

(No. 97.)



1889.

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PARLIAMENT OF TASMANIA.

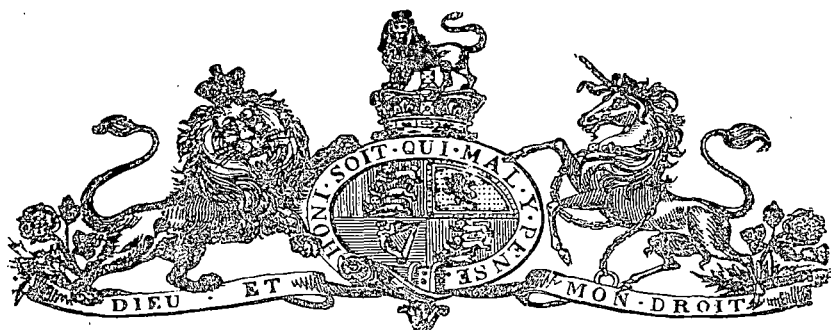
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RECIPROCITY IN INTERCOLONIAL CUSTOMS  
DUTIES :

*PRÉCIS* OF TASMANIAN RECORDS, 1865-1889.

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Presented to both Houses of Parliament by His Excellency's Command.



## RECIPROCITY IN INTERCOLONIAL CUSTOMS DUTIES.

*PRÉCIS OF TASMANIAN RECORDS, 1865-1889.*

THE first occasion on which the question of Intercolonial Free Trade appears to have attracted notice in the Legislature of Tasmania was in the year 1865, when a motion—subsequently withdrawn—was brought forward in the Legislative Council by the Hon. Edward Abbott in favour of “free and unfettered Intercolonial trade.”

The attention of the Hon. J. G. Francis, Minister of Trade in Victoria, had also been directed to this matter, but it was evident that no satisfactory result could be attained without action on the part of the Imperial Government.

During the Second Session of the year 1866 an Intercolonial Free Trade Bill was introduced into the House of Assembly, the object of which was to initiate Australasian reciprocity in connection with interchange of Colonial products and manufactures. Passed by both branches of the Legislature, the Bill was reserved for Her Majesty's Assent, which, however, was not obtained, for, as pointed out by the Secretary of State, the provisions of the Imperial Act, 13 and 14 Vict. cap. 59, section 27, did not permit of the imposition of differential duties.

On the 11th January, 1869, the Colonial Secretary of New South Wales, in a communication to Sir Richard Dry, then Premier of Tasmania, referred to correspondence relating to a projected meeting at Sydney, in the following March, of Delegates from all the Australasian Colonies, “to consider the subjects of Free Trade, a Uniform Tariff, and a Union of Customs, and other cognate and important subjects.”

It appears to have been difficult to arrange a date convenient to the Colonial Governments which proposed to be represented at this Conference, and after more than one postponement the attempt was abandoned. Tasmania, however, was no party to the repeated delays, which finally resulted in the collapse of the project.

Previous to receiving notification of failure in arranging this Conference, the Government of New Zealand had despatched Delegates to Sydney, and these gentlemen, meeting there the representatives of the Colonies of Queensland and New South Wales, an informal Conference was held, the outcome being a memorandum by which it was agreed to address the Imperial Government respecting the disadvantages under which the Colonies laboured in regard to their power to make mutual arrangements for the interchange of their products and manufactures duty free.

Mr. Wilson, afterwards Sir J. M. Wilson (Premier and Colonial Secretary), in a circular addressed to the Governments of all the Australasian Colonies on the 18th February, 1870, reopened the question by proposing a Conference in Melbourne during the following May. One of the subjects which it was stated would be submitted for consideration was a scheme by which, presupposing a uniform Tariff, the revenue from the collection of Customs Duties should be paid into a Common Fund or Federal Exchequer, and should be distributed amongst the Colonies rateably in proportion to population.

The Government of Tasmania had also taken a further step by passing through Parliament a measure entitled "The Intercolonial Free Trade Bill," introduced by the Hon. T. D. Chapman into the House of Assembly, which, however, like the measure of 1866, and for similar reasons, failed to receive the Royal Assent.

This initiatory action on the part of Mr. Wilson's Ministry led to practical results, and the Conference met for the first time in Melbourne, on the 20th of June, 1870, and was attended by delegates from all the Australasian Colonies except Queensland and New Zealand. Tasmania was represented by Mr. Wilson and by the Honorable T. D. Chapman, (Treasurer). No definite conclusion was arrived at with regard to the proposals submitted to the Conference, but a Resolution to memorialise Her Majesty's Government to remove the prohibitions against International Free Trade interposed by Imperial enactment was calculated to materially facilitate future action. Concurrence with the terms of this Resolution was subsequently expressed by the Government of Queensland.

