

Ninth Day.
1 May 1907.

PREFERENTIAL
TRADE.
(Sir Joseph
Ward.)

parties in all our countries taken out of the arena of party politics, a solution of it would be reached, I think, at a very much earlier period. I do not profess for a moment, and would not presume, under any circumstances, to enter into the sides of the internal political policy of England. The point that confronts us in New Zealand to some extent draws us into the political question, whether we like it or not. That we cannot help. I want to make it clear in prefacing the observations I propose to make that New Zealand is most anxious to be kept out of what one might call the hurly-burly of local political warfare, either in the Old Country or in any other portion of the Empire, but it wants to work for bringing about a stronger and better condition of the Empire itself. While on this point, I should like to say that it is very much to be regretted that the question of preference is mixed up with that of Protection. It appears to me that there is such a distinct line of demarcation between the two, that it is worth while for a moment to place my own view upon record as to the great importance of the distinction. I should like to say that if I were a public man resident in England, and with the general knowledge of economic conditions that I possess at the moment, I should be found on the side of those who are fighting for cheap food for the masses of the people. I believe that anything in the way of preference that the Colonies might suggest, if it were calculated to raise the price of food to the masses of the people, ought to be opposed, and rightly so, by the British people. For my own part, if I thought that what New Zealand was urging in that respect was likely to bring about an increase in price of the food-stuffs to the masses of the people of England, speaking as a New Zealander, I would not urge it upon the consideration of the Conference, and I would not urge it upon the attention of the people of New Zealand; but it is because I believe that, with a system of preference on certain articles between Britain and her Colonies, such a condition of increasing the price of food would not arise, that I am an ardent supporter of a preferential system between the Old Country and the newer ones. New Zealand is in the position, as our great coadjutor in Canada is, of having put a preferential and reciprocal Trade Act upon the Statute Book. It came into operation on the 16th November 1903, and though Great Britain could not under its fiscal system offer anything in return to us for mutual preference, we readily and, I think, rightly, gave preference to Great Britain under that tariff. From one of the Returns placed before us by the officers connected with the Colonial Office, I will just enumerate what that preferential tariff provides for. "Goods enumerated in the First Schedule to the Act pay double the ordinary duty when of foreign production." I may say that cement is the only article which is referred to in the schedule. "Under the Second Schedule, foreign goods pay the ordinary duty plus one-half. Among the important articles included in this Schedule are boots and shoes, fancy goods and toys, hardware, hollow ware and iron nails, iron-mongery, iron pipes and fittings, pianos, earthenware and glassware. Under the Third Schedule, foreign goods pay a 20 per cent. *ad valorem* duty on certain articles formerly on the free list, whilst British goods are admitted free of duty as heretofore." There is a handicap there of 20 per cent. against foreign goods which come into New Zealand without any duty, against British goods. "The chief classes of goods included in this Schedule are iron (plain black sheet, rod, bolt, bar and plate) rails for railways and tramways, and printing paper," and the Schedule attached to it shows that since that tariff has been in operation, giving a preference of duty to England as against foreign countries, there has been a very considerable increase in the importation to New Zealand from England on some of the lines, and a diminution from foreign countries.

Mr. LLOYD GEORGE: What has been the effect upon our purchases from New Zealand?