

TIGHT BINDING.

being made by His Majesty's Government in the United Kingdom in the spheres of both active and passive defence against air invasion.

The Conference also recorded the progress made by the several Governments in creating and maintaining an adequate chain of air bases and refuelling stations along the lines of communications between the different parts of the Empire.

The Conference noted with satisfaction that in accordance with recommendations of previous Conferences a common system of organisation and training and the use of uniform manuals, patterns of arms, equipment, and stores had been adopted, as far as practicable, for the naval, military and air forces of their several countries. Each of them would thus be enabled to ensure more effectively its own security and, if it so desired, to co-operate with other countries of the Commonwealth with the least possible delay. The interchange of individual officers of the naval, military and air forces of the countries was recognised as conducing to the dissemination of the experience acquired by the officers concerned under the widely different conditions existing in various parts of the Empire. Defence Councils or Committees have been established in the Dominions. Considerable advantage has been taken by the Governments represented at the Conference of the facilities afforded by the Imperial Defence College in London for the education of officers in the broader aspects of strategy.

The Conference gave careful attention to the question of munitions and supplies required for defence both by the United Kingdom and other parts of the Commonwealth, and also to the question of the supply of food and feeding stuffs in time of emergency. The Conference was impressed with the value of the free interchange of detailed technical information and recommended that it should be continued between the technical officers of the Governments concerned, it being understood that any questions of policy arising in connection with any such technical exchange and discussion would be submitted to the respective Governments for decision and that each Government reserved to itself complete freedom of decision and action.

In the course of the discussions, the Conference found general agreement among its members that the security of each of their countries can be increased by co-operation in such matters as the free interchange of information concerning the state of their naval, military and air forces, the continuance of the arrangements already initiated by some of them for concerting the scale of the defences of ports, and measures for co-operation in the defence of communications and other common interests. At the same time the Conference recognised that it is the sole responsibility of the several Parliaments of the British Commonwealth to decide the nature and scope of their own defence policy.

XI.—GENERAL REVIEW OF THE PROGRESS OF
EMPIRE TRADE AND ALLIED QUESTIONS.

A meeting of the Principal Delegates was held on the 27th May to discuss the main economic item on the Agenda of the Conference, namely "General Review of the Progress of Empire Trade and questions arising therefrom". It had been agreed that questions arising out of the Ottawa Agreements could best be dealt with as occasion offered in separate discussions between the individual Governments concerned and apart from the Conference, and there was accordingly no discussion on matters of detail affecting trade between the different parts of the British Commonwealth of Nations. The meeting, however, afforded a valuable opportunity for an interchange of views between the representatives of His Majesty's Governments on economic questions of general concern.

Mr. Runciman opened the discussion with a comprehensive statement on trade questions. After referring briefly to the development of Empire trade since the Imperial Economic Conference of 1932 he outlined the steps which had been taken by His Majesty's Government in the United Kingdom since that date in pursuit of their policy to take whatever action was open to them to assist in the removal of barriers to international trade.

This statement was followed by a general discussion, in which representatives of Canada, the Commonwealth of Australia, New Zealand, the Union of South Africa, India and the United Kingdom took part.

In the course of the proceedings suggestions were made by the New Zealand Delegation as to possible means of ensuring the regulated expansion of production and marketing in necessary foodstuffs and other commodities.

Note was taken of a number of recent encouraging developments in the economic sphere; the Declaration of September, 1936, which the Governments of the United Kingdom, France and the United States of America made in connection with the devaluation of the franc and in particular the statement of these Governments that they "attached the greatest importance to action being taken without delay to relax progressively the present system of quotas and exchange controls with a view to their abolition"; the informal investigation which the Belgian Prime Minister had been invited by the United Kingdom and French Governments to undertake as to the possibility of securing relaxations of quotas and other obstacles to international trade; and the steps taken by the United States Government in this connection. It was hoped that every effort that would tend towards the promotion of international trade would be maintained and encouraged.

The outstanding feature of the discussion was the emphatic desire expressed by the representatives of every part of the

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