

1916.
NEW ZEALAND.

ECONOMIC CONFERENCE OF THE ALLIES.

TELEGRAM FROM THE SECRETARY OF STATE TO HIS EXCELLENCY THE GOVERNOR.

Presented to both Houses of the General Assembly by Command of His Excellency.

Telegram from the SECRETARY OF STATE FOR THE COLONIES to His Excellency
the GOVERNOR.

London, 20th June, 1916.

THE following account of the proceedings of the Economic Conference will be
published here to-morrow:—

ECONOMIC CONFERENCE OF THE ALLIES.

1. Representatives of the Allied Governments have met at Paris, under the presidency of M. Clementen, Minister of Commerce, on June 14th, 15th, 16th, and 17th, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference on March 28th, 1916, giving practical expression to their solidarity of views and interests, and proposing to their respective Governments appropriate measures for realizing this solidarity.

2. They declare that after forcing on them this military contest in spite of all their efforts to avoid a conflict the Empires of Central Europe are to-day preparing in concert with their Allies for a contest on an economic plane which will not only survive the re-establishment of peace, but will at that moment attain its full scope and intensity.

3. They cannot therefore conceal from themselves that agreements being prepared for this purpose between their enemies have the obvious object of establishing the domination of the latter over the production and the markets of the whole world, and imposing on other countries an intolerable yoke. In the face of so grave a peril the representatives of the Allied Governments consider that it has become their duty, on the grounds of necessary and legitimate defence, to adopt and realize from now onward all measures requisite on the one hand to secure for themselves and for the whole of the markets of neutral countries full economic independence and respect for sound commercial practice, and on the other hand to facilitate the organization on a permanent basis of their economic alliance. For this purpose the representatives of the Allied Governments have decided to submit for approval of those Governments the following resolutions:—

A. Measures for the War Period.

1. Laws and regulations prohibiting trading with enemy shall be brought into accord for this purpose.

- (a.) The Allies will prohibit their own subjects and citizens and all persons residing in their territories from carrying on any trade with (1) inhabitants of enemy countries whatever their nationality; (2) enemy subjects wherever resident; (3) persons, firms, and companies whose business is controlled wholly or partially by enemy subjects, or is subject to enemy influence, and whose names are included in a special list.
- (b.) They will prohibit the importation into their territories of all goods originating in or coming from enemy countries.
- (c.) They will devise means of establishing a system enabling contracts entered into with enemy subjects and injurious to nations' interests to be cancelled unconditionally.

2. Business undertakings owned or operated by enemy subjects in territories of the Allies will all be sequestered or placed under control; measures will be taken for the purpose of winding up some of these undertakings and of realizing their assets; the proceeds of such realization remaining sequestered or under control.

3. In addition to export prohibitions necessitated by the internal situation of each of the Allies' countries, the Allies will complete measures already taken for the restriction of enemy supplies both in Mother-countries and in Dominions, colonies, and protectorates—(1) by unifying lists of contraband and export prohibitions, and particularly by prohibiting the export of all commodities declared absolute or conditionally contraband; (2) by making the grant of licenses for export to neutral countries from which export to enemy territories could take place conditional upon existence in such countries of control organizations approved by Allies or, in the absence of such organizations, upon special guarantees, such as limitation of quantities exported, supervision by Allied Consular officers, &c.

B. Transitory Measures for the Period of Commercial, Industrial, Agricultural, and Maritime Reconstruction of the Allies.

1. The Allies declare their common determination to ensure the re-establishment of countries suffering from acts of destruction, spoliation, and unjust requisition, and decide to join in devising means to secure the restoration to those countries, as a prior claim, of their raw materials, industrial and agricultural plant, stock, and mercantile fleet, or to assist them to re-equip themselves in those respects.

2. Whereas the war has put an end to all treaties of commerce between the Allies and enemy Powers; and whereas it is of essential importance that during the period of economic reconstruction which will follow the cessation of hostilities the liberty of none of the Allies should be hampered by any claim put forward by enemy Powers to most-favoured-nation treatment; the Allies agree that the benefit of this treatment shall not be granted to those Powers during a number of years to be fixed by mutual agreement among themselves. During this number of years the Allies undertake to assure to each other, so far as possible, compensatory outlets for trade in case consequences detrimental to their commerce result from the application of the undertaking referred to in the preceding paragraph.

3. Allies declare themselves agreed to conserve for the Allied countries before all others their natural resources during the whole period of commercial, industrial, agricultural, and maritime reconstruction, and for this purpose they undertake to establish special arrangements to facilitate the interchange of these resources.

4. In order to defend their commerce, industrial, agricultural, and navigation against economic aggression resulting from dumping or any other mode of unfair competition, the Allies decide to fix by agreement the period of time during which commerce of enemy Powers shall be submitted to special treatment, and goods originating in their country shall be subjected either to prohibition or to special regime of effective character. The Allies will determine by agreement through diplomatic channels special conditions to be imposed

during the above-mentioned period on ships of enemy Powers. The Allies will devise measures to be taken jointly or severally for preventing enemy subjects from exercising in their territories certain industries or professions which concern national defence or economic independence.

C. Permanent Measures of Mutual Assistance and Collaboration among the Allies.

1. The Allies decide to take necessary steps without delay to render themselves independent of enemy countries in so far as regards raw material and manufactured articles essential to normal development of their economic activities. These measures should be directed to assuring the independence of the Allies not only so far as concerns their source of supply, but also as regards their financial, commercial, and maritime organization. The Allies will adopt such measures as may seem to them mostly suitable for carrying out this resolution according to the nature of the commodities and having regard to the principles which govern their economic policy. They may, for example, have recourse either to enterprises subsidized direct or controlled by Governments themselves, or to grant financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to Customs duties or prohibitions of temporary or permanent character, or to combination. In these different methods, whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

2. In order to permit the interchange of their products the Allies undertake to adopt measures for the facilitation of their mutual trade relations, both by the establishment of direct and rapid land and sea transport services at low rates and by the extension and the improvement of postal, telegraphic, and other communications.

3. The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation so far as may be possible of their laws governing patents, indications of origin, and trade-marks. In regard to patents, trade-marks, and literary and artistic copyright which have come into existence during war in enemy countries, the Allies will adopt so far as possible identical procedure to be applied as soon as hostilities cease. This procedure will be elaborated by technical delegates of Allies.

D. Whereas for purpose of their common defence against enemy the Allied powers have agreed to adopt a common economic policy on the lines laid down in the resolutions which have been passed; and whereas it is recognized that the effectiveness of this policy depends absolutely upon these resolutions being put into operation forthwith: the Representatives of the Allied Governments undertake to recommend to their respective Governments, to be taken without delay, all measures, whether temporary or permanent, requisite for giving full and complete effect to this policy forthwith, and to communicate to each other the decisions arrived at to attain their object.

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