

price of the implement produced. My reason for making that assertion is this—these are the words of Mr. Wilson, president of the executive of the Farmers' Union, as reported in a newspaper: "Mr. Wilson said that personally his sympathies were naturally with his countrymen in their desire for competing with American goods, and if he could be assured on certain points that if the necessary power were given to protect the home industries it would not be abused in the future, then his free-trade principles might be modified." The conclusion I draw from those remarks is that the farmers are afraid that the local or colonial manufacturers will combine if they have the trade entirely in their own hands. Personally, I think this is only an assumption—it cannot be anything else than an assumption—and I am distinctly of the opinion that it is a most illogical assumption, for this reason: If the local manufacturers have the trade entirely in their own hands, necessarily there will be a very much increased demand. In order to meet that demand it will be necessary to increase the facilities for producing the increased number of machines required, and increased facilities necessarily tend towards specialisation and cheapness in production. Followed to its logical conclusion, this means a cheaper article when retailed. That I contend is the only logical conclusion to be arrived at. Then, I should like to state that the employers are prepared to pledge themselves not to raise the price of their machines if the prayer of the petition is granted—namely, that a duty be imposed on the imported American article. I should like in this connection to read a letter that I have here from Messrs. Scott Bros., founders, of Christchurch. It was written to the Employers' Association, and is as follows: "When we started manufacturing ranges the price of the 3 ft. range was about £7, and it was afterwards reduced to £6. During this period ranges were subject to a 10-per-cent. *ad valorem* duty. Almost immediately after a 25 per cent. *ad valorem* duty was placed on them, they were reduced to £5, and they have been gradually reduced until the present price is £3 10s." The following remarks were made by Mr. Peppler at a meeting of the Industrial Association: "Mr. Peppler said that in the furniture trade prices charged now were about 20 per cent. lower than before the rise of wages on account of the Arbitration Court's awards and the rise in the price of material. That showed what could be done by people supporting local industries. There was no more profit in those days than now. Farmers would not have to pay a penny extra if the implement-manufacturers were protected." I simply read this to you to prove to you that the imposition of a duty on imported machinery and articles has led to an increase in the trade in the colonies, with a corresponding advantage to the purchaser in being able to purchase at reduced prices. I should like now, with your permission, to read an extract from the *British Trade Review* for the 1st July, 1905: "Speaking last month Mr. Frank Warner, of the firm of Messrs. Warner and Son, silk-manufacturers, Braintree, gave statistics showing that since 1860, when the duty on foreign silks was removed, there had been a falling-off of 70 per cent. in the number of people employed in the industry, and a decline of 85 per cent. in our dealings in raw silk. He said that the distress in the English silk towns was due almost entirely to our present system of free imports of those goods which we could make at home. While the United States, with a duty of 60 per cent., had built up the greatest silk industry in the world in a little more than twenty years, the British silk industry, through the abolition of all duties, had been practically ruined. Since 1880 we had imported foreign silk goods—which were the luxuries of the rich—to the value of £509,486,931." I read that extract to show you the effect of the "open-door" policy on the one hand, and a high protective duty on the other: on the one hand we have England, a nation with hundreds of years of experience, which stood at one time practically pre-eminent as the industrial and commercial nation of the world. On the other hand we have America, a comparatively young nation. America has an import duty of 60 per cent. on this article—silk. In England there is no duty at all. In the space of twenty years America has built up an industry the greatest in the world, while 70 per cent. of the employees who were engaged in the silk trade in England are at present in other occupations, or have gone to other countries—possibly to America itself, to assist to support the trade, which has practically ruined that in their own country. That is the position we are afraid of in this country. If England, with hundreds of years' experience, cannot stand against America under those conditions, what possible chance has New Zealand under even worse conditions?—because Englishmen had the experience, the appliances, and the material, while we are a young country; we have not the advantages they had: consequently, with the duty-free article we are in a worse condition than they. America is going ahead by leaps and bounds, while the artisans of England are leaving by thousands for other countries where they can work under better conditions. I should like, in conclusion, to refer you, gentlemen, to the deputation that is here to-day. This deputation consists of representatives from the agricultural-implement trades of New Zealand, representatives from the various allied organizations throughout New Zealand, and representatives from the Industrial Association; and I hold in my hand a letter from the Canterbury Chamber of Commerce. That is the point that I wish to emphasize, gentlemen, that under ordinary circumstances the factions composing this deputation are at variance; they are at variance on nearly all trade matters, social matters, and political matters; while upon this question there is absolutely unanimity. In not one instance with any of the organizations that we appealed to and placed this question before have we had a single rebuff. The whole of the organizations represented here to-day, and the whole of the members of those organizations are unanimous in the prayer of the petitions that have been presented to Parliament. This, surely, should be a proof to you of the serious crisis that is anticipated by the coming of this trust to New Zealand. I will now, with your permission, read you a letter from the Chamber of Commerce: "In reply to your circular of the 8th September *re* International Harvester Trust . . . the following resolution was passed at a committee meeting held yesterday: 'In the opinion of this Chamber the operation of the implement trust is a distinct menace to the industrial and commercial pursuits of this colony.'—Yours, &c., H. ANTILL ADLEY, Secretary, Canterbury Chamber of Commerce." That concludes my remarks, gentlemen.