

The Electrical Trades Committee also declared in favor of recognition of the advantages of combination among manufacturers, and the Shipping and Shipbuilding Committee directed attention to the need for effective co-operation and co-ordination of output among shipbuilders and marine engineers. The Iron and Steel Trades Committee further suggested the possibility of Government financial aid for the wide extension, reconstruction and reorganization of necessary plants.

GREATER MARKETS

Co-operation in marketing was strongly urged by numerous committees. The Coal Trade Committee recommended that coal owners, exporters and shippers interested in special markets should co-operate to prevent these markets from passing out of British control and to secure satisfactory discharging, landing and transport facilities for British coal in foreign countries. The Iron and Steel Trades Committee proposed that their manufacturers should associate themselves for the purposes of export trade, and should form common selling organizations by extension and consolidation of existing associations. It suggested that such consolidation should take the form of a company limited by shares, with which agency agreements might be made by each participant, whether an association or an individual. Under this proposal the selling associations would be brought together in a single national organization undertaking the distribution of orders so as to reduce the cost of production to the lowest point by keeping individual works running as long as possible on standard products. The Engineering Trades Committee recommended that manufacturers should be encouraged to work together for the organization of export sales, and the Textile Trades Committee suggested that efforts should be made in the same

direction of combined representation or co-operative selling. Commenting on the proposals for the establishment of joint selling organizations, the Balfour Committee contended that "such development is not only desirable in some cases but is practically inevitable under modern economic conditions, and we think that the attitude of public opinion, of local authorities and of the State, which, broadly speaking, has hitherto been more or less avowedly antagonistic to the very principle of combination, must be modified."

GENERAL TRADE POLICY

Referring generally to the various proposals for re-organization advanced by the different trades, the Balfour Committee, approving of combinations amongst manufacturers, said:—"We think that combinations to be useful to the trade of the country should be upon lines aimed at co-ordinating production, promoting efficiency, economizing waste, promoting home trade, facilitating export trade and unifying selling arrangements. The ideal at which trade combinations should aim is the maximum of production at the minimum of cost."

While questions of material production and marketing have attracted industrial attention, much regard has been paid also to the need for financial assistance. As a result of the recommendations of a special committee appointed by the Board of Trade, under the Chairmanship of Lord Farringdon, a British Trade Corporation has been established under Royal Charter, with a capital of \$50,000,000. Its general objects will be to assist in the development of British trade and industries. This Trade Corporation will not endeavor to compete with the business of existing British banks and merchants. Its aim will be to assist, with the co-operation of banks and other institutions, the inception of new undertakings. For this purpose