

further investigation is mentioned on p. 55. Mr. Aves sent written inquiries, with forms to be filled in and returned to him, on the question whether or not the exemption clauses for the benefit of this special class of slow worker favoured the large as against the small employer, and *vice versa*. From the clothing trade sixteen declared that their operation was equal to both; four declared that they were unequal; and four declared that they favoured the large employer. From other trades thirty-two declared that their operations were equal; twenty-two that they were unequal; and fourteen declared that they favoured the large employer, whilst five declared that they favoured the small employer, and six were doubtful.

Whether or not all this extensive and complicated cordon of State regulation and compulsion in industrial legislation is the effect of a high protective policy, or is needed to give it equitable effect, as between the manufacturer and the worker, or whether such regulation is only possible under a protective system, are questions on which the Report touches lightly but suggestively. This much, however, is clear, and it is a confirmation from the statistician and economist's work of much that has been set out in this history. The old argument by which Protectionists attempted to hoist the Free Trader with his own petard, viz. that protection in the long (or short) run cheapens prices, is now practically abandoned in Australia. It must be abandoned, since to maintain it would involve the destruction of the whole foundations of what is called "The New Protection." It *does* raise both the price of articles and the cost of production (see p. 56 of the Report, and Appendix, p. 184). Again, it is daily becoming more clear that the increased cost of production, involving the payment of higher wages, is inevitably followed by increased cost of living, in which the cost of necessaries increases at even a higher ratio than the cost of non-necessaries. Mr. Aves' inquiries on this line of investigation, strictly confined within the limits of his commission, confirm the warnings drawn from a wider scope and