To give practical effect to the views of the Conference, the Government, through His Excellency the Governor, made representations to the Secretary of State on 23rd March, 1871, pointing out the advantages which would accrue to the Australian Colonies if the Imperial restrictions previously alluded to were removed; and the Government of South Australia adopted a Petition to Her Majesty of similar purport.

In September, 1871, another Conference, initiated by the Government of New South Wales, was held at Melbourne, of which the primary object was the arrangement of the terms of a Contract for Postal Service, and at which Tasmania was again represented by Mr. Wilson, accompanied by the Honorable James Dunn, a Member of the Government without portfolio. The Colony of New Zealand was not invited to send Delegates, and the Queensland Government instructed the gentlemen who acted on their behalf to confine their deliberations to the discussion of the terms of the Postal Service Contract.

A Memorandum was agreed to, and Resolutions were adopted, with reference to the question of Intercolonial Free Trade. For reasons not stated, the Victorian Delegates omitted to sign the Memorandum, but the Resolutions received the signatures of all the representatives empowered to discuss this question, and were almost identical with those of the Conference of 1870, the most important being "that Imperial interference with Intercolonial fiscal legislation should finally and absolutely cease." Communications to this effect forwarded to the Imperial Authorities by the various colonies adopting these Resolutions were replied to by Circular Despatch of the 19th of April, 1872, in which the Earl of Kimberley stated that Her Majesty's Government would not come to a final decision without affording an opportunity for further friendly discussion. It was also pointed out that it would be necessary to repeal so much of "The Australian Colonies Government Act," 13 and 14 Vict., chap. 59, as prevented the imposition of differential duties.

The Government of New South Wales once more took the lead in proposing an opportunity for further deliberation on this subject, by convening a meeting of Delegates in Sydney, which resulted in a Conference, at which all the Colonies, including Western Australia, were represented, and which met for the first time on the 22nd January, 1873.

The Hon. F. M. Innes, Premier and Treasurer, acted on behalf of the Tasmanian Government, and he was accompanied by Sir James Wilson, then President of the Legislative Council.

The result was a renewal of the application to the Imperial Government for removal of the restrictions in force concerning freedom of action for the Colonies in connection with legislation with regard to Customs Duties.

Action was at once taken by the Tasmanian Government with the view of giving effect to the expressed opinion of the Conference, a Bill being carried through Parliament to "make better provision for the interchange of Colonial Products and Manufactures," to which Her Majesty's assent was given on 31st October, 1873, (Act 37 Vict. No. 10). This was almost identical with the Intercolonial Free Trade Bills of 1866 and 1870 which were disallowed; and by its provisions it was sought to give the Governor in Council power to enter into arrangements with the Governors of the other Colonies on questions of reciprocity in Customs Duties.

The next proceeding in connection with attempts to establish Intercolonial Free Trade in which Tasmania took part was at a Conference which met at Sydney on the 13th of January, 1881. The Colonies of New South Wales, Victoria, South Australia, Queensland, and Western Australia were also represented, the Tasmanian Delegates being the Hon. W. R. Giblin, Premier and Treasurer, and the Hon. William Moore, Chief Secretary.

At this Conference a Resolution was moved, and subsequently carried in an amended form, "That, in the opinion of this Conference, a joint Commission of all the Australian Colonies should be appointed to consider and construct a Tariff for the Group, and that in the Constitution of such

Commission Victoria should appoint three members, New South Wales, New Zealand, South Australia, and Queensland two members each, and Tasmania and Western Australia one member each."

The Victorian representatives alone voted against this proposal, and in the same manner they only opposed a subsequent Resolution of the Hon. Arthur Palmer, Colonial Secretary of Queensland, "That it be an express instruction to such Commission that any common Tariff must recognise fairly the interests and special circumstances of each Colony."

One of the South Australian Delegates, the Hon. Charles Mann, Q.C., Treasurer, moved "That, with a view of practically testing, to some extent, the feasibility of Intercolonial Free Trade, this Conference agrees that all wines, the product of Victoria, New South Wales, and South Australia, shall be admitted into each of those Colonies free of duty."

Before this motion was put, the Hon. Jas. Watson, Colonial Treasurer of New South Wales, moved, and it was seconded by Mr. Giblin, "That it is undesirable to deal with the question involved in Mr. Mann's resolution until all the products of all the Colonies are included."

