

WILEY



The Dominions Commission

Author(s): Henry W. Macrosty

Source: *The Economic Journal*, Vol. 24, No. 94 (Jun., 1914), pp. 333-336

Published by: Wiley on behalf of the Royal Economic Society

Stable URL: <http://www.jstor.org/stable/2222449>

Accessed: 25-06-2016 09:05 UTC

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at

<http://about.jstor.org/terms>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



Wiley, Royal Economic Society are collaborating with JSTOR to digitize, preserve and extend access to
The Economic Journal

THE DOMINIONS COMMISSION.

Royal Commission on the Natural Resources, Trade, and Legislation of Certain Portions of His Majesty's Dominions. Second Interim Report, 1914. Pp. 68. Cd. 7210. Price 1s. *Evidence taken in London in 1912.* Part I., *Migration*; Part II., *Natural Resources, Trade, and Legislation.* 1912. Pp. 293 + 432. Cd. 6516, 6517. Price 2s. 9d. and 3s. 6d. *Evidence taken in New Zealand in 1913.* 1913. Pp. 254. Cd. 7170. Price 2s. *Evidence taken in Australia in 1913.* Parts I. and II. 1913. Pp. 362 and 364. Cd. 7171 and 7172. Price 2s. 11d. and 3s. *Evidence taken in London in 1913.* 1914. Pp. 125. Cd. 7173. Price 1s. 10d.

THIS Commission was appointed to inquire into the natural resources of Canada, Australia, New Zealand, South Africa, and Newfoundland, and "to report upon the development of such resources, whether attained or attainable : upon the facilities which exist or may be created for the production, manufacture, and distribution of all articles of commerce in those parts of Our Empire : upon the requirements of each such part and of Our United Kingdom in the matter of food and raw materials and the available sources of such : upon the trade of each such part of Our Empire with the other parts, with Our United Kingdom, and with the rest of the world" : and generally On the methods by which trade within the Empire might be fostered. After hearing evidence in London from the Agents-General, emigration societies, various Chambers of Commerce and trade associations, and other officials, firms, &c., the Commission went to Australia and New Zealand, where they toured both Dominions and examined 247 witnesses. Returning to London, they examined six more witnesses on migration and post and telegraph communications. So far as it has gone, the inquiry has been very thorough. A word of praise must be given to the manner in which the minutes of evidence have been prepared ; for study of the different topics is much facilitated by the arrangement of the evidence under each subject, the evidence of witnesses who spoke on more than one subject being broken up and rearranged under each.

The second interim Report is confined to Australia and New Zealand. Trade with the United Kingdom is steady. About one-half of the imports of Australia is produced in the United Kingdom, over one-tenth in other parts of the Empire, and a little under four-tenths in foreign countries. About three-fifths of

the imports of New Zealand are shipped from (and mainly produced in) the United Kingdom, about 22 per cent. from the rest of the Empire, and about $18\frac{1}{2}$ per cent. from foreign countries. On 51 per cent. of the total imports into Australia and on about 36 per cent. of the total imports into New Zealand a preferential tariff is accorded to British goods. About two-fifths of the exports of Australia and over three-fourths of the exports of New Zealand go to the United Kingdom, and practically all of these are the produce of agriculture, mines, forests, and fisheries. Much evidence was taken as to the natural resources of Australia and New Zealand, but the Commissioners reserve comment till they have visited the other parts of the Empire. They state, however, that they were much impressed with the evidence given as to the suitability of Australia for cotton-growing, and record with satisfaction that the British Cotton-Growing Association is co-operating with the Government in experimental work, in supplying seed and machinery, and in marketing the produce. The real difficulty appears to be the cost of picking, owing to scarcity of labour, but this might be surmounted by concentration of the industry around centres (as in Egypt and the West Indies), so that the small-holders might co-operate; in Texas three-fourths of the labour employed is white. Particulars are given in the evidence as to the land systems of the Dominions, irrigation colonies, artesian water, the grading of produce, mineral resources, &c., but these cannot even be summarised here. It may be noted, however, that the coal resources of New South Wales are estimated at 100,000 million tons within a depth of 4,000 feet and excluding seams less than three feet thick. The Broken Hill Proprietary Co. own the Iron Knob and Monarch mines, or rather hills, of 68 per cent. iron ore, which they are shipping to Newcastle, in New South Wales, to be smelted at their own furnaces; they are confident that they can compete with outsiders on equal terms, without help from a tariff, and make all the steel that is required in Australia. On the other hand, Western Australia appears to be following in the path of California. At present famous for gold, that State will, said the Commissioner of Fruit Industries, "in the very near future be the leading State in fruit production," and the State Agricultural Commissioner hopes that the wheat belt will, "when properly developed, produce at least 50,000,000 bushels of wheat," instead of over 9,500,000 bushels as in 1913. In New Zealand the dairy industry is pressing back other kinds of farming and causing a considerable rise in land values; but Mr. Tregear, ex-Secretary of the Government Labour Depart-

