

As far as Canada is concerned the chances of increasing inter-dominion trade appear to be greater; the Union for instance, is interested in the possible increased export to Canada of the following products: Maize, sugar, wines, fresh fruit, especially citrus, dried and canned fruits, fruit juices and cordials.

Great Britain, however, still remains the best market for the Union's agricultural products, and it is hoped that one of the results of this Conference will be a great increase of agricultural exports from the Dominions to the United Kingdom.

The Union greatly appreciates the preferential treatment so far extended to it by Great Britain.

Prior to the passing of the Import Duties Act preferences were extended to the Union on the following products, sugar, wines and spirits, dried fruits, tobacco, jam and canned fruits and cordials. It is interesting to note that of the total benefits received under these preferences no less than 69 per cent went to sugar, while the other products which benefited materially are wine and brandy, tobacco and dried fruit. It must be observed that these commodities are produced in certain restricted areas of the Union and that consequently only a small percentage of Union farmers benefit by the preferences.

Regarding the products falling under the Import Duties Act it may be stated that it is quite impossible at this early stage to determine whether or not the preferences given thereunder are likely to be of any real value. Preference on dried fruits referred to in the Act will not benefit the Union, while the 10 per cent preference on citrus fruit is hardly sufficient to assist the Union in competing with foreign countries.

The items on the free list of the Import Duties Act, and which accordingly do not qualify for preference, form a very large percentage of Union exports. It is, however, realized that it would be difficult or impossible to arrange preferential tariffs on such products as wool, maize, hides and skins.

The Union has an exportable surplus of 4 to 6 million bags of maize per annum, and, if a remunerative market could be found, its production could be greatly increased. At present Great Britain takes about 50 per cent of our maize and only about 5 to 12 per cent of her requirements can be met from British South Africa, while not more than 12 per cent can be obtained from Empire sources. This being the case, it is realized that it would be difficult to impose a duty on maize from foreign countries, with a preference for the Dominion product. The question of flat white maize used for industrial purposes might, however, receive further consideration. The 10 per cent preference on maize products given under the Import Duties Act may be of some assistance.

The main agricultural products in respect of which the Union would welcome better and increased marketing facilities are meat, dairy products and fruit.

Up to now the Union has not attempted to develop the meat export trade to any extent, but largely owing to the slump in wool prices and the instability of the maize market, it has to consider the advisability of changing its farming system in the direction of meat production.

Geographically, South Africa is favourably situated to enter the chilled beef trade in Great Britain and there would seem to be no good reason why the Union, together with Southern Rhodesia, the Protectorates and South West Africa, should not succeed in producing a sufficient number of good quality cattle for the regular supply of chilled beef to the British market.

The present position is that Great Britain produces about 45 per cent of her requirements of beef, while only about 51 per cent of the total is obtained from Empire sources. The bulk of chilled beef imported into Great Britain is supplied by the Argentine. The cattle population in the Union is 11½ million and although it consists largely of unimproved stock, there is no doubt that, provided a remunerative market for chilled beef could be established, the necessary improvement could and would be effected in a very short time. It may be added that there is a sufficient number of wellbred foundation stock to initiate immediately a forward policy of stock improvement.

In order to compete with the established trade from South America, South Africa would require some assistance, and it is hoped that Great Britain will give this matter its very serious consideration.

Regarding mutton and lamb Great Britain obtains about 80 to 85 per cent of its requirements from Empire sources, and there appears to be no reason why this percentage could not be increased to 90 per cent or more.