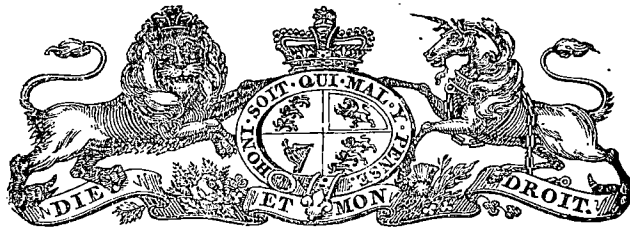


(No. 141.)



1889.

---

PARLIAMENT OF TASMANIA.

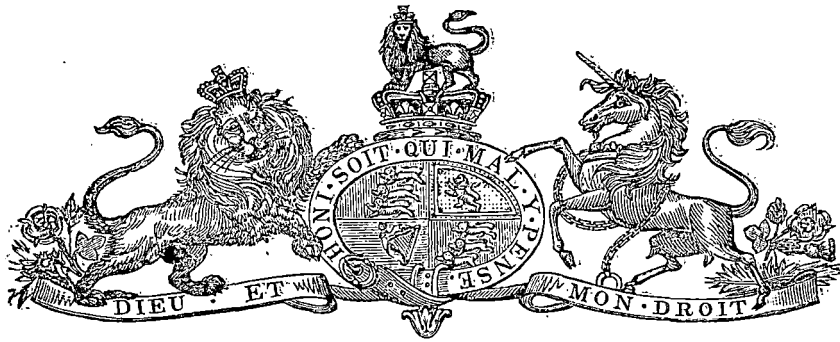
---

CUSTOMS TARIFF:

REPORT FROM THE SELECT COMMITTEE, WITH MINUTES  
OF PROCEEDINGS AND EVIDENCE.

---

Brought up by Mr. Conway, October 31, 1889, and ordered by the House  
Assembly to be printed.



*SELECT COMMITTEE appointed, on the 1st August, 1889, to inquire into and report upon the Customs Tariff, with the object of placing it upon a more equitable basis.*

---

MEMBERS OF THE COMMITTEE.

MR. LEWIS.  
MR. FENTON.  
MR. CRISP.  
MR. CONWAY.

MR. GILL.  
MR. FITZGERALD.  
MR. TREASURER.

---

DAYS OF MEETING.

Thursday, 15th August; Wednesday, 21st August; Friday, 23rd August; Friday, 11th October; Thursday, 17th October; Thursday, 31st October.

---

WITNESS EXAMINED.

James Mirams, Esq., Victoria.

---

## REPORT.

1. YOUR Committee have the honor to present their Report to your Honorable House.

2. It appeared to your Committee that their duty chiefly lay in examination and consideration of the Tariff, rather than in any examination of witnesses as to the effect of the Tariff on particular industries. Consequently they have not sought any evidence from representatives of local industries as to the desirableness of altering the Tariff in the interests of such industries; but they have almost wholly confined their attention to the manifest inequalities of the existing Tariff, with the view of indicating the lines on which such inequalities might be removed.

3. The Memorandum submitted by the Hon. the Treasurer, and which is attached as an Appendix hereto, sets forth the procedure adopted by your Committee; and the Table of Duties attached to that Memorandum has been adopted by your Committee as the line on which the Tariff may be equalised.

4. Your Committee desire to point out that the Tariff may be placed on a much more equitable basis by adopting, as suggested in the attached table, either a  $12\frac{1}{2}$  per cent. or a 20 per cent. *ad valorem* basis; but they do not deem it incumbent on them to recommend which of the two, the lower or the higher rate, should be adopted.

5. Your Committee would, however, point out that if the lower rate be chosen it will effect a reversal of the policy which has recently been deliberately adopted or continued, whereby many articles of local production have been protected by duties equal to *ad valorem* rates of 20 to 35 per cent.; and if the higher rate be adopted it may fairly be claimed that, by so doing, simple justice will be meted out to those industries which, under the present Tariff, are much less favoured than others.

6. There is one consideration which your Committee think may be regarded as favouring the adoption of the higher rate, and that is the probability that intercolonial free trade is hardly likely to be established until something like uniformity in the Tariffs of all the Colonies is obtained. It is a noteworthy fact that all the Colonies with which we trade, excepting New South Wales, have adopted a Tariff generally higher than ours. It is therefore probable that, in order to establish a Customs Union or to secure the free trade between the colonies which is widely desired, other Colonies will insist on our Tariff being raised, and that they will not consent to bring their Tariff down to the level of ours. And, indeed, in order to obtain reciprocity in trade between any other Colony and ourselves, it appears to be essential that the Tariff of that other Colony and our own shall be assimilated in regard to all the goods which are to be interchanged, for otherwise the reciprocating Colony whose Tariff was the higher would be liable to disadvantage, owing to the possibility of goods from any other outside country filtering through the reciprocating Colony whose Tariff was lower, and being entered free to the detriment of both the trade and revenue of the former. If, therefore, reciprocity or free trade is desired between ourselves and any one or more of the neighbouring colonies, it appears to your Committee that this consideration should have weight in determining the question whether, in equalising our Tariff, the higher or lower rate should be adopted.

7. Your Committee were pleased to avail themselves of the opportunity of obtaining evidence on the general question of Intercolonial Tariffs from Mr. James Mirams during his recent visit to Hobart, believing that his lengthened experience as a politician in Victoria, and the prominent position he held on a Royal Commission on Customs Tariffs in that Colony, qualified him to give valuable information on the general question. His evidence, which is appended to this Report, is worthy of careful consideration, and generally confirms the opinion of your Committee as above expressed, that before intercolonial reciprocity or free trade can be obtained, it will be found necessary for us, in equalising our Tariff charges here, to place them on a level with the ruling rates in those Colonies with which we desire to secure such free interchange.

8. In conclusion, your Committee strongly recommend any legislative effort which shall have for its object the establishment of free trade between Tasmania and any one or more of the neighbouring Colonies.

HARRY CONWAY, *Chairman.*

*Committee Room,*  
Thursday, 31st October, 1889.

---

## M I N U T E S.

THURSDAY, AUGUST 15, 1889.

