

outlying province of Australia, dire disaster is to be the result—we are to be the prey of the nations, who are ready to swoop down upon us, as soon as the Australian Federation is an accomplished fact, and we shall regret but once, our blind indifference, and that will be forever.

Some of the ultra-hysterical party, who have been howling Federation until they seem to be now pretty well exhausted, told us at the beginning of their campaign that if we did not federate the "Japs" would come down on us, and take us. When we remember for one moment that we are debtors to the British nation of nearly £47,000,000 sterling, the idea that our great creditor is going to allow the "Japs" or any other Power to take possession of these Islands is simply unthinkable, and I suppose for that reason we do not hear that kind of argument made use of at the present time. Mr. Mahon hints about navies, as others have done, of the Celestial, and Japanese, and other Powers being strong in these waters, as a menace to us; but if Federation is required by us for *protection*, and we are not satisfied that Great Britain is able to afford, by her immense sea power, the required protection, then, I say, by all means let us federate, but let it be with the United States, and not with Australia, for the great Republic could and would afford us protection as a federated state, while Australia would be but a broken reed to lean upon.

Shortly, I propose to traverse the views commercially, nationally, and for defence.

Quotations have been made as to the volume of our trade with Australasia, and, finally, a great deal has been made of the fact that in oats and potatoes we are large exporters to the sister Colonies. When this has been said, all has been said in favor of Federation; but when we are assured by a financial statesman, the late Sir Harry Atkinson, that federation with Australia would mean an annual financial loss of £400,000 to this Colony, it surely cannot be said that our export of oats and potatoes is worth that loss if we never exported another bushel of the one or a sack of the other to

the neighbouring Colonies. This large annual loss has been more than substantiated since. It has been estimated that if the imports from the other Colonies were "free," it would mean a loss to the fiscal Revenue of over £300,000; and on the authority of a Sydney paper, the estimated cost of serving the Commonwealth, irrespective of any of the services now in existence, and quite outside of them, would amount to £500,000 per annum; this taken on a population basis would cause us to pay as our share £100,000 per annum, for we should become third on the list of contributory states—but very far behind that in our political voting power, it will, therefore, be seen at once that the loss of £400,000 per annum is fully accounted for. The question of having our Customs and Excise revenues handed over to the Commonwealth is one requiring serious consideration, but which we will not stop to investigate in this paper.

Commercially, Federation spells ruin for New Zealand manufactures, and in saying this, I feel I am on sure ground, and not a sentimental one. Some gravely inform us, that surely we should not be afraid to compete in open markets with our brethren in Australia, but, unfortunately, that is not the whole truth, for we should have to compete against *Chinese labour*. This is no myth, for an ounce of fact is worth any amount of fiction. It is possible to produce evidence of a French polisher in this Colony, who worked for one of the largest firms of furniture manufacturers in Melbourne, he could inform you that, at times, in that factory not a stick of furniture was to be seen, and on the following morning the factory was full of unpolished furniture, brought in during the night from the Chinese dens, slums and shanties of Melbourne, and polished in the Melbourne factory, and then sold as English-made furniture. Would any patriotic New Zealander wish to see his fellow-countryman compete against this kind of labour? To prove that this is no fiction, I may quote a conversation with a gentleman from Australia, who was a fellow-traveller with me down the coast recently. We were