

95. Supposing we took our duty off potatoes, where should we get our supplies from?—The Australian States mainly, and, of course, some from the Pacific Coast.

96. Do you know the quantity of potatoes Australia exported in 1905?—No.

97. Do you know what the effect of taking off the duty on potatoes would be, and how it would be regarded by the Canterbury farmers?—The farmers of the Oamaru district would probably not take the same view that we do, because they specially go in for that product.

98. In an ordinary season you think it would not be fair competition with Australia, but in a dry season you think we could beat them?—Yes, and we have remits from various portions of the colony in which branches of the Farmers' Union ask us to endeavour to have the duty remitted.

99. *Mr. Hanan.*] Have the farmers discussed the question of taking the duty off potatoes?—No; it was decided to strike it out in view of the fact that the tariff was not likely to be dealt with this session.

100. What is the opinion of the farmers generally with regard to the duty on potatoes?—In my belief the opinion generally is in favour of abolishing the duty altogether.

G. SHIRTCLIFFE examined. (No. 5.)

101. *The Chairman.*] You are a merchant, I believe, Mr. Shirtcliffe?—Yes, I am a merchant residing in Wellington, and am here representing the Wellington Chamber of Commerce.

102. We should like you to be as concise as possible in what you have to say?—In speaking to-day I am not only endeavouring to represent my own views, but the views of the Wellington Chamber of Commerce as represented by its Council. We held a meeting a day or two ago at which the matter of this reciprocal treaty was discussed, and, after giving it very careful consideration, we passed a resolution which I might be permitted to read. It is as follows:—

Resolved, That the Council of this Chamber is strongly of opinion that the proposed reciprocal treaty between New Zealand and Australia should not be confirmed, as the suggested alterations in the tariff under it are in the interests neither of our producers nor consumers, and that New Zealand is being asked to pay an enormous price for a very small and uncertain benefit. The Council desires to point out that the preference proposed to be given to Australia is largely arrived at not by concessions off the present tariff, but by increased penalties on imports from countries other than Australia, as for example:—

	Present Duty.	Proposed Duty from Australia.	Proposed Duty from Elsewhere.
Bacon and hams ...	2d. per pound	2d. per pound	4d. per pound
Butter ...	20 per cent.	20 per cent.	4d. "
Cheese ...	20 "	20 "	4d. "
Candles ...	1d. per pound	1d. per pound	2d. "
Beans and peas ...	9d. per cential	1s. 3d. per cential	2s. per cential
Maize ...	9d. "	1s. 3d. "	2s. "
Oats ...	9d. "	1s. 3d. "	2s. "
Wheat... ..	9d. "	9d. "	2s. "
Oatmeal, &c. ...	1s. "	1s. "	1½d. per pound
Hops ...	6d. per pound	6d. per pound	1s. per pound
Malt ...	2s. per bushel	2s. per bushel	7s. per cential
Milk ...	25 per cent.	25 per cent.	2d. per pound
Onions ...	£1 per ton	£1 per ton	£1 10s. per ton

As regards sugar, the Council is of opinion that the proposed reduction of the present duty of ½d. per pound on imports from Australia would very probably not reach the consumer, as it would be comparatively easy for a combination of Australian sellers to raise the price against New Zealand to almost the extent of the ½d. per pound duty that would be retained against imports from other countries, while it seems very reasonable to suppose that the removal of the duty would entail the closing-down of the present refinery-works at Auckland and their transference to Australia, from which country the New Zealand requirements would then be supplied at a price that would probably show a very slight, if any, saving on present prices.

Potatoes: Under the treaty, preference is given to Australia by a duty of 20 per cent. *ad val.*, which is, on the basis of present values, equivalent to, say, £2 per ton, while imports from other countries are to be admitted at £1 10s. per ton.

Flour and wheat: The Council holds very strongly the opinion that the removal of the duty from flour would be the death-warrant of the milling industry in New Zealand, and consequently of the wheat-growing industry. The fact that flour is, under the treaty, to be admitted free, while a duty of 9d. per cential is still to be levied on wheat, seems to point to a determination to kill the flour-milling industry, which is much to be deplored.

There are other anomalies in the proposed treaty which the Council has not specially dealt with, but which are, in its judgment, open to grave objections from the point of view of the New Zealand consumer.

With regard to the possible combination of Australian sellers to raise the price of sugar against New Zealand to almost the extent of the ½d. per pound duty, I should like to say that I have since received rather a peculiar confirmation of the view taken by my Council. Yesterday I received from Australia quotations from the independent refineries—two out of the three I know of. The present quotation there works out 1s. or 1s. 6d. above the present duty-paid cost of Auckland sugar—that is to say, I could not import free from Australia on this quotation at as low a cost as I could buy from the Auckland Sugar Company. That was the lowest quotation—the other quotation was £1 15s. higher, so that it seems to me that already the independent refineries in Queensland quite recognise that if free-trade is put in operation between New Zealand and Australia