Eighth Day.
30 April 1907.

Sir E. W. HAMILTON, G.C.B., K.C.V.O., Permanent Financial Secretary to the Treasury.

Mr. H. LLEWELLYN SMITH, C.B., Permanent Secretary to the Board of Trade.

Mr. A. WILSON FOX, C.B., Comptroller-General of the Commercial, Labour, and Statistical Department of the Board of Trade.

Mr. G. J. STANLEY of the Board of Trade.

CHAIRMAN: Gentlemen, we proceed to-day to a very important series of Resolutions concerning points on which we know there is difference of opinion, but which, I have no doubt, we shall discuss, as we have hitherto, with an attempt to understand each other I suppose we shall proceed as we have hitherto done, that is, ask those Colonies who have submitted Resolutions to explain to us in the first place the reasons which they wish to adduce. There is only one observation which I should like to make on the matter. My two colleagues beside me have come to deal with two sides of this question. The Chancellor of the Exchequer will deal with the fiscal side, and the President of the Board of Trade with the side relating to treaties and other matters. I assume from a study of the Resolutions that in some of them both sides are dealt with, and I venture to suggest, as a matter of convenience, that we should treat them separately, and that we should, in the first place, take up the discussion of the fiscal side, on which the Chancellor of the Exchequer will reply. I do not know whether there has been any arrangement between those who have submitted Resolutions as to the order in which they will speak to them, but I naturally turn, as I have hitherto done, to Australia in the first instance, and ask if they are prepared to open the discussion.

Mr. DEAKIN: If that is the preferable course to pursue, in your opinion, I certainly will do so; but perhaps Sir Wilfrid Laurier would prefer to make a statement of some kind.

PREFERENTIAL TRADE.

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Sir WILFRID LAURIER: Lord Elgin, and gentlemen, so far as Canada is concerned, the statement which I have to make will be very brief. Our views upon this matter have been known for some time, and at the last Conference they were the subject of ample discussion which resulted in the Resolution which was adopted on that occasion, and which is to be found on page 36 of the BlueBook. The Resolution was in these terms, first: "That "this Conference recognises that the principle of preferential trade between "the United Kingdom and His Majesty's Dominions beyond the Seas would "stimulate and facilitate mutual commercial intercourse, and would, by "promoting the development of the resources and industries of the several "parts, strengthen the Empire. (2) That this Conference recognises that, in "the present circumstances of the Colonies, it is not practicable to adopt a "general system of free trade as between the Mother Country and the "British Dominions beyond the Seas. (3) That with a view, however, to "promoting the increase of trade within the Empire, it is desirable that those "Colonies which have not already adopted such a policy should, as far as "their circumstances permit, give substantial preferential treatment to the "products and manufactures of the United Kingdom. (4) That the Prime "Ministers of the Colonies respectively urge on His Majesty's Government