

a total value of £37,700,000 imported into Australia, no less than £32,800,000 came from Britain, and of the total tinned plate to the value of £5,858,000, no less than £5,700,000 came from the same source. In our tariff even at the present time, despite the financial emergency revision of the late Government between 1929 and 1932, of the total of 1,326 items in our schedule, British goods secure free admission under 326 items. In our 25 years of preferences we have given not ungenerously and we have given at no small expense to ourselves.

Briefly, our policy has been to prefer British trade to foreign trade up to our capacity to bear the burden of such a measure, and we have not been deterred by the fact that Britain has been able to do little in return because of her fiscal policy. I am sure I am speaking for the Australian people when I say that they have been glad to help British trade and would have continued to assist irrespective of Britain's attitude so long as it was possible to do so under the present difficult circumstances.

At the Imperial Conference of 1930, the Prime Minister of the Commonwealth, in his opening statement contrasted British trade with Australia with that carried on by Great Britain with Argentina and Denmark. This comparison was striking and since Argentina and Denmark are two of Australia's most important competitors in the British market, I propose to continue to use these two countries for comparative purposes.

During the calendar year 1929, Argentina and Denmark imported goods from all countries to a total value of £267,000,000 as against £145,500,000 imported from all sources into Australia. Moreover, British imports from Argentina and Denmark in the same year amounted to £139,000,000 and from Australia only £56,000,000. Yet in that year Australia bought from the United Kingdom goods to the value of £54,000,000 while the combined exports from Britain to Argentina and Denmark amounted only to £40,000,000.

In the same year Australia derived 90 per cent of her cotton piece goods from the United Kingdom, but Argentina and Denmark took only 38 per cent and 41 per cent respectively. On printing paper the British proportion of the trade was 64 per cent in Australia, 1·3 per cent in Argentina and 10 per cent in Denmark. Australia bought 22 per cent of her motor vehicles from Great Britain while the British share of this trade was 2 per cent in Argentina and under 1 per cent in Denmark.

Those figures, I submit, very vividly demonstrate the value of the preferences Britain has for so many years enjoyed from Australia.

I pass on now to the main features of the proposals we are making to Britain at this Conference. We intend first to adhere to all the preferences now operating. Next we propose generally to widen existing preferences with a limited number of reservations where Britain has already practically the whole of the trade, and in certain other special cases.

Then we contemplate, by the further reclassification of the tariff, to make available in a preferential way to Great Britain, protected areas in Australian industry which are not being exploited by Australian manufacturers. These changes should be of considerable advantage to Great Britain.

Another direction in which we believe we can increase British trade is by a close examination of the practice of admission under by-law. We are even prepared to widen the margins of preferences in Britain's favour with respect to the admission of essential goods not produced in the Commonwealth. I emphasize this proposal because it provides strong evidence of our preparedness to make an immediate contribution to the revival of British exports to Australia, even though such concession must obviously prove onerous to our people under existing circumstances.

We will undertake, possibly with very slight exception, to remove the remaining prohibitions and surcharges imposed two years ago for financial reasons. Finally, may I add that in addition to these steps I have outlined, we will be prepared to give earnest consideration to any requests made by the British Government for additional concessions which are in our power to make.

It is necessary that I should lay it down clearly, however, that all of these proposals are conditional upon what we deem reasonable reciprocity by Great Britain. We are not here to barter item by item. We have the fullest disposition to give generously all that we can possibly afford to give, and I am completely confident that Great Britain approaches the Conference in the same spirit.

The suggestion has been made—I do not know with what measure of authority—that the new British preferences to products from the Dominions under the Import Duties Act are conditional upon new or increased preferences