

“I have no hesitation in saying that New Zealand would be benefited, for there are great possibilities by going off the beaten track and entering commercial regions, which, properly exploited, may result in opening up fresh markets for our produce. I feel quite sure these suggestions are practicable, and every attempt should be made to carry them to a successful issue.”

Since calling attention to this, time has proved the accuracy of the views then expressed, and the necessity for something being done. We may naturally look forward in time to there being no increase in our export trade to South Africa and Australia, and for our increased products, which must inevitably follow increased settlement and development, it is to the East and to the Mother-country and Canada we must look as our surest and best markets.

PREFERENTIAL TRADE.

Members are aware that the question of preferential trade is exciting a great amount of attention. It was discussed at the Colonial Conference in 1897. The revenue required by the various colonies render free trade as between Great Britain and her colonies impossible; but preferential trade given to the Mother-country by the dominions over the seas would help her trade and industries, and might lead to reciprocity later on.

At the Conference of Premiers in 1897, the Premiers unanimously recommended the denunciation of treaties then existing which barred the way to preference being given by the colonies to manufactures of the United Kingdom. The treaties have been denounced, with the general concurrence of this colony. That is now five years ago, and, to be consistent, the preference then indicated should now be consummated.

South Africa has declared for and Canada has already given preference, and this colony, I anticipate, will not hesitate to do the same. Care must be taken not to injure our own local industries, but by making a carefully selected list of articles, and imposing on them a substantial duty when of foreign manufacture, preference may be given to the Home trade without injury to our own industries. The concession proposed is on a broad basis, and without stipulating for any direct return from the Mother-country, but leaving it to her to respond as she thinks fit.

At present the United Kingdom is not in a position to approach the colonies; but for us on our part to give the preference now proposed as an earnest of more to follow would prove to our kindred there that we are acting unselfishly and, as we honestly believe, in the best interests of the Empire. Should, however, the Mother-country respond, it will then be necessary for us to recast our scheme and give her something more substantial. I do not anticipate that the preference proposed will either increase or decrease our revenue materially. In regard to the way of doing it, I should prefer the lines adopted by Canada—namely, to raise the total, and then give a rebate to the British manufacturer.

It will be seen that while imports from the United Kingdom decreased 9·0 per cent. during the first ten years and increased 43·7 per cent. during the last ten years, the imports from America decreased 9·9 per cent. and increased 245·6 per cent. respectively for the same periods. But the most remarkable expansion is seen in the trade with foreign European countries, the increase in which was 289·5 per cent. for the first ten years and 227·1 per cent. for the last ten years.

Those intrusted with responsibility in the Mother-country, and supported by others with whom free-trade is a fetish, have agreed that full, impartial, and searching inquiry should be made. As to the result of that inquiry, I have no doubt whatever it will stagger every well-wisher of the Empire, and will conclusively prove that industrially the United Kingdom has lost considerably, and is losing ground rapidly, as compared with Germany and America, especially seeing that in many of the principal industries there are only the manufacturers' profits, the raw material having been imported from America and elsewhere.

We in New Zealand desire to enter into a closer relationship with the Mother-country, and it is not gain, but patriotism, country, and love of kindred that impel us to offer assistance. We helped in the emergency in South Africa, and, taking the rapidly increasing volume of trade and home industries of