

DRAFT FOR REPLY

TELEGRAM FROM THE GOVERNOR-GENERAL
TO THE SECRETARY OF STATE FOR THE COLONIES

Ottawa, Dec. 16, 1924.

My ministers have considered the proposals as to preference outlined in your despatch of December 13. They note that it is intended to carry out that part of the 1923 offer which involves reduction of existing duties but to drop that part which involves new duties.

The Canadian Government recognizes fully that the British Government, like the other Governments of the Empire, is and must be free to decide upon whatever fiscal policy it considers in the interest of its own people.

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of preference made by the British government at the Economic Conference last year, those which it now finds itself unable to recommend to parliament
preferences which the British Government finds itself unable to recommend to parliament are those which are of special interest to Canadian producers. (There is good authority for considering that the House would not strain at a peach and swallow a plum.) It had been understood from the recent campaign discussion that while the Prime Minister declared against taxation of food, it was also stated that the party was not going back on the pledges it gave in office to the Dominions twelve months before.

My Ministers note with interest the proposals for alternative forms of preference to empire food products. While they trust that the proposed Marketing Committee may be able to propose means of increasing the economy and efficiency of marketing they consider that in the light of the conclusions of the Food and Materials Committee