

market. We exported maize last year to the value of £12,476, chiefly to New South Wales.

The total value of New Zealand's exports last year was £10,517,955, of which £1,475,517 went to Australia, and £910,416 to New South Wales—that is, Australia takes about 14 per cent. of our produce, New South Wales taking 10 per cent., and the other colonies, where protectionist tariffs are levied, only 4 per cent. between them. The removal of the Customs barriers must result in a vast expansion of Australian trade, and promote that closer settlement of our islands by small farmers, upon which, political men of all shades of opinions agree, that the future of our colony depends. Nor is it likely that our trade with England will perennially increase. The progress of settlement in Africa must result in the production of vast supplies of wool and frozen meat. The Argentine is producing increased supplies of the same commodities. These countries are thousands of miles nearer England, and the smaller freight will enable them to undersell New Zealand in the Home market. With a diminished English market, and the loss of Australian trade, New Zealand's would be a sorry plight.

Our isolation, too, might mean the loss of fast increasing island trade. It is provided in the Federal Bill, Clause 51 (xxx.), that the Federal Parliament shall have power to make laws "with respect to the relations of the Commonwealth with the islands of the Pacific." The greater trading advantages, and increased security in the way of defence, which the Commonwealth could grant the Pacific Islands, might cause them to become integral parts of the Federation, and New Zealand, with another door closed to her trade, would find her isolation doubly emphasised.

I have heard some of our labour leaders denounce in vehement language the project to federate with Australia, asserting that those industries started and developed under "peculiar circumstances,"—*i.e.*, protectionist tariff—would be doomed to certain ruin if we federated with Australia. Let us see

how groundless are their fears. I find in the year book for 1899, that there are 27,389 people engaged in industrial pursuits; of these, 19,640 are not likely to be affected by the removal of the tariff, since they are engaged in industries connected with those products which have an English market, and those which from their very nature must be local; these industries include meat freezing, fish-curing, bacon-curing, grain mills, biscuit factories, breweries, malt houses, aerated water factories, sash and door factories, printing establishments, and woollen mills. The number of those which will, *possibly*, be affected by the removal of the tariff, includes:

Fruit preserving and jam factories ...	193
Colonial wine	53
Sheep dip factories	29
Sugar boiling and confectionery ...	69
Soap and candle	190
Agricultural implements	581
Match factories	121
Furniture	496
Saddlery	266
Clothing, boots and shoes	4407
Waterproof factories	1344

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Some few of the above industries might perish in competition with Australia, but industries in the past have been gradually eliminated without appreciably affecting the welfare of the people. Take the flax industry for instance; 3,204 hands were employed in flax-mills in 1891, but the number shrunk to 647 in 1896.

The expansion of agriculture and the consequent expansion of trade, together with the advance of New Zealand's natural industries, would create a demand for labour that would absorb the workers thrown out of employment by the collapse of industries, for which Australia is by nature better adapted.

The 581 agricultural implement makers produced goods to the value of £102,054 in 1895, while last year the value of implements imported, chiefly from England and America, was £77,000; thus most of the agricultural implements used are of local manufacture; and even assuming that this industry should advance in some Australian State, I see no reason why New Zealand should not hold its own against it.