A.—5. 426

Twelfth Day. 7 May 1907.

PREFERENTIAL TRADE. (Mr. Deakin.)

Empire into an invalid chair, you may save it from a certain number of risks, though I think those you invite by this treatment will be more serious, because debility of body threatens more dangerous results than healthy natural occupation or exercise. Especially will it be found more depressing than a real effort to act in concert with its children. I do not say we would not make mistakes, and would not have sometimes to retrace our steps because we had temporarily overshot the mark, but we should be going on, and have the satisfaction of correcting mistakes and counting our successes, which I believe would far overbalance those mistakes. Ultimately we should arrive at co-operative action by such means, among others, as the Board of Trade have Every time I have touched this question I have from the first included improved cable communication, mail communication, and the diffusion of commercial intelligence, the multiplying of commercial agencies in the country all as parts of one system. I have never severed them. ferential trade, with me, means all those things, as well as promoting our dealing with each other's commodities. Speaking for the Commonwealth, I shall welcome all or any of them, not as substitutes but accompaniments, necessary parts of the same scheme and the same doctrine, only accomplished in a different way, which appears to you more acceptable than our first means. We want to use all means, and in that regard I welcomed your speech as a hopeful augury that we shall obtain from you before we part the positive proposals in a definite shape which are to further that Imperial unity which I am sure you desire.

CHAIRMAN: May I remind the Conference that Sir Wilfrid Laurier, at the beginning of his remarks, put a specific proposal before us. He said that he wished to move that the Conference should re-affirm the principle of the resolutions of 1902, and I think I am right in saying that he proceeded to say that he thought he could say for all the Dominions beyond the Seas, that they were agreed to the first three of those resolutions of 1902. If the Conference desires, I shall follow the precedent of 1902, and ask for the opinion of each Colony for and against. But assuming there was no dissent at that moment - assuming that the proposition of Sir Wilfrid Laurier is correct and that those representing the Dominions beyond the Seas are agreed with the principles of the first three resolutions, I have to say that as far as His Majesty's Government are concerned we have nothing to say in regard to the second or third. With regard to the first we cannot give our assent so far as the United Kingdom is concerned to a re-affirmation of the first resolution in so far as it implies that it is necessary or expedient to alter the fiscal system of the United Kingdom. That would be our position, and if the other members of the Conference wish to re-affirm the resolution we should have to state here that that is our opinion.

Then I understood that Sir Wilfrid Laurier proceeded to urge that the following resolution proposed by Mr. Deakin, which stands fourth on the Australian list, was one which he would desire to support and recommend to the Conference. I have to say on behalf of His Majesty's Government in regard to that resolution, namely, "That it is desirable that the preferential "treatment accorded by the Colonies to the products and manufactures of "the United Kingdom be also granted to the products and manufactures of "other self-governing Colonies"—that we have no objection, of course. W recognise its advantages so far as the Colonies choose to adopt it, but it is a matter essentially for their consideration. Sir Wilfrid Laurier then said

that he desired not to support the final resolution of Mr. Deakin.

Mr. DEAKIN: He preferred No. 4 of 1902.

Sir WILFRID LAURIER: Yes.