

The problem of markets appears to me to fall into three divisions. The first one is the making effective of the preference already existing. If that can be done, I venture to say we have probably solved the Murray River problem; but that is a matter for the British Government and not for us. We have tried to put our case in such a way as to show that this scheme would mean a great stride in Empire development; that it would mean a very greatly increased purchasing-power in Australia for British manufactures; and that we are not asking to have the preference increased merely to assist Australia in its trouble. We are not in trouble. We shall get out of our difficulties perfectly well, but we must realize that if we do not get preference, which we believe will be of value to Britain, we shall have to develop rather more slowly, and the improvement in our position as purchasers of British goods will be delayed for a considerable time. With regard to preference, there is a specific item on the Agenda. Of course, that will be the appropriate time to deal with the question.

The Chairman: I would say at once, as I said at an earlier stage of the Conference in reply to Mr. Massey, that as soon as we open that I will tender quite definite proposals on the subject.

Mr. Bruce: I need hardly say that I am extremely glad to hear it.

Preference in Public Contracts.

The second point concerns preferences in Government contracts. This is not so big a question, but it is one of very considerable importance to the Dominions generally. On this question the Dominions possibly take a view which might well be considered a little extreme, but they have a very real feeling in the matter. They feel that where it is a question of Government contracts the Dominions should be entitled to get them, unless the difference in price is so hopeless as to render it impossible; but they think that there should be a very generous margin allowed in order to give the Dominions the fullest opportunity of tendering successfully. Our distances from your markets should also be remembered, so that there should not be too short a period for lodging tenders.

I should point out that there is in Australia a very strong feeling on the question of preference. Australia sent a great number of her sons overseas; she lost sixty thousand of them. In the war we all fought together, and there certainly is a sentiment in Australia about this particular question. I am merely mentioning this because it is a feature of the national point of view, which one certainly should bring under notice.

Marketing of Dominion Foodstuffs and Agricultural Raw Materials.

The other problem which we have to consider is, of course, a difficult one, and I think it should be stated in this way: that in order to assist the settlement of British migrants in the Dominions and thus relieve unemployment in Great Britain, and in order to increase the volume of Imperial trade and the purchasing-power of the Dominions for British goods, Britain should be prepared to assist in some way in the marketing of Dominion foodstuffs and agricultural raw materials. I particularly mention foodstuffs and agricultural raw materials for this reason: that these things are what the Dominions produce, and it is their production which will bring about the development of the Dominions. It is no good our passing pious resolutions in favour of better preference to the Dominions and ever dodging the great issue. The issue is there, and it is not the slightest use our trying to avoid it. We must see if there is any way of getting over the difficulties involved, because of the fact that those are the things the Dominions must have a market for if they are to expand and develop.

I quite appreciate that at this stage I might very well leave the matter, having said that we cannot develop without markets; that these are the things we want markets for, and that we would like a duty put upon them, with a preference to the Dominions. I am rather apprehensive that if I say anything more I shall be accused of interfering in other people's affairs, but we have to remember that this is a Conference to which we have all come on an absolute equality, and we have only one object in view, and that is to try to promote the prosperity of the British Empire as a whole. Having come here in that spirit I think it is our duty to state the position as we see it, and to see whether from anything we may say some crumb of wisdom may fall which it would be possible to take up, and which might conceivably help to solve the problems we are faced with.

I do not propose, therefore, to leave the matter exactly where it is, but to say a little more, and I intend, if I may, to look at the whole position facing us at the present moment in regard to foodstuffs and agricultural raw materials generally. I again want to stress the point that I am doing this only in a spirit of trying to help, if possible, in the solution of this extraordinarily difficult problem.

British and Dominion Farmers faced by Common Problem.

In approaching the question certain facts must be remembered. The agricultural producers in Britain and in the Dominions complain that on much of their produce they receive too small a return to cover the cost of production. On the other hand, the British consumer complains that the retail price he has to pay restricts his consumption and involves great hardship during the present time of depression.

During my voyage from Australia I studied with very great interest the reports of the Departmental Committee of the Board of Agriculture on the Prices of Agricultural Products which was presided over by the Marquess of Linlithgow. It appears that this Committee in its reports largely confirms the complaints of both producer and consumer. The reports show that distribution charges are very high. It appears to me that the requests which the Dominions are making under this head harmonize with the demands of the British farmer, who has been forced to make representations to the British Government for some definite assurance of stable markets for agricultural produce.