ment, said that "the real fact is that New Zealand will be the great manufacturing country of the Pacific, and that her immense population will have to be fed from the wide plains of Australia. New Zealand has inestimable riches in her water-supply, which here means electrical-energy supply."

For the development of natural resources two things are necessary, a sufficient labour supply and good trade communications, and to these the bulk of the Report is devoted. Taking the latter first, the Commissioners, basing their opinion on an instructive memorandum by Sir J. H. Biles (in Cd. 7173), hold that large steamers have the greater economic value as cargo and passenger carriers, and that size must be increased if speed is to be increased. The use of such ships depends upon the capacity of the harbours, and the Report states that "a first-class harbour should provide a working depth of not less than 40 feet," a condition which is only fulfilled by Sydney, Hobart, Wellington, and Auckland. Most of the other harbours could be deepened, "though considerable time and money will be needed." Sir J. H. Biles thinks that "it is not unreasonable to predict that within twenty or thirty years a depth of harbour of 60 feet could be profitably employed." Alternative mail routes are discussed, and detailed suggestions made for reduction of cable rates.

Australia and New Zealand, with their low and declining birth-rates, must rely upon immigrants for the development of their resources; but native skilled labourers are generally hostile to the State assistance of immigration, even though most employers, in town as well as in the country, complain of the shortage of labour. As the Commissioners recognise, this is due to fear of overstocking the skilled labour market. Mr. Tregear said: "If the bringing in of a larger population would mean that the persons living here would be exposed to greater hardships, or would have to undergo greater economic pressure than at present, it would not be a benefit. . . . Immigration would be a good thing. But it must be very carefully looked after." The Commissioners, therefore, think that State assistance should be confined to immigrants for agriculture and mining. Youths from 16 to 24 are "highly desirable immigrants," especially if they are adaptable. "This requirement of adaptability is," they believe, "most frequently to be found amongst those coming from the towns," and if such town-bred youths were to receive an elementary training in agricultural pursuits at State-aided farms in the United Kingdom (similar to the Hollesley Bay Colony), and subsequently at similar institutions in Australasia, it would be possible to

rescue large numbers of youths who at present go into "blind alley" employments in towns. In Cd. 6516, Mr. T. E. Sedgwick gave particulars of an experiment he conducted in sending out twenty-five London and twenty-five Liverpool boys to New Zealand, and the Secretary of the Labour Department reported (Cd. 7170) that only seven did not turn out satisfactorily, while the others saved over £2,000 in a little over two years. There is also a great shortage of female labour, especially domestic servants; but, as Dr. Snow points out in a memorandum (in Cd. 7173), between the ages of 15 and 35 there is only an excess of 7,000 unmarried females over unmarried males in the United Kingdom, while the bulk of the surplus female population is over 40 years of age, and therefore "not of the sort that can be readily emigrated with general advantage." In his memorandum, Dr. Snow investigates the causal connection between trade and migration, but finds that "the inquiry gives no support to the opinion that activity in migration causes activity in trade." Migration now is "an indication of prosperous conditions," whereas in the early nineteenth century it was caused by poverty. It may be observed that it is unsound to deal separately, as Dr. Snow does, with migration to Canada and to the United States, since the ultimate destination of very many Transatlantic migrants is not known.

A good deal of evidence was taken as to the desirability for greater uniformity of Imperial statistics, but here we can only refer the student to the evidence of Mr. G. H. Knibbs, the Commonwealth Statistician (Cd. 7172), where he urges the calling of a conference of the official statisticians of the Empire to discuss the establishment of a Central Statistical Bureau.

Lastly, it is to be regretted that the Commissioners have not reproduced in these volumes the many mineral and agricultural maps that were laid before them, instead of giving a couple of useless maps showing their own peregrinations.

HENRY W. MACROSTY