

Ninth Day.
1 May 1907.

PREFERENTIAL
TRADE.

(Sir Joseph
Ward.)

standpoint from which we regard it, and I would earnestly like to impress it upon the Conference.

Again, we are all proud and delighted to know that recent developments in South Africa have brought it within the possible range of being a great Confederacy before very long. South Africa in times of peace and with a settlement policy going on in the interior, as must take place there, will not devote themselves entirely to the production of ores from their mines. They are bound to have a land-settlement policy in parts of the country. It is only a question of time when we will have South Africa, to some extent, joining with these other British countries in having an excess of exports to send to the Old Country from the products of its soil. The position to-day is this—and in our country we feel it—we recognise that the Imperial statesmen who are responsible from time to time for the government of Great Britain have far-reaching responsibility—far wider than any of us have. We know from time to time the requirements of Britain necessitate treaties between Great Britain and some of the powerful nations with whom she is working side by side. But here is a factor which concerns us. The foreign countries, I think without exception, have got a high, almost prohibitive, tariff against the natural products of our countries, with the knowledge of the fact that England does not require to send them a single parcel of her products from the soil of England at all. On account of our adhesion—proudly so—to the Empire, to England, we find that British people, to the extent of 90 per cent., settle in our countries, working in season and out of season, making homes for themselves and their families, helping to concrete our country into a solid portion of the Empire, and helping and adding to the power and prestige of Great Britain itself, and if they wanted to send their exports out of New Zealand and trade with these other countries they find they are barred by a high wall of protection against their natural products. Germany is a case in point, France another, Italy another, America another. The tariff against us is of the character that, unless in an odd case where they want something from our colony for the purpose of assisting in their manufactures, they take comparatively nothing from us, and their greatest market is England. The increase of the trade to Germany referred to during the course of Mr. Deakin's able speech yesterday by Mr. Asquith, will be found largely to apply to wool from Australia and also from New Zealand.

I want to tell this Conference what has taken place—and I refer specially to the products of Australia and New Zealand—within the knowledge of the commercial world in recent times. The Germans, with a comprehensiveness and with a method that calls for the admiration of all of us, subsidise very magnificent steamers, from which they leave no point of equipment out, in order to attract all classes of people to travel by those steamers from the Old World to the newer world across the ocean. Their courtesy, their attention, their general aim in getting into this trade, and rightly so from their point of view, is recognised by the whole of us. The outcome of these huge subventions to their steamers in recent times has been to shift from London—which for years and years was the emporium to which Australians and New Zealanders sent their wool for the Continent for disposition by the London merchants—a large proportion of the trade now passes London direct to the Continent. Those powerful commercial rivals of England and her dependencies, the Germans, who formerly bought through the London merchants, now ship the wool to Germany direct from Australia and New Zealand. I think it is right for the Germans to save all they can in any way of double handling. I think it is a good thing for our commerce to save anything it can in the way of transshipping and double freightage or double handling, but the fact does remain that that is the aspect which to some extent shows that upon some matters we are doing trade with those who are highly protected against us, which formerly we did with them, no doubt,