The Committee met at 11 A.M.

*Present*—Mr. Gill, Mr. Fenton, and Mr. Conway.

The Resolution appointing the Committee having been read, Mr. Conway was voted to the Chair.

The Clerk Assistant was instructed to obtain copies of all Customs Tariffs of the Australian Colonies.

At 12 o'clock the Committee adjourned until 11 A.M. on Wednesday, the 21st instant.

WEDNESDAY, AUGUST 21, 1889.

The Committee met at 11 A.M.

*Present*—Mr. Lewis, Mr. Fenton, Mr. Gill, Mr. Treasurer, and Mr. Conway (Chairman).

The Minutes of last Meeting were read and confirmed.

The Clerk Assistant laid upon the Table copies of the Customs Tariffs of all the Australian Colonies.

The Committee deliberated.

Resolved, That a series of Questions be drawn up by the Committee to be sent to such representatives of every industry as may be agreed to by the Committee. The Questions to ask how the existing Customs Act affects such industry, and to invite suggestions as to what improvements (if any) can be made in the Act.

The Committee adjourned at 12 noon till 11 A.M. on Friday, the 23rd instant.

FRIDAY, AUGUST 23, 1889.

The Committee met at 11 A.M.

*Present*—Mr. Treasurer, Mr. Fenton, Mr. Gill, Mr. Lewis, and Mr. Conway (Chairman).

The Minutes of the last Meeting were read and confirmed.

The Committee adjourned at 12.15 P.M. till 11 A.M. on Wednesday, the 28th instant.

FRIDAY, OCTOBER 11, 1889.

The Committee met at 11.30 A.M.

*Present*—Mr. Lewis, Mr. Bird, and Mr. Conway (Chairman).

The Minutes of the last Meeting were read and confirmed.

Mr. Bird laid a Memorandum *re* the revision of Customs Tariffs on the Table.

Ordered, That the Memorandum be printed as Appendix A. to the Report of the Committee.

Resolved, That Mr. James Mirams be requested to attend and give evidence before the Committee at 11.30 A.M. on Thursday, the 17th instant.

The Committee adjourned at 12.20 P.M. till Thursday, the 17th instant, at 11 A.M.

THURSDAY, OCTOBER 17, 1889.

The Committee met at 11 A.M.

*Present*.—The Hon. Treasurer, Mr. Fitzgerald, Mr. Lewis, Mr. Crisp, Mr. Fenton, and Mr. Conway (Chairman).

The Minutes of the last Meeting were read and confirmed.

Mr. James Mirams, was called in and examined.

Mr. Mirams withdrew.

The Committee adjourned at 12.45 P.M. until Thursday, 31st October.

THURSDAY, OCTOBER 31, 1889.

The Committee met at 11.45 A.M.

*Present*.—Mr. Fenton, Mr. Lewis, Mr. Fitzgerald, Mr. Bird, and Mr. Conway (Chairman.)

The Minutes of the last meeting were read and confirmed.

The consideration of the Draft Report was proceeded with.

Paragraph 1 read, amended by inserting the words "present their Report" after the word "to" in line 1, and by striking out all the words after "House," to the end of the paragraph. (Mr. Treasurer.)

Paragraphs 2 and 3 read and agreed to.

Paragraph 4 read. Mr. Lewis moved that all the words after "basis" in line 3 to the end of the paragraph be struck out, and the words "and we recommend that all the articles mentioned in the tabular view of the tariff annexed hereto upon which the present duties are below 20 per cent. should be protected by raising the duties as suggested in the third column of the said tabular view," in lieu thereof."

The Question having been put—That the words proposed to be struck out stand part of the paragraph;

The Committee divided.

AYES.

Mr. Fitzgerald.

Mr. Bird.

NOES.

Mr. Fenton.

Mr. Lewis.

The Chairman voting with the Ayes, it passed in the Affirmative.

Paragraph agreed to as printed.

Paragraphs 5 and 6 read and agreed to.

Paragraph 7 read. Amended in line 7, by striking out the word "of" and inserting "before" in lieu thereof; by inserting the word "in" after "trade;" by striking out the word "derived," and inserting "obtained" in lieu thereof; and by striking out the word "probably" in line 8; in the same line by striking out the word "somewhat."

Mr. Fitzgerald moved the following Amendment, which was read and agreed to:—

That the following words be inserted in paragraph 8 of the Report:—"In conclusion, your Committee strongly recommend any legislative effort which shall have for its object the establishment of Free Trade between Tasmania and any one or more of the neighbouring Colonies."

The Report, as amended, was agreed to.

Ordered, That the Chairman do present the Report to the House.

The Committee adjourned *sine die*.

## EVIDENCE.

---

THURSDAY, OCTOBER 17, 1889.

