

no hasty treatment of this important matter should be entertained. In my opinion the subject is sufficiently important to warrant the special consideration of a Select Committee of both Houses.

RECIPROCITY WITH SOUTH AUSTRALIA.

I will first deal with the tariff treaty between South Australia and New Zealand. Since this tariff treaty has been published some of the highly-protective colonies of Australia have taken exception to it, and have gone out of their way to endeavour to prevent New Zealand from sharing in the benefits of intercolonial trade. It does not require much thought to see that the very strength of the position is to insure that there should be special concessions for New Zealand, because, if the treaty I have referred to had general application, there would be no advantage in having a treaty at all. But it must be borne in mind that the treaty with South Australia does not prevent us entering into similar arrangements with other colonies upon such articles as may be agreed upon. In other words, we can send to any other colony every article we are agreeing under this treaty to send to South Australia, and South Australia can do likewise. Our concessions apply to the articles we each receive. If Victoria has anything outside the four articles we have agreed to accept from South Australia in exchange for goods from this colony, we should be delighted to consider a proposal from them, and I have no doubt that South Australia would be equally pleased to treat with them. For South Australia or New Zealand to adopt the policy of standing by and letting the highly-protective colonies exclude them from the benefits of Australasian trade would, in my opinion, be suicidal. I shall presently read the memoranda of agreement between the respective colonies, from which it will be seen that South Australia agrees to accept, free of duty, barley, oats, horses, and hops, and New Zealand likewise agrees to accept free of duty the wine, olive-oil, dried and fresh fruits, and salt of South Australia. There is an understanding that the admission of wine to this country will cease should Prohibition at any time become the law of the land. In considering the reciprocity treaty with South Australia, I would ask honourable members to recognise that this is but the thin end of the wedge, and what is now being proposed to be done may lead the way to further desirable concessions between the other Australasian Colonies. It is to me difficult to understand the arguments that have been put forth by some Australian Governments that the proposed reciprocal tariff between South Australia and New Zealand is adverse to their desire for a federated Australia—a proposal which does not directly concern New Zealand. Viewing the position from all points, it would appear to me that one of the chief difficulties to be overcome in bringing about federation between the Australian Colonies is the adjusting of their Customs tariffs to enable them as a whole to maintain their revenue, which is now largely established through the independent Customs tariffs they have against each other; so that reciprocal treaties between themselves, gradually paving the way towards the establishment of one common tariff, should assist rather than retard the movement they are advocating. My opinion, however, is that a federated Australia is a far greater distance off than the ardent advocates of it believe. There are many and serious difficulties in their way; and, in the meantime, it is surely unwise to continue the policy of cutting each other's throats by maintaining the restrictive and, in some cases, prohibitive tariffs against the natural products of the several countries. Instead of regarding South Australia and New Zealand as bars to their movement, I should have thought that we should have been hailed as countries who were, in a not unimportant degree, assisting by our action in destroying a system that has proved so injurious to some colonies who have been the greatest sinners in this respect. It is not easy to calculate what trade will be created under the reciprocal tariff with South Australia. A year or two's experience will be necessary to enable a fair comparison to be made. On both sides the articles we now propose to make free have been, to a large extent, made prohibitory by the duty imposed on them; and the development of trade which will follow the removal of the duty is not easy to estimate. There are those in this colony who will