

I cannot express this sentiment better than by recalling the words of Mr. Baldwin, uttered in his opening address to the Conference.

Stressing the need for "clearing the channels of trade among ourselves," and for promoting commerce within the Empire, Mr. Baldwin noted that "there are two ways in which increased preference can be given—either by lowering barriers among ourselves, or by raising them against others" . . . "We should endeavour," he said, "to follow the first rather than the second course. For however great our resources we cannot isolate ourselves from the world. No nation or group of nations, however wealthy and populous, can maintain prosperity in a world where depression and impoverishment reign."

The delegation from each and every dominion at Ottawa subscribed to this ideal. Before referring in detail to our agreement, I desire to emphasize that loyalty to its spirit requires that we should proceed by way of removing barriers to trade—barriers and hindrances which are so largely responsible for common impoverishment in a world abounding with the means of plenty.

The immediate purpose of the Ottawa Conference, so far as New Zealand was concerned, was to obtain assured markets for our exports, and for these markets we look mainly to the United Kingdom. First, then, we sought continued exemption from the United Kingdom's 10-per-cent. revenue tariff. Had it not been for the Ottawa Conference, or had we failed to reach agreement, the tariff would have fallen upon our products imported into the United Kingdom after that date, just a month hence. The first achievement of the Agreement, provided for in Article 1, is that our staple exports are to remain exempt from the tariff.

Moreover, an increased margin of preference, mostly of the order of 15 per cent., instead of the former 10 per cent., is to be granted to many New Zealand exports. This applies to butter, cheese, apples, pears, eggs, milk-products, and honey. On a further substantial list of our exports the margin of 10-per-cent. preference over foreign products is to be maintained. The 15-per-cent. list covers many foodstuffs, the 10-per-cent. list covers articles which are the raw materials of British manufacturing industries.

A highly valuable provision now conceded by the United Kingdom is that these preferences on New Zealand products are for the most part guaranteed to continue for at least five years. A reservation in relation to dairy-products (Schedule A to the Agreement) enables the United Kingdom, after the expiry of three years, and in the interests of the United Kingdom producer, to impose a duty on New Zealand produce, while maintaining the existing margin of preference over foreign produce, or to introduce a system of quantitative regulation of all supplies. But generally the arrangements concluded at Ottawa are effective for five years, and thereafter until six months' notice of denunciation has been given by either party.

The list of New Zealand exports on which preference is guaranteed is set out in the Schedules to our Agreement. Those Schedules are not identical in the products enumerated with the Schedules of other dominions. Our Schedules include only those products in which New Zealand is at present interested as an exporter. But in this connection it is to be added that, if we build up an export trade to the United Kingdom in any line now included in the Schedules of another dominion but not in our own, our position is safeguarded. We will enjoy the benefit of the preference. We will enjoy, that is to say, what may be called "most-favoured-dominion treatment." If we export, for example, tobacco or preserved fruit, we automatically become entitled to the preference which is given to any other dominion.

MEAT.

In regard to meat, our Agreement proceeds along new lines. The purpose of the agreed policy is not different from that sought in other products; it is to secure for the dominions and the home producer an increased and assured share in the United Kingdom market at remunerative prices. But the method of approach is different in the case of meat; and as it has been the subject of misunderstanding, I shall refer to it in some detail. I am also able now to announce certain important figures which, up to the present, have not been disclosed.