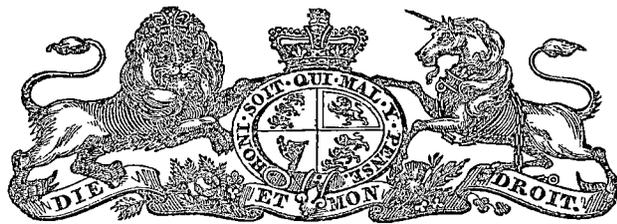


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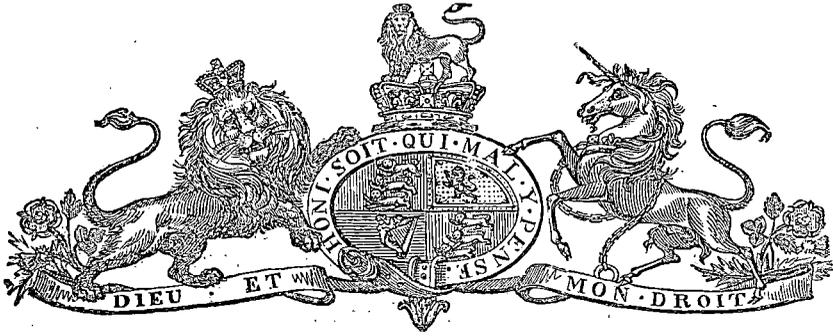
1859.

TASMANIA.

DIFFERENTIAL DUTIES.

DESPATCH.

Ordered by the House to be printed, 17 August, 1859.



(CIRCULAR.)

Downing-street, 12th July, 1855.

SIR,

I DESIRE to call your attention to a Circular Despatch addressed to the Governors of Her Majesty's Colonies by Lord Stanley, when holding the Seals of this Department, on May 24th, 1843.

His Lordship observes in that Despatch, that

"The imposition of discriminating Duties on Goods imported into the British Colonies, when the discrimination is made for the protection of some branch of British or Colonial industry, is an office of great difficulty. To the right discharge of it, an intimate acquaintance with the Commercial Treaties and political relations between this Kingdom and Foreign States is indispensable. To legislate on such a subject in ignorance of those Treaties and relations, would be to render inevitable much serious practical error.

"But, in the nature of the case, it is impossible that this knowledge should be possessed in the requisite degree by the various Local Legislatures of the Colonies of this Kingdom; they have no means of knowing the state or the objects of pending negotiations, nor even of ascertaining, with absolute precision, the terms of Treaties actually concluded. If they legislate at all on these subjects, they must do so in ignorance of some facts which cannot be safely excluded from consideration.

"Neither is it possible that forty distinct Legislatures, having no means of mutual communication and concert, should act consistently on such subjects. The local opinions or interests of each Colony must dictate the Laws of each; and the general Code of the Empire, compiled from so many different sources, must be at the utmost variance with itself on a subject on which unanimity and consistency is indispensable. In such a state of the Law, Her Majesty's Government could not negotiate or treat, with confidence, with any Foreign State for commercial purposes; nor could they fulfil such Treaties as might be made. Painful and injurious discussions with those States must arise, and perhaps indemnities and compensations must have to be paid.

"Nor is this all. If such Laws should be promulgated to meet the local views, and to advance the local interests, of each particular Colony, it would be impossible for the Ministers of the Crown, or for the Commercial Body in the United Kingdom, to ascertain with the requisite precision at any given time what is the real state of a Code so complicated, and framed by so many different authorities.

"For these reasons, Her Majesty's Government decidedly object in principle to the assumption by the Local Legislatures of the office of imposing differential duties on goods imported into the respective Colonies. Parliament having already prescribed the Rules by which such Duties are to be discriminated, with reference to the place of origin, or of export, to Parliament alone the power of altering those Rules must be reserved.

"You will, therefore, exercise all the legitimate influence of your office to prevent the introduction into the Legislature of the Colony under your Government of any Law by which Duties may be imposed on Goods in reference to their place of production, or to the place from which they may be exported. In the same way you will exert yourself to prevent the introduction of any Law imposing on refined Sugar imported into the Colony higher Duties, in the case of Sugar refined in this Country in bond from Foreign Sugar, than in the case of Sugar refined here from British Colonial Sugar.

"If unfortunately your efforts should be unsuccessful, and if any such Law should be presented for your acceptance, your duty will be to withhold your assent to it. From the discharge of that duty, however unpopular it may be, you will not shrink; for, by declining to undertake it, you would only subject Her Majesty's Government, and the Colony itself, to a still more serious inconvenience."

I have introduced into my present Despatch the greater part of Lord Stanley's; because, although since it was written the policy of the Government of this Country has undergone great modifications, the principles laid down in it remain unshaken, or are, if possible, still more firmly established as part of our Commercial Legislation.

Under the old system of Colonial Policy, the Colonies of Great Britain were bound to very strict compliance with the views and supposed interests of the Mother Country. The people of Canada, for instance, were restricted from obtaining articles of silk manufacture from France; and those of the British West Indies, provisions and lumber from the United States; in order that the manufacturers and merchants of this Kingdom might enjoy an exclusive possession of the Colonial Markets.

The relaxation of this System, as regards the Colonies, was effected gradually, and by a series of Legislative measures, while, at the same time, the principles of Free Trade were making progress in the Commercial Legislation of the Mother Country herself; and, after prolonged discussion, the final triumph was achieved by the Act of 1849, commonly known as the Act for the Repeal of the Navigation Laws.

Thus the protection which it was in former times thought expedient to grant to British industry against foreign competition in the Colonial markets, and that which was accorded to the Colonies in the Home market, have been removed by the adoption of principles of legislation more enlarged in their scope and tendency.

And while we have ceased to impose duties for the purpose of protection to the British producer in the Home market, no attempt is made to prevent the Colonies from admitting, upon equal terms, to their markets the British, the Foreign, and the Colonial producer.

But this policy of freedom for the Producer and the Trader, as well as the Consumer, would be seriously affected, if Colonial Legislatures were to establish differential duties in favour of their own natural productions or manufactures, whether against the British or the Foreign producer. And a similar violation of the principles of Free Trade would result if favour were shown, in the Legislation of a Colony, to one Colony over another, by the reduction or total abolition of duties in favour of particular Colonies.

In addition, therefore, to the mischiefs apprehended by Lord Stanley, and clearly pointed out in the letter to which I have directed your attention, measures, intended to impose differential duties or prohibitory checks upon importation into the Colonies, involve a departure from the course of legislation which has been deliberately adopted by the Imperial Legislature, and which has resulted, by all but universal consent, in consequences most favourable to the general prosperity of the community.

An attempt at this period on the part of one, or a few, of the British Colonies to separate themselves from the general march of progress towards commercial freedom would inevitably entail much loss and inconvenience on the particular communities concerned, and could not fail to lower their position and reputation throughout the Empire.

In order to guard against these evils, I have to instruct you to withhold your assent to Bills passed by the Legislative Body of your Colony, if they should contain provisions either in the nature of prohibitions of the importation of articles from elsewhere, (unless when public safety may require it), or imposing differential duties, whether on articles of British, Foreign, or Colonial production, as against similar articles produced in your Colony itself, or in favour of one Colony against another.

I have the honor to be,
Sir,

Your most obedient humble Servant,

J. RUSSELL.

Governor SIR H. YOUNG.