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Ninth Day. 1 May 1907.

PREFERENTIAL TRADE. (Dr. Jameson.) preference if we have a reciprocity, however small. I was alarmed, if Sir Wilfrid Laurier will allow me to say so, to see that in the Canadian Parliament there is an intermediate tariff proposed. I suppose that means there is a preferential tariff, a maximum and a minimum. I suppose the probability is with that intermediate tariff the minimum would be accepted and the preference would probably go to other nations, or nations within the Empire. Preference, I presume, would remain, but suppose a treaty at the intermediate tariff was made, say, with the United States for a term of years.

Sir WILFRID LAURIER: Do you think there is any probability of that?

Dr. JAMESON: I do not know at all, but supposing it was with France, Germany, Italy, or anywhere. Supposing a treaty was made on an intermediate tariff, and supposing the Imperial Government gave a preference to Canada, then Canada probably would carry out further preference to Great Britain, but that further preference would surely be bound by this intermediate tariff, because this intermediate tariff, I suppose, would be made on the present preference to Great Britain. So really the further preference would be minimised. The point is when once you begin to make treaties outside there is no saying how far they go. When you once get commercial treaties and commercial sympathy, we generally find political sympathy follows. That is the last and strongest argument. We hope the Imperial Government will see their way to help us in an experiment, at all events, of the smallest reciprocal preference to the various portions of the Empire.

Mr. ASQUITH: Is wine the only thing you mention?

Dr. JAMESON: Tobacco, I might mention too, and sugar.

Mr. ASQUITH: What about tobacco?

Dr. JAMESON: I believe your duty on tobacco is 3s. at the present moment. Certainly it would be a great boon to us if we had a shilling preference on that, because in the Cape Colony we grow a very large amount of tobacco. In the Transvaal, proportionately, they grow still more and better. In Rhodesia, I believe, they are going to grow still more, and still better than even the Transvaal, because the land in Rhodesia has been proved up to now to be extremely good land for the growing of the highest class of Turkish and Egyptian tobacco. Supposing we get one shilling relief, I daresay the shilling would come off the excise in Ireland, and we would have all the Irish portion of the Government to help us with that.

Mr. ASQUITH: They are just starting a tobacco industry in Ireland, and there is a Bill to remove the prohibition on cultivation before the House of Commons.

Dr. JAMESON: It does not come into force for a long time?

Mr. ASQUITH: Next year.

Dr. SMARTT: A rebate of one shilling. I think the Irish would pay 2s. and the ordinary people 3s., or an excise of 2s., against the other excise of 3s.