JAMES MIRAMS, *Esq., of Victoria, called and examined.*

1. *By the Hon. Treasurer.*—What is your name? James Mirams.
2. You have been for several years a Member of the Legislature of Victoria? About 14 years.
3. You have had considerable experience, I believe, in connection with the Customs Tariff of Victoria? Yes; I was Chairman of the Tariff Commission which sat for three years in Victoria. I am now referring to the last one that was appointed.
4. I presume you are perfectly familiar with the present public feeling in regard to the Tariff question? Yes, I think I may say that I know the feeling of the Victorian public in relation to the matter as well as any one man.
5. And that, although you have not been for some little time past a Member of the House? I have been out of the House about six months.
6. In the question of increasing the duties, which is now before the Legislature of Victoria, are you aware of any particular motive operating as against Tasmania especially, or is it simply the growth of the protective feeling, irrespective of any outside colony? Since I have been in Tasmania I have been somewhat surprised at the feeling there is here in relation to the action of the Victorian Parliament in connection with the tariff operations, because I am quite certain that they are not warranted by the facts of the case. The idea which appears to be prevalent in Tasmania that certain duties have been increased, and others levied, expressly to do this Colony out of a market, is extremely absurd, and certainly unwarranted. There is no desire or intention on the part of either party in Victoria to shut out any particular colony. Whatever the Victorian Parliament has done has been done on exactly the same lines as any other Parliament can do in the interests of its own people, or what is believed to be in the interests of its own people, without regard to people outside.
7. Would you suppose there is any desire on the part of Victoria now for reciprocity with Tasmania in regard to articles generally of natural production? If you limit the question to articles of natural production, I do not think there is; but if you go a step further, and ask me whether I am of opinion that Victoria is prepared to enter into a policy of intercolonial free trade, then I say Victoria is prepared at any moment or at any time to enter upon a policy of absolute intercolonial free trade with any one of the colonies, or all of them, so soon as the disposition is shown to meet her in this respect. The difficulty of distinguishing between articles which are articles of natural production and those which have come from other countries, and would be the subjects of trade and liable to duties, would be so great that, instead of facilitating business, the mechanical difficulties in connection with it would make it more difficult than it is now.
8. Do you remember an attempt was made to introduce reciprocity between Tasmania and Victoria in 1885? Yes, I remember it well.
9. Can you inform us as to the real ground which led to that attempt being a failure on the part of Victoria? I think I may say that I took the lead in the opposition shown by Victoria in that attempt. I can also speak for many others who, with myself, were instrumental in preventing that policy being adopted. Our views were very much upon the lines I have stated, namely, that intercolonial free trade would prove more profitable to all. If that treaty of reciprocity had been carried out the trade between the two colonies would have been more difficult, and the day when absolute free trade between the whole of the colonies will be obtained would have been further postponed. I will give or two instances. In the article of clothing, for instance, we manufacture tweeds; we also manufacture those tweeds into articles of attire, going by the name of "slops." It was proposed if we gave your natural products—barley, fruit, and, say timber—free access to our ports, to the manifest injustice and injury of certain people in our community connected with those particular industries, that as a *quid pro quo* you should give us free access to to your ports for some of our natural products, foremost amongst which, of course, I believe to be the slop-made clothing manufactured out of our own wool. With the interchange of your wool and our tweeds and slop-made clothing, the question arose as to whether the foreign article would not be admitted. It was proposed that a certain percentage only of foreign material should be allowed. First, a mere trifle of five per cent. was fixed upon. It was understood an examination should be made; if need be, by your Customs officers of every article of clothing imported into your Colony from us, first of all to determine whether it was made out of our own tweed or some foreign one we had imported in the first instance; then, if made out of our own tweed, you had to decide whether there was more than five per cent. of its value of some foreign article in it, and, if so, it would be liable to duty. With a tariff of that complicated nature, how could it work, and could it be said it would make the trade of the port freer? I say it would be more complicated and difficult than the one already in existence. Then we take another instance. We were to allow your barley in free of duty. How were we to tell that the New Zealanders would not take advantage of it to send their barley to you first? Are we going to examine every bag of barley and determine whether it is the growth of Tasmania or New Zealand? Those are just two instances which will show to you the complicated and unworkable nature of that proposal which was before our Parliament.

10. *By the Chairman.*—Reciprocity would act with the whole of the colonies, and not with any two combined? Of course, the word reciprocity, as I understand you to mean it, is that there would be certain free trade with certain products, but if all the colonies agreed to have the same duties on those products then there would be absolute free trade between them. That is quite true, but then there would be another difficulty, and a very complicated one: it would be that of the division of Customs duties between those colonies afterwards, because if we had absolute free trade in certain commodities ourselves it would not prevent any other one of the colonies importing commodities from the Continent, and then the colony first importing the article would have to pay the whole of the duty, unless there was some mode of distributing that duty, and some account were kept as to the amount which went into consumption. The only way that I can see, after long study of this question and a very grave consideration of it, is that there must be absolute free trade between the colonies—either two, or three, or four, whatever the number, there must be absolute free trade—based upon absolutely similar rates of tariff between the colonies that enter into the compact, and then a division of the proceeds of the Customs-houses of each of those colonies based upon population. We don't say that if there was a real disposal on the part of this colony, for instance, to enter into a compact of that sort, and it was found certain items in our tariff—I am only assuming this—that certain items in our tariff would work very much to the disadvantage of Tasmania if that policy were adopted, I am quite sure Victoria is so anxious to have a real system of intercolonial free trade that it would do all in its power to meet Tasmania in the modification of any item in its tariff that would work detrimentally to the interests of this colony if this proposal was adopted. I do not, however, think you can find such an item. If you accept our present tariff as the basis, and then have absolute free trade, the both colonies dividing their Customs revenue according to population, you will see that benefits must arise to the participating colonies. You must know our Customs revenue is almost identical with your own. Our revenue last year was £2 4s. 3d. per head of population, and yours £2 2s. 2d. It is very close always. Now you see what an immense advantage this colony would gain. You would get absolute free entry to our ports and to our million of people for all your produce. Under this arrangement Victoria would gain the chance of still supplying half of what Tasmania needs; or, in other words, the transaction would allow us to supply 140,000 people with half their requirements.

11. *By Mr. Fitzgerald.*—How do you arrive at that conclusion? I take your own Customs Returns.

12. Our Customs Returns would be misleading in that respect, because a great deal of the transshipments that come on to Melbourne now you would claim to supply. They would therefore be reckoned in the Customs figures, I suppose? Transshipments of course would be calculated. Assuming your Customs figures to be correct, we already supply half of your requirements.

13. You supply now about  $2\frac{1}{2}$  per cent., do you not? Our imports last year were £24,000,000, out of which Tasmania received £600,000 worth; that is,  $2\frac{1}{2}$  per cent. You would have a market for the other  $97\frac{1}{2}$  per cent. for the million people in Victoria, whereas we would get the chance of supplying 50 per cent. only of 140,000 people. On which side of the bargain would the best side be? I believe you would have the best of it in every way. Of course there would be certain industries in Victoria which would cry out against it—for instance, the timber industry, the duty of which has been increased lately for the purpose of helping it along. A deputation waited on the Ministers of Victoria and urged on them the necessity for increasing the duty on timber. The spokesman of that deputation was a gentleman who has been returned to Parliament year after year for ten years as a freetrader. If we had given you free entry into our ports for your timber that man would have cried out, but the public of Victoria as a whole would say to their own timber workers, "We recognise your cry to put you on a level with other interests in the Colony, but when it comes to a policy of intercolonial free trade based on a protective tariff against the world, we cannot afford to recognise your cry," and Victoria would not heed him. He would have to go to some other line of employment. I find that your total imports last year were £1,610,000. You obtained from Victoria £834,200 of that sum; from the United Kingdom you got £485,000 worth of goods, and the balance was made up by imports from the rest of the Colonies.

