

both countries) between Canada and New Zealand. The main features of the treaty are that some of our great staple products will be admitted into Canada free. Under the proposals a considerable expansion of trade may be looked for in the products brought forth by country settlers, as well as of trade generally, in the colony. As soon as the necessary preliminaries to confirm the proposal have been completed, there will be a free market between Canada and New Zealand for wool and woollen manufactures, blankets, flannels, tweeds, rugs, live stock, frozen and fresh meat, bacon and hams, fish, hides, condensed or preserved milk, flax, barley, oats, wheat, wheat-flour, seeds, binder-twine, coal, kerosene oil, safes, organs and pianofortes, tallow, lumber, and timber. In addition to the articles on the free list named above, concessions in favour of the following articles are made: Should a duty be placed in New Zealand upon agricultural implements, they are to be admitted free from Canada, and a concession of $2\frac{1}{2}$ per cent. below the general tariff rates, is also provided upon twine of all kinds, ropes, cordage. As Canada is a large manufacturer and exporter of binder-twine, ropes, and cordage, the competition which will ensue in this country in that industry will remove any friction that may have existed, and insure at least a fair value upon this article. There will also be a deduction equal to 10 per cent. off the Customs tariff upon leather, and 5 per cent. upon boots and shoes, harness and saddlery as between the two countries. This latter proposal will, I trust, meet with the approval of the people of this country, inasmuch as under ordinary conditions it should enable our own manufacturers to gain a portion of the trade in Canada, and to export a considerable quantity of these articles from New Zealand. They will at least fully hold their own with the Canadian article. There will also be a concession of 5 per cent. below the tariff rates allowed upon Canadian-manufactured furniture, and a similar concession is to be made upon New Zealand furniture introduced into Canada. Particulars generally will be obtained from the memorandum of agreement, which I shall presently read.

Upon careful scrutiny it will be seen that the possibilities of trade with Canada under this tariff treaty are very great. The Canadian Dominion is within twenty days' steam of New Zealand. In considering the proposal as submitted by me, I would ask honourable members to recognise that the country with which we propose to enter into this tariff treaty has a population of some five millions; and as years go on the two countries must, as the result of this friendly interchange of trade, reap mutual and lasting benefits. I would ask honourable members to give to this important proposal, thus briefly sketched above, their most careful and impartial consideration, recognising that any expansion of markets for New Zealand products means increased national prosperity. With our land settlement, and with our increasing productive powers going on apace, it is absolutely essential, to enable our country to prosper, that fresh markets should be found in other countries for our products. We propose now to begin with two great British dependencies; and I sincerely hope the movement will be supported with spirit and enterprise by our fellow colonists in all parts of the country. I have had some statistics prepared which I attach for the information of honourable members, so as to show the possibilities of trade with Canada. It is, as I have said in speaking of the South Australian proposals, very difficult to estimate the degree to which the possibilities of trade will extend under a treaty such as I have sketched to you. Unlike South Australia, which is closer to New Zealand, and the people of which are more familiar with our commercial conditions and requirements, I am of opinion that at first the growth of trade between New Zealand and Canada will be slow, from the fact that new connections will have to be opened up by commercial houses in both countries, which would probably entail visits to the respective countries by representatives of those houses, and necessarily there would be some delay at the inception of the proposed interchange of trade. I should not, however, expect to have to provide more than £5,000 during the first year as the result of concessions upon the articles named which will be imported from Canada. I may in this respect be mistaken, and in order to insure that sufficient is provided, I have, in estimating the finances, allowed for the amount being doubled, if necessary.