

tion of those goods, because, being mail steamers, their charges are necessarily higher. We opposed that proposition simply on the ground that it is impracticable. How could we tell by looking at goods whether they came by P. and O. or any other steamers?

Tenth Day.
2 May 1907.

PREFERENTIAL
TRADE.

(Mr. Deakin.)

Mr. ASQUITH: I am obliged to Mr. Deakin for what he has said. He admits it would make it almost unworkable, but apart from that we should never, under any conceivable circumstances, accept here a preference granted to us only in respect of goods carried in ships in which the whole of our fellow subjects in India were not allowed to serve. We could not possibly accede to that, and everybody here would say we would rather have no preference at all than preference limited by such a condition as that. For the moment I was pointing out that to a greater or less degree, but to some degree at any rate, it must limit the scope. What are the articles in respect of which this preference is granted? In point of quantity and proportion, I find 8 per cent. of the whole. New Zealand gives us 20 per cent., but this Australian tariff would give a preference in regard to 8 per cent. of the total British importation to Australia.

Mr. DEAKIN: I think you will find that balances fully, and more than balances the proportion of British goods on which the duties were being raised in connection with the proposed treaty with New Zealand. Our idea was to balance that for the time being.

Mr. ASQUITH: I heard you say that yesterday, but I am stating that it applies only to 8 per cent. of the British importations.

Mr. DEAKIN: About that.

Sir WILLIAM LYNE: That tariff was only as a forerunner, because we could not at that time deal with the matter, in consequence of the Tariff Commission.

Mr. ASQUITH: Mr. Deakin has already said that yesterday. He said it was a forerunner, but I say I do not know what is going to follow the forerunner, or whether anything is going to follow it. I cannot discuss hypotheses and possibilities, and I must take the thing as I find it, and I am bound, whether it is a forerunner or not, to take it for what it is worth, and see what it amounts to. You tell me you are going to do something else. That may be your intention. I am not sufficiently conversant with your politics or the composition of the present Legislature to say whether you will be able to pass through your Legislature any tariff which does not contain this condition about ships being manned by white labour.

Sir WILLIAM LYNE: It does not affect it very much.

Mr. ASQUITH: It affects us enormously. It is a thing which to us is absolutely inadmissible, and I say that in the plainest terms. Let us see what the preference amounts to. In the first place, it applies to 8 per cent. only of British importations into Australia. What is the amount of foreign trade which conceivably, supposing it had its full effect, it would enable the British importer to capture from the foreigner? The precise amount put down is 928,000*l*. If you allow 10 per cent., which I should think was a very fair figure, as the profit that might reasonably be expected to be made if you secure the whole of that 928,000*l*. of foreign trade, the net result of this