14. *By the Hon. the Treasurer.*—How much came from Melbourne transhipped? It does not give that.

15. *By Mr. Fitzgerald.*—How would the transshipment of New Zealand products be scrutinised? There comes the same objection as was raised in regard to reciprocal relations between Tasmania and Victoria. You would have to charge the same duty on New Zealand barley as we do in Victoria, and then share it with us.

16. *By Mr. Lewis.*—If you formed a reciprocity treaty with New Zealand, what would you do then? The same as we would do with Tasmania.

17. If we formed a reciprocity treaty with New Zealand, and Victoria declined to do so, what would be the result? You could not do so on a different basis.

18. *By Mr. Fitzgerald.*—I suppose the only thing we could do with New Zealand is what we can do with Victoria? Yes.

19. A treaty similar to the one you propose would require an entire alteration of the tariff of the Colony participating, that alteration to be based on the Victorian tariff? Yes. No other Colony could come in and reap the advantage without adopting similar lines.

20. You intend your scheme to mean the adoption by the whole of the colonies of intercolonial free trade? Yes; it means the adoption of a policy similar to that of the United States. They have a tariff against the whole of the outside world, and absolute free trade between themselves.

21. In approaching this subject you say we might find certain items in the Victorian tariff that people would consider absolutely handicapped our trade, and that Victoria would be willing to yield in such cases? Yes.

22. Of course, the benefit of trade now in this arrangement with Tasmania would be of similar improvement to you, by the chance of an adoption of it as an Australasian policy, and under those circum-

stances Victoria would yield what are considered advantages in the case of Tasmania in order that you might get the whole of the colonies into the arrangement? Yes; I say it is monstrous that we should arm ourselves against Custom-houses, but it is absolutely necessary that we should arm ourselves against the cheap labour of Europe and America. We have come this long way off to maintain a high state of civilisation and a high rate of wages. We cannot expect to do that against older and larger populated countries unless we adopt a protective tariff. I have noticed that some public gentlemen have spoken about the system of reprisals against Victoria. I can assure you Victoria will not look at anything you do in your own interests and take it as reprisal. The few freetraders may do so, but protectionists will not look upon anything that you see fit to do as a community in your own interests if you do not adopt this policy. We should consider anything as being properly and legitimately done.

23. Judging from the opportunity you have had of observing the growth of Victorian manufactures in your own colony under the protective policy, it is quite a fair deduction to suppose that some of your manufacturers would perhaps feel the strain of Victorian competition, and might probably migrate to Tasmania, and try to establish their industries here? In all probability they would. I think it quite likely some would come over and develop your coal fields.

24. *By the Chairman.*—Our water-power, I suppose, would be a great inducement? Yes.

25. *By the Hon. Treasurer.*—Do you think, generally speaking, that the public men of Victoria, and commercial men are at all eager for intercolonial free trade? The free trade party years ago advocated this character of intercolonial free trade as a blind—what they really meant was universal free trade. Their object was to use the phrase “intercolonial free trade” in order to weaken our policy of protection against the world. We saw at once that intercolonial free trade had a protective basis, and then decided that the policy adopted by the United States was just the very thing for these colonies. When we are prepared to have an intercolonial free trade policy, and we are ready for it at any time, it must be on a protective basis. We do not say absolutely on the present Victorian basis. We are open to argument and reason, and we are open to meet anybody when a fair grievance can be made out.

26. Can you point to any action of any recent Government in Victoria which would indicate to any extent their desire for intercolonial free trade? The treaty that was proposed with you was proposed on those lines, and I think I may say that it was generally considered in Victoria that Sir Graham Berry was most exceedingly anxious to go to England as the first Minister who had ever taken steps to advocate a free trade policy. Sir James Service went to England and posed as the first Minister who took steps towards a federation policy. That is the last move that has been made by any Government in Victoria. All the papers of Victoria are in favour of the policy I have mentioned.

27. Has the movement towards protection in South Australia, Queensland, and New Zealand of recent years tended to increase the desire for intercolonial free trade in Victoria? Yes; I think it has tended to increase the hopes of Victoria to arrive at it, because we are confident it can never be arrived at except upon a protectionist policy; therefore the greater protectionists the other colonies become the nearer we arrive at the adoption of an intercolonial free trade policy.

28. Has the alteration of the tariff of those colonies I have named very much interfered with trade in Victoria? Not in the slightest. There is a very mistaken notion here and in Victoria that Victoria relies considerably on her foreign trade. I can assure you the foreign trade of Victoria is nothing compared with her own trade. Her own market is her best, the foreign one being very small. I will take the case of your own dealing with us. Some one suggested to me that you might adopt a retaliative policy. I said, suppose you do. It must be on something you import from us that you would set to work to injure Victoria. Let us take the question of meat and sheep. Suppose you put a duty on that, you do not injure Victoria, but your own people. The quantity of meat we export to Tasmania in twelve months would not be felt by our pastoralists and agriculturalists if your custom was withdrawn.

29. I judge from your remarks that there is very little in the common opinion that if New South Wales adopted a protective policy it would so seriously affect your commercial interests that you would be almost forced to adopt intercolonial free trade? No; New South Wales does not take very much from us of a manufactured kind; she takes a great deal of agricultural produce. She would continue to take these products until she was enabled to supply herself by her policy of protection, unless she found it better that Victoria should supply her.

30. *By Mr. Fitzgerald.*—One of the things that makes this an attractive thing for Victorians to advocate is that you have just reached that position when you have in most of these items entirely supplied yourself, and your manufacturers are feeling the keenness of competition, and want a larger community to keep them going? No, I do not think it is that. As a matter of fact, we have not supplied ourselves in manufactured articles. We more than supply ourselves with some cereals, and we send the surplus to Europe. Although we have kept such a high tariff on boots, you will find if you examine our Statistics that we still import from Europe at least £120,000 or £130,000 worth per year. We export altogether perhaps £35,000 or £40,000 worth of our own make of boots. What we export are of the cheapest kinds that our people make. They have not got the machinery for making the higher class of boots, but now that Parliament has increased the duty on the higher kinds of boots we shall find our people setting to work to make those of better quality, and consequently will supply a great deal of that we are now importing. Notwithstanding our long existence as a manufacturing country, I am sorry to say there are many people who will not purchase the colonial article if they know it is such. I have examined boots of colonial manufacture and those of English make, and have been unable to tell the difference.

