, arrived when it is possible to ignore the necessity of naval defence. Our prosperity in New Zealand—and, indeed, our safety—depend almost entirely on the prosperity and the safety of the United Kingdom, and it is unfortunately a fact that the United Kingdom is not able to adopt the detached attitude with regard to international affairs that our more fortunate position enables us to take. On these important subjects of defence and foreign policy I think it will be generally agreed that we must to a large extent be guided by the experience and the necessities of the United Kingdom.

Honourable members have had laid before them the text of the London Naval Treaty of 1930, which embodies an agreement between the three great Naval Powers—Great Britain, the United States of America, and Japan—and the partial agreement of France and Italy. The Treaty marks an important step in naval disarmament and accord between the great Naval Powers, and will, of course, enable His Majesty's Government in the United Kingdom to effect substantial economies. The New Zealand Government are at present awaiting the full report of their representative at the Conference (Sir Thomas Wilford), and this is expected almost immediately. I feel I am expressing the feeling of the great majority of the people of this Dominion who have given consideration to the vital question of naval defence, that the adequate protection of the sea-borne trade of the British Commonwealth is a matter of paramount importance, especially to a country like New Zealand, which is wholly dependent upon this means of transportation of her export products to the great markets of the world. Therefore any material diminution of naval strength in this respect must give cause for very serious thought. It must be remembered, too, that some of the provisions of the Treaty have met with criticism by acknowledged naval experts of high standing in the United Kingdom. But, while we in New Zealand may have some misgivings regarding the wisdom of these sections of the Treaty, it should be borne in mind that the cost of the British Navy is almost wholly borne by the taxpayer of the United Kingdom, and not by us.

I do not wish to say more than a word or two concerning the Singapore Base. As I have already advised the House, this matter is to receive consideration at the Imperial Conference, and it would be premature to discuss the matter in any detail now. The Government—and, I think, the people of New Zealand—have been impressed with the necessity for a base in the Pacific from which the British Fleet could operate should the occasion unhappily arise. We have shown the importance that we attach to this question by a substantial annual contribution towards the cost of the base, of £125,000 per annum, with a maximum of £1,000,000, and we have in nowise altered our opinion in that respect.

Turning now to the economic side of the agenda, we have, first of all, the highly important subject of inter-Imperial trade. The Government fully recognize the importance of this subject, which is equalled only by its complexity and its difficulty of approach. The position of New Zealand is a remarkable one, inasmuch as our economic prosperity—and, indeed, our existence—is almost entirely dependent upon the sale of our primary products in the United Kingdom. Anything, therefore, that disturbs our market in that country has an immediate effect upon New Zealand, and thus from material interests alone—a basis upon which I certainly do not wish it to be understood that we rely—we must deeply deplore the existing depression in Great Britain. We are, of course, a small community; we have our own economic difficulties, and there is, perhaps, little that we can do to assist the Old Country. It will, no doubt, be sufficient for me to say that, quite apart from our own

individual interests, we shall hope to assist as best we may in any movement that promises an improvement in the economic prosperity of the United Kingdom, and that we shall give most earnest and sympathetic consideration to any proposition that may be laid before the Conference. Honourable members will not, I think, expect me to enter into a discussion of the advantages or otherwise of various fiscal systems, or of the proposals that are now, I understand, agitating public opinion in Great Britain: the fiscal system of the United Kingdom is a matter entirely for the consideration of its own people and its own Government. We can all agree, however, that a determined effort to rise out of the economic rut of the present day is called for, and that the people of New Zealand would not wish to be behindhand in taking their part in this task. Unfortunately, it does not rest in the power of Governments or Conferences to remove at a stroke the economic ills from which practically the whole world is suffering. We yield to the people of no Dominion in our devotion to the principles of inter-Imperial unity, both economically and otherwise, and we will enter upon the discussion of the economic subjects at the Conference with all good will and with the desire to foster trade within the Commonwealth in every possible way.

I do not propose to comment on the various subsidiary questions that are included under this heading in the agenda, except in the most general terms. We should, of course, welcome the fullest extension of capital investments and the establishment of branch industries in this Dominion, and we will encourage in every possible way the development of inter-Imperial trade by Trade Commissioner services or the other means referred to in the agenda. We shall enter into any discussion that may be promoted on the question of inter-Imperial tariff preferences in a helpful spirit, and, indeed, this Dominion has invariably been to the forefront in the preference which its Customs tariff allows to the products of other members of the Commonwealth. We regard the Imperial Economic Committee, the Empire Marketing Board, and the Imperial Institute as performing useful and valuable functions each in its own sphere, and we do not fail to realize the immense potential value of research both in agriculture and in industry.

To the special meeting of experts in industrial research and standardization we have already arranged for the departure of the Secretary of the New Zealand Department of Scientific and Industrial Research, and the deliberations of this meeting of experts when reported to the Imperial Conference will, we hope, lead to results of real and permanent value.

We regard any improvement in transport or communication between the various British countries as not only a most valuable aid to the cause of inter-Imperial trade, but as a potent factor in increasing the good will and understanding of the component parts of the Commonwealth, and we shall examine with care the considerations to be placed before the Conference on this subject.

I feel it necessary to refer more specifically to the three remaining subjects on the economic side of the agenda. I do not propose to commit the Government on the subject of bulk purchases and price-stabilization. I am not yet aware of the proposals that will be placed before the Conference in this respect, and it would certainly be premature to express any views, but I look forward with interest to the discussion of these subjects. I am arranging to be advised of any comments that the various New Zealand Control Boards may wish to make, and no commitments will, of course, be made without the prior approval of the New Zealand Parliament.

The question of oversea settlement is one of the utmost importance, and is at the same time one of the most difficult. Many of the difficulties of the United Kingdom are due to the fact that there is insufficient work to be found for its people, and any system that can be devised to transfer surplus population from the United Kingdom to the Dominions must be of real value. So far as we are concerned, however, the unprecedented continuance of unemployment here renders it quite impossible that we should at present encourage immigration into this country; and this not only in the interests of the people already here, but equally in the interests of the intending immigrant. It would be a disservice to the immigrant no less than to New Zealand to bring any man to the country unless it is clear that work is available for him, and, unfortunately, in the existing

conditions in New Zealand there can be no such certainty. It is with extreme regret, therefore, that we feel ourselves unable for the present to take any effective step in this connection.

Finally, I must refer to that portion of the report of the experts on Dominion legislation that deals with merchant shipping. Members will have noted that the report proposes complete autonomy on this subject as on others. The recommendations have been carefully considered by the New Zealand Marine Department, and, with one minor exception, they are regarded as entirely acceptable. The actual steps, if any, that we may decide to take to put these recommendations into practice here will, of course, be a matter for the New Zealand Parliament, and it is not proposed to take any such steps during this session.

In addition to the Conference itself, there will be numerous matters requiring my attention while abroad, and, in particular, it is hoped to negotiate trade agreements with Canada and with France.

I hope honourable members in discussing these subjects will understand the position if I find myself obliged to refrain from entering upon any subject that in my view would be better considered confidentially in the Conference before being submitted for public judgment.

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In addition to the various subjects mentioned in the report regarding my attention while abroad, and in particular in regard to negotiate trade agreements with Canada and with France.

I hope that members in discussing these subjects will understand the position if I am unable to do so. It would be better to have the matter brought before the public for public judgment.

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