

mously to the cost of goods imported into this country. In this respect, as far as New Zealand is concerned, the Government was powerless to immediately effect a remedy. Firstly, ships could not be built, chartered, or purchased. Secondly, if they could have been built, chartered, or purchased, the necessities of the war would have taken precedence of everything else; in fact, the ships would have been rightly commandeered for Imperial purposes. Thirdly, the first cost of goods of nearly every description in the countries of origin could not be controlled