31. *By Mr. Lewis.*—In reference to that treaty that was made between Victoria and Tasmania, do you think that Tasmania was treated fairly in being led into taking off the duties that we had then on sheep and cattle after expecting that Victoria would carry out her part of the bargain? Of course, I cannot say how far the agreement went between the gentlemen who represented Victoria and those representing Tasmania, but if Victoria made a bargain and failed to carry it out it was quite unfair.

32. If we entered into a reciprocity treaty with Victoria with our Customs duties based on the Victorian Customs duties, would it not prevent us entering into a reciprocity treaty with any other colony without the consent of Victoria unless Victoria saw it was to her advantage? You could not make any reciprocity treaty with Queensland except on the basis of your tariff. If you did it would lead to a system of complicated accounts.

33. In considering whether we should enter into a treaty with Victoria, and if we had any idea at the same time of entering into a treaty with Queensland, we would have to see if Victoria would consent with our treaty with Queensland? Victoria would be ready to enter into it, and then there would be three colonies having intercolonial free trade.

34. It might preclude us if Queensland would be more advantageous? It will be as well for you to weigh all those things before you make this treaty. Of course, if you think Queensland will prove the better one, by all means take it. I do not ask you to consider Victoria in the slightest in the matter. I may ask you whether the time is not ripe now to see if you cannot seize this opportunity of having absolute free trade on the terms I have mentioned. I corresponded with Queensland on the question of allowing her sugar to come into Victoria at a lower import duty, and asked her if we reduced the duty would she be prepared to admit some of our manufactures at a reduction? Sugar, as you aware, is largely used in some of our manufactures, but, from the correspondence I had with Queensland, it seemed she was not willing to help on the sugar industry in the direction I have named. It appears most of her sugar plantations are in the hands of foreign conservative capitalists, who were not prepared to do anything in the way of obtaining its free admittance into our ports.

35. *By Mr. Lewis.*—If we were considering a reciprocity treaty with Victoria, do you think that the Victorians would adhere to their protectionist policy, or do you think they would come down to anything like free trade? I am sure they would not come to free trade.

36. As a commencement, do you consider it to be necessary for us to adopt a protective policy? I am sure it would be essential for you to adopt the Victorian policy. In regard to individual items, as I said before, we would be ready to meet you, but that is not to say our people would forego their protective policy for the sake of free trade between the colonies.

37. *By the Chairman.*—There is no probability of Victoria agreeing to a 15 per cent. duty all round? Not the slightest.

38. What was the object in this very strong pressure that was brought to bear in the timber industry in order to afford it more protection in Victoria? As far as I understand it, the position is this: our people get timber away up in the ranges, or from the seaboard, and have to cart it to the nearest railway station, and from there it has to be brought to the city at railway charges. So far as I understand, in Tasmania you cut it near the coast, and forward it by small vessels to Victoria, without it being subject to the cartage charges that those in the timber industry in Victoria are compelled to pay. Our workmen have also to be paid high wages because of the protective policy, in addition to the high railway freights which are paid to bring it to market. The amounts which will have to be paid as duty on timber imported into Victoria from Tasmania will amount to about the same as our men have to pay for cartage to market. The duty was not imposed for the purpose of doing Tasmania any harm.

39. Do you consider that by us adopting your protective policy our consumers would receive an equivalent in the rise of wages to compensate them for the extra cost of living here: it must be patent to you if we adopt a protective policy our producers will have to pay increased wages, and would that compensate the consumer? Yes. Under our present tariff we can buy our boots as cheaply as you can. I do not mean to say that every class of boots would be bought the same. There are certain classes that we make and you import. Our bread is cheaper than yours. Our meat must be cheaper. I have been looking at the prices realised in Tasmania for Victorian sheep, and find they brought 17s. 6d. per head here. In Victoria they realised from 9s. 6d. to 12s. 6d.

40. We have a protective policy at present on cereals, and if we adopt a similar system to that of Victoria our producers would be taxed to a greater extent by the extra amount of wages they would have to pay for their work, would they not? The amount of wages that the farmer of the present day pays in proportion to the value of his profit is very little indeed, because so much is done by machinery.

41. *By Mr. Fitzgerald.*—How would it affect our barley growers? You in Tasmania would get the command of our market, while New Zealand would have to pay 3s. per cential.

42. And what would it do in relation to hops? Just the same. You would get them in free. I consider your hop-growers would be immensely benefited.

43. With regard to wheat we should probably lock our growers out altogether, and then what would be the result? You would get our wheat in free, and plenty of it.

44. I believe you have a duty on potatoes? Yes. The duty now is £1 per ton, instead of 10s. as previously.

45. You have no duty on coal? I think there is a duty of 1s. per ton, but whatever there is you would have the advantage of getting it in free, while Newcastle would have to pay the duty.

46. Is there a duty on beetroot? No.

47. *By Mr. Fenton.*—With your knowledge of Tasmania, would you recommend her, in the interests of the bulk of her people, to adopt a protective policy? I am not sufficiently acquainted with Tasmania in all her ramifications to venture upon anything like a dogmatic statement in regard to that. What I say is this, from what I have gathered of your industries, and your position, and from what I can gather of the feeling generally, I think now is a very good time for you to adopt this policy, and secure the first advantages that are to be obtained from it. Of course, as a protectionist I am free to argue that in my opinion any country situated as we are must be benefited by a policy of protection. I must, however, say, you never had a better chance of adopting a policy of intercolonial free trade.



48. *By Mr. Fitzgerald.*—You are a protectionist, but if you were asked whether Tasmania shall adopt protection, or protection plus free trade with Victoria, you would recommend protection plus free trade with your colony? Yes, I believe there would be great advantage by the whole of the colonies adopting a free trade policy amongst themselves. I have been advocating it for ten years.