An amendment was proposed by the Hon. Graham Berry, Chief Secretary of Victoria, that "and manufactures" be inserted after the word "products." Only Victoria and Queensland voted for the amendment, and New South Wales and Tasmania failed to find other support for Mr. Watson's motion. Mr. Mann's original proposal concerning wines was also negatived, only the representatives of the Colonies interested voting.

On the 30th of June, 1883, Mr. Giblin again addressed the Government of Victoria on the question of the free interchange of Colonial products and manufactures; but it was considered necessary to wait for the Report of a Tariff Commission then sitting in Melbourne before commencing negotiations.

In his Financial Statement delivered on the 1st August, 1883, Mr. Dodds (Treasurer) alluded to the many conversations he had had with Mr. Service, during a recent visit to Victoria, on the subject of a reciprocal interchange of products and manufactures between Tasmania and that Colony. Reference was made to the Tariff Commission, which was composed half of freetraders and half of protectionists. Mr. Service, as a Freetrader, expressed his hope that the Report of the Commission would enable him to do something in the direction desired.

Nothing more appears to have been done until after the re-construction of the Tasmanian Ministry, when Mr. Douglas, on 1st November, 1884, drew the attention of the Government of Victoria to Mr. Giblin's proposals, and requested that further consideration might be given to the subject.

The result was a meeting of two Delegates from Victoria, Messrs. Graham Berry and G. D. Langridge, and the Tasmanian representatives, Messrs. Douglas and Burgess, at Hobart, on the 13th January, 1885.

It was agreed that the basis of negotiations should be—

- First. That all natural products, whether animal, vegetable, or mineral, should be admitted into the ports of either Colony free of Customs Duties.
- Second. That all articles manufactured purely from Colonial products should be admitted into the ports of either Colony free of Customs Duties.
- Third. That all mixed manufactures of which the foreign portion does not exceed 5 per cent. of the value of the whole, should be admitted into the ports of either Colony free of Customs Duties.

The Delegates undertook to recommend to their respective Governments that an agreement should be entered into for an interchange of the articles named for a period of three years from the date of the Treaty. The Treaty to be signed as soon as the proposals should have met with the consent of the Parliament of both Colonies.

Action by the Tasmanian Legislature was suspended until the views of the Victorian Parliament were made known. And, as in that Colony it was considered advisable to delay consideration of so important a question until after an approaching general election, the matter received no further attention during the year 1885.

In the following Session, on the motion of the Hon. W. Crosby, a Resolution of the Legislative Council, dated 20th October, 1886, confirmed the desirability of negotiations being again entered into with the object of securing reciprocal action in regard to duties on certain Colonial products.

Communications were addressed to the Governments of New South Wales and Queensland, in December, 1886, fully setting forth the aims Ministers had in view, and further correspondence passed with Queensland from May to August of the following year, but no encouragement to continue negotiations was received from either Colony:

On the 20th September, 1887, the Legislative Council again resolved that "it is desirable to bring about reciprocal trade interchange between this Colony and one or more of the Australasian Group;" and later, on the 21st October, 1887, the Premier, in reply to a question by Mr. Coote, stated that "Ministers purpose to continue their efforts in the direction indicated.

But the unfavourable views of the Legislatures of Victoria and Queensland influenced the Government to suspend further action until a more propitious time, and since that date negotiations have not been renewed.

"Reciprocity" correspondence with this Government has, however, been recently tabled in the Queensland Parliament, on the motion of a private Member.

JAS. ANDREW, *Secretary to the Premier.*

29th August, 1889.

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*SCHEDULE of Parliamentary Papers relating to Intercolonial Customs Duties.*

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1862, L.C., No. 42	} Correspondence.
" H.A., No. 107	
" H.A., No. 15	} Ditto.
1868, L.C., No. 39	} Despatch announcing disallowance of Bill.
" H.A., No. 53	
1870, L.C., No. 23	} Conference Report and Minutes.
" H.A., No. 23	
1871, L.C., No. 28	} Conference Report and Correspondence.
" H.A., No. 28	
1872, L.C., No. 20	} Correspondence.
" H.A., No. 20	
1872, II. Session, L.C., 1	} Correspondence.
" " H.A., 2	
1873, L.C., No. 2	} Correspondence.
" H.A., No. 2	
1881, L.C., No. 44	} Report of Intercolonial Conference.
" H.A., No. 43	
" H.A., No. 122	
1883, L.C., No. 89	} Correspondence.
" H.A., No. 82	
1885, No. 79	—Report Proceedings of Victorian and Tasmanian Delegates.
" No. 108	—Petition for Intercolonial Reciprocity.
1887, No. 131	—Australasian Tariffs.
1889, No. 93	—Correspondence with Queensland.

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