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Ninth Day. 1 May 1907.

PREFERENTIAL TRADE. (Sir Joseph Ward.) about Russia because I am not for the purposes of my argument concerned with that, and the extraordinary and unusual circumstances which have transpired there doubtless are responsible to some extent for that diminution, but the fact remains that those two countries are the only places to which the exportation of products from England have decreased. In the case of British India and Ceylon, there is an increase of 10,000,000*l*.; Germany, 3,600,000*l*.; United States, 5,200,000*l*.; France, 53,000*l*.; British South Africa (Cape and Natal), 2,624,000*l*.; Argentine, 7,700,000*l*.; British North America (Canada and Newfoundland), 4,600,000*l*.; China, 4,900,000*l*.; Belgium, 644,000*l*.; Netherlands, 15,000*l*.; Italy, 1,600,000*l*.; Japan, 459,000*l*.; Scandinavia, 390,000*l*.; and Egypt, 2,561,000*l*. What is the cause of the diminution of trade from Britain to Australia and New Zealand? My answer is it has gone to other countries, and England under preference ought to have the lot.

In connection with this I want to direct attention to what I regard as a matter of some consequence from the standpoint of the possibility of bringing into operation an improved condition of trade between Britain and her dependencies. It will be assented to that the age of Australia and New Zealand is comparatively young; they are almost in their infancy by comparison at least with some of the older countries. That, together with their population, are elements in arriving at the possibility of the development of the future by comparison with what it is to-day, that ought at least to give us some matter for consideration as to how we should shape our policy in order to improve the general condition of affairs. To-day, according to the Return furnished by the Colonial Office, the third greatest purchasing customers for the outward products of the United Kingdom are Australia and New Zealand. According to the return, the trade to Australia and New Zealand is 24,896,000l. per annum, and British India and Ceylon is not twice that; it is 44,000,000l. Germany is only 29,478,000l., whilst the population of Australia and New Zealand at the last census was under 5,000,000 about 4,800,000—the population of Germany is some 60,000,000, and the population of India is 239,000,000. I allude to the population of India from the fact that it is a portion of the British Empire, though I am quite aware there are different races there, and that is an element that requires some amount of analysing before placing it in the same category as Germany, if you like. But here is a feature, that looking to the future development of these Colonies, I cannot dispel from my own mind as being of very vital consequence from the standpoint that I regard it from. The trade of the Australian Commonwealth and New Zealand last year was: Australia upwards of 110,000,000*l*., and New Zealand over 30,000,000*l*. You can put down roughly that the combined trade to and from these countries as from 140,000,000*l*. to 150,000,000*l*. They are in their infancy. There are under five millions of people there, against sixty millions in Germany and two hundred and thirty nine millions in India. To-day they are the third largest importers from the old country. To-day the trade of Australia and New Zealand is under 5,000,000l. less from Great Britain than the trade of To-day Germany has sixty millions of people as against under five millions of people in our country; she has twelve times the population, and her age as a trading country with England, compared to that of Australia and New Zealand, runs into centuries, as against New South Wales, which only held its centenary ten or twelve years ago, and New Zealand, which is still well under the century. England's outward trade to Australia and New Zealand is greater than it is to America. The important fact remains that these two great and growing self-governing British Colonies belonging to the Old Country at this early period of their history have got to be in the position of the third largest purchasers of the products of the United Kingdom. They are in that position to-day in their very infancy, and with