49. The question for us to consider is whether it would be better for us to adopt intercolonial free trade, or enter into reciprocal relations with any of the outside colonies in the hope that the reciprocity would grow into intercolonial free trade? Yes. Let us assume that it was carried out with Victoria, and twelve months hence Queensland wanted to come in, it would be very much to the advantage of Victoria and Tasmania to admit her, as it would make an additional market. Victoria would be as willing to extend it to her as she is to extend it to Tasmania, as it would be another link in a general policy.

50. *By the Hon. Treasurer.*—You have spoken of the timber industry in Victoria as urging this increase of duties because they cannot compete with our producers—would those people interested in that industry be ready to accept a freetrade policy? No, individually they would not; but they would be helpless to prevent it, because the whole tendency of the colony is towards an intercolonial free trade policy. The freetrader cannot help going in for an intercolonial free trade policy. The protectionists are wedded to it.

51. Does it not come to this, that those protected industries that now produce more than Victoria requires are in favour of a free trade policy, and those that do not produce enough for the requirements of the colony, such as timber, fruit, &c. are strongly opposed to it? The fruit industry is a little behind the requirements of the colony, but owing to land having been taken up and other reasons, in a little time our people will be producing more fruit than they require. I think it likely those who were not producing enough would object to the free trade policy, but, as I said before, their objections would not carry enough weight to prevent the arrangement being carried out.



## APPENDIX A.

*The Treasury, Hobart,  
3rd September, 1889.*

*MEMORANDUM on the Revision of the Tariff.*

Submitted to the Select Committee of the House of Assembly by the Hon. the Treasurer.

IN submitting suggestions indicative of the manner in which the Tariff may be revised in accordance with the instructions given to the Committee in terms of the Resolution by which it was appointed, I desire to make a few observations.

I assume that there is no special necessity for dealing with the duties on such articles as we cannot, or are not likely to, produce. The duties on these, being for revenue purposes, may be regarded as of necessity arbitrary rates, and so outside the scope of the enquiry remitted to us, excepting, perhaps, in regard to—

- (i.) Any articles the duties on which are so high as to press unfairly on any one class of the community ;
- (ii.) Any articles which are now dutiable which it might be desirable to place on the exempt list ;  
or
- (iii.) Such goods as may be classed as luxuries, and which bear a less rate of duty than some other articles of luxury under the present Tariff.

2. The articles on the exempt list (in so far as they are such as we cannot produce) having been placed there either because they are raw material for manufactures, or because they are such articles as would yield little or no revenue, need not, I think, be specially considered in this enquiry.

3. It appears to me that the equalising of the Tariff which we are directed to consider will relate specially to those articles which are, or may be, produced here ; so that, so far as the duties imposed afford a measure of protection to the local producers, they shall be so equal in their amount that the protection afforded to any one industry shall be, as nearly as practicable, equal to that afforded to any other.

4. I therefore submit that, to carry out the instructions given to the Committee, the Tariff, in the list of articles given below, is that to which our attention is to be specially directed. The inequalities of the present Tariff, if limited in the manner above laid down, are not very numerous ; but they are yet of such importance as to deserve serious consideration. It will be seen that there are articles which are locally produced on which the duties range from nothing through various rates equal to 5, 10, 12½, 15, 20, 25, and up to 30 or 40 per cent., making it clear that there is some legitimate scope for a process of equalising the Tariff in the interests of local industries.

5. It is, however, to be observed that if the equalising of the Tariff on such articles as are named below is intended to afford the different classes of producers a similar amount of protection, such equal protection cannot in all cases be secured by equal duties. The freight and other charges incidental to imports vary so much with different classes of goods, that some would be more protected without a duty than others would be with a high duty. Thus, certain kinds of furniture are probably more protected by the freight and import charges, irrespective of duty, than such articles as doors and architraves are with a duty of 20 per cent. So also the freight and charges and losses incurred in importing sheep and cattle, even while there is no duty on them, probably give to the farmer a higher protection than 6*d.* per bushel gives him on wheat. If, then, the purpose be to give equal protection by the Tariff to all classes of producers, the cost of import must be considered ; if, however, the object be simply to equalise the Tariff irrespective of the protection which freights, &c. afford, the work is very simple ; but in this case the advantages afforded by the Tariff to various producers will remain, in many respects, as unequal as they are at present.

6. Then there arises the further question, whether the equality desired is to be irrespective of the class of goods ; *i.e.*, whether duties on luxuries and on necessaries are to be equal, or whether there should be a higher uniform rate for the one and a lower uniform rate for the other ? The duty on jewelry is 20 per cent. in the present Tariff, while the duty on costly silks and satins and millinery, and many fancy goods which are equally articles of luxury, is only 12½ per cent., and the duty on the plainest articles of wearing apparel or boots and shoes is also 12½ per cent. Equalising the Tariff may mean putting all these on one uniform level of 12½ per cent., or on one level of 20 per cent., according to the determination to level up or to level down. But it may be considered that the Tariff will be as truly equalised by observing a difference between luxuries and necessaries, and so making all luxuries pay the higher duty, and all

necessaries the lower. Yet, here again the question comes in, whether it is equitable to place a higher duty on articles of luxury which may be made up here, than on the plainer and necessary articles which are also made here?—for in such a case the manufacturers would have unequal advantages by reason of the differing rates of duty.

7. The question of an equitable Tariff cannot be dealt with without considering the interests of the consumer; and in this view it will appear that an equalised Tariff may, in some respects, operate most inequitably. If, for example, a high duty be placed on some articles, of which we are not likely to produce sufficient for our needs, the consumer will be required to pay, in perpetuity, the increased price, with no prospect of the reduction which an abundant local supply would effect. Unless it were necessary for revenue purposes, it would therefore appear undesirable to increase the cost of articles of common use of which we cannot produce sufficient for our needs. Of course, it may be replied to this, that if the cost of such articles of local production were so increased, and the amount of duty procured in the process were not required for revenue purposes, a remission of duty similar in amount might be made on other articles which we cannot produce, whereby the interests of the consumer would be equally well conserved.

8. Having indicated various considerations that should have weight in the discharge of the duty referred to the Committee, I submit, in tabular form, the articles with which, it appears to me, we are most concerned, together with the duties now attached to each, and the duties which it may be necessary or advisable to impose on them in order to secure that equality which is sought. I assume that not even the most thorough-going free trader would at present seriously advocate the abolition of all duties on articles of local produce in order to secure equality in that way. I have, therefore, in the subjoined table, proceeded on the assumption that the equality sought will be obtained either by levelling all duties to something approaching a  $12\frac{1}{2}$  per cent. basis, which is the predominant rate at present, or by raising them generally to something like a 20 per cent. basis, which already exists, to a limited extent, in the present Tariff.

9. It will be for the Committee to consider whether the equality wished for will be best secured by the higher rate or by the lower; whether it will be secured equally well by either; or whether it will be best secured by a partial adoption of both,—necessaries being put on the lower basis, and luxuries on the higher.

10. If it is thought desirable, as has been suggested by the Committee, to obtain the opinion of Chambers of Commerce, or of other bodies, or of individual manufacturers or producers, on the suggested methods of equalising the Tariff, it may be simply effected by submitting the table, with the request that, in the column indicated for replies to the enquiry, the figures 1, 2, or 3 against each article will show whether the desire is to leave the Tariff as it is, or to adopt the lower or the higher suggested new basis.

TABULAR VIEW OF EXISTING, AND SUGGESTED AMENDMENTS OF, TARIFF.

Articles.	Present Duty.	Alternative suggested Rates.			Here state whether 1, 2, or 3 is proposed.	Remarks.
		1.	2.	3.		
Animals, viz., Sheep.....	Free.		2s. per head—say 12½ per cent.	3s. per head—say 20 per cent.		
Ditto, Cattle, over 6 months old.	...		30s. per head—say 12½ per cent.	50s. per head—say 20 per cent.		
Apparel, Slops, and all made up or partially made-up Clothing of any material (except Moleskins) .....	12½ per cent.	12½ per cent.		20 per cent.		
Architraves .....	20 per cent.	12½ per cent.		20 per cent.		
Bacon .....	2d. per lb.—say 25 per cent.	1d. per lb.—say 12½ per cent.		2d. per lb.—say 25 per cent.		
Basketware .....	12½ per cent.	12½ per cent.		20 per cent.		
Bed Linen, made up, Quilts, Rugs, &c.	12½ per cent.	12½ per cent.		20 per cent.		
Beef and Mutton, Fresh, Pickled, or Salted, except in Tins .....	1s. 6d. per 100 lbs.—say 6 p. c.	3s. per 100 lbs.—say 12½ p. c.		5s. per 100 lbs.—say 20 per cent.		
Ditto, Tinned.....	12½ per cent.	12½ per cent.		20 per cent.		
Biscuits, Fancy .....	2d. per lb.—say 33 per cent.	1d. per lb.—say 16 per cent.		1½d. per lb.—say 25 per cent.		
Ditto, Plain .....	1d. per lb.—say 25 per cent.	½d. per lb.—say 12½ per cent.		1d. per lb.—say 25 per cent.		
Boots, Shoes, Slippers, Goloshes, including Uppers, Legs, Leggings, and Shapes.....	12½ per cent.	12½ per cent.		20 per cent.		
Butter .....	2d. per lb.—say 25 per cent.	1d. per lb.—say 12½ per cent.		2d. per lb.—say 25 per cent.		
Candied or Preserved Fruits or Peels, in wood, case, bottle, or jar.....	3d. per lb.—say 25 per cent.	1½d. per lb.—say 12½ per cent.		3d. per lb.—say 25 per cent.		
Candles .....	2d. per lb.—say 30 per cent.	1d. per lb.—say 15 per cent.		2d. per lb.—say 30 per cent.		
Carriages, 2 wheels .....	£6 each.	12½ per cent.		20 per cent.		
Ditto, 4 wheels .....	£12 each.	12½ per cent.		20 per cent.		
Castings, Rough Iron .....	1s. 6d. per cwt.—say 12½ per cent.	1s. 6d. per cwt.—say 12½ p. c.		2s. per cwt.—say 20 per cent.		
Cheese.....	2d. per lb.—say 30 per cent.	1d. per lb.—say 15 per cent.		2d. per lb.—say 30 per cent.		
Coals and Coke .....	1s. per ton—say 8 per cent.	1s. 6d. per ton—say 12½ per cent.		2s. 6d. per ton—say 20 per cent.		
Confectionery .....	2d. per lb.—say 35 per cent.	1d. per lb.—say 17 per cent.		1½d. per lb.—say 25 per cent.		
Cotton Goods, made up, not being piece goods .....	12½ per cent.	12½ per cent.		20 per cent.		
Doors .....	20 per cent.	12½ per cent.		20 per cent.		
Drapery and Millinery, not being piece goods, Haberdashery, Hosiery, Gloves, Embroideries, Caps, and Bonnets, Hats (except straw, chip, willow, tape, and braid, untrimmed)	12½ per cent.	12½ per cent.		20 per cent.		
Earthenware, brown .....	12½ per cent.	12½ per cent.		20 per cent.		
Fish, Dried .....	1d. per lb.—say 30 per cent.	½d. per lb.—say 15 per cent.		1d. per lb.—say 30 per cent.		
Flour, Wheaten.....	1s. 3d. per 100 lbs.—say 12½ p. c.	1s. 3d. per 100 lbs.—say 12½ p. c.		2s. per 100 lbs.—say 20 per cent.		
Fruit, Fresh.....	1s. per bushel—say 25 per cent.	6d. per bushel—say 12½ per cent.		1s. per bushel—say 25 per cent.		
Ditto, Dried.....	2d. per lb.—say 25 per cent.	1d. per lb.—say 12½ per cent.		2d. per lb.—say 25 per cent.		
Furniture .....	12½ per cent.	12½ per cent.		20 per cent.		
Furs, made up.....	12½ per cent.	12½ per cent.		20 per cent.		

Articles.	Present Duty.	Alternative suggested Rates.			Here state whether 1, 2, or 3 is proposed.	Remarks.
	1.	2.	3.			
Galvanised, Plain, or Corrugated Sheet Iron Manufactures, and all Manufactures from Sheets or Plates of Zinc, Copper, Brass, Bronze, Tin, Iron, or other Metal, also Galvanised Iron, Wrought Iron, Cast Iron, Copper, Brass, Steel, or other Metal manufactured Articles not otherwise enumerated.....	12½ per cent.	12½ per cent.	20 per cent.			
Grain and Pulse of every description, including Maize, Pollard, Sharps, Bran.....	10d. per 100 lbs.—say 12½ p. c. 2d. per lb.—say 20 per cent.	10d. per 100 lbs.—say 12½ p. c. 1½d. per lb.—say 12½ per cent.	1s. 4d. per 100lbs.—say 20 p. c. 2d. per lb.—say 20 per cent.			
Hams.....						
Harrows, Horse Hoos, Horse Rakes, and Cultivators, Ploughs, and Scarifiers.....	5 per cent.	12½ per cent.	20 per cent.			
Hops.....	2d. per lb.—say 20 per cent.	1½d. per lb.—say 12½ per cent.	2d. per lb.—20 per cent.			
Honey.....	2d. per lb.—say 25 per cent.	1d. per lb.—say 12½ per cent.	2d. per lb.—25 per cent.			
Jewelry.....	20 per cent.	12½ per cent.	20 per cent.			
Joinery, Cabinet Work.....	12½ per cent.	12½ per cent.	20 per cent.			
Lard.....	2d. per lb.—say 25 per cent.	1d. per lb.—say 12½ per cent.	2d. per lb.—say 25 per cent.			
Leatherware, or Articles made up of Leather, or of which Leather is the principal or most valuable part.....	12½ per cent.	12½ per cent.	20 per cent.			
Linen Goods, not being piece goods....	12½ per cent.	12½ per cent.	20 per cent.			
Malt.....	1s. per bush.—say 12½ per cent.	1s. per bush.—say 12½ per cent.	2s. per bushel—say 25 per cent.			
Malt Liquor, in wood.....	9d. per gall.—say 30 per cent.	4d. per gall.—say 12½ per cent.	9d. per gallon—say 30 per cent.			
Ditto, in bottle.....	1s. 3d. per gall.—say 20 per cent.	9d. per gall.—say 12½ per cent.	1s. 3d. per gall.—say 20 per cent.			
Mantelpieces.....	12½ per cent.	12½ per cent.	20 per cent.			
Mats and Rugs, of Skin, Fur, or Wool	12½ per cent.	12½ per cent.	20 per cent.			
Mouldings.....	20 per cent.	12½ per cent.	20 per cent.			
Nuts, except Cocoa.....	2d. per lb.—say 50 per cent.	½d. per lb.—say 12½ per cent.	1d. per lb.—say 25 per cent.			
Outmeal.....	¾d. per lb.—say 20 per cent.	¼d. per lb.—say 10 per cent.	¼d. per lb.—say 20 per cent.			
Onions.....	1s. per cwt.—say 12½ per cent.	1s. per cwt.—say 12½ per cent.	1s. 6d. per cwt.—say 20 per cent.			
Plate and Platedware.....	20 per cent.	12½ per cent.	20 per cent.			
Pork, Fresh.....	10 per cent.	4s. per 100 lbs.—say 12½ per cent.	6s. per 100 lbs.—say 20 per cent.			
Ditto, Pickled or Salted, in pieces under 5 lbs.....	10 per cent.	Ditto.	Ditto.			
Ditto, Green Bacon.....	10 per cent.	1d. per lb.—say 12½ per cent.	2d. per lb.—say 25 per cent.			
Potatoes.....	6d. per cwt.—say 12½ per cent.	6d. per cwt.—say 12½ per cent.	1s. per cwt.—say 25 per cent.			
Preserves, Jams, Jellies.....	1d. per lb.—say 20 per cent.	½d. per lb.—say 10 per cent.	1d. per lb.—say 20 per cent.			
Sashes, of wood.....	20 per cent.	12½ per cent.	20 per cent.			
Silk Goods, made up wholly or in part of Silk, not being piece goods.....	12½ per cent.	12½ per cent.	20 per cent.			

Skirtings.....	20 per cent.	12½ per cent.	20 per cent.
Saop, Fancy and Perfumed.....	3d. per lb.—say 40 per cent.	1d. per lb.—say 12½ per cent.	3d. per lb.—say 40 per cent.
Ditto, except Fancy and Perfumed	1d. per lb.—say 30 per cent.	½d. per lb.—say 15 per cent.	1d. per lb.—say 30 per cent.
Stationery, Manufactured, Labels, Posters, Handbills, Printed Paper Bags.....	12½ per cent.	12½ per cent.	20 per cent.
Tarpaulins, Tents, and other Cotton, Duck, Canvas, or similar Goods, not being piece goods.....	12½ per cent.	12½ per cent.	20 per cent.
Tiles, Earthenware.....	12½ per cent.	12½ per cent.	20 per cent.
Tinware .....	12½ per cent.	12½ per cent.	20 per cent.
Umbrellas, Parasols, Sunshades.....	12½ per cent.	12½ per cent.	20 per cent.
Upholsterers' Manufactured Goods, not being piece goods.....	12½ per cent.	12½ per cent.	20 per cent.
Velvet or Silk Velvet Goods, not being piece goods.....	12½ per cent.	12½ per cent.	20 per cent.
Wheels, Cast, Carriage, or other Ve- hicle, not otherwise enumerated.....	12½ per cent.	12½ per cent.	20 per cent.
ckerware.....	12½ per cent.	12½ per cent.	20 per cent.
Woodware, and Wooden Manufactures not otherwise enumerated.....	12½ per cent.	12½ per cent.	20 per cent.
Woollen Piece Goods, Serges, Tweeds, Vestings, Trouserings, Coatings, Broad Cloths, Mantle Cloths, Cloak- ings, Ulsterings.....	12½ per cent.	12½ per cent.	15 per cent.
Woollen Goods, Blankets, Shawls, Rugs, and other Articles, not being piece goods.....	12½ per cent.	12½ per cent.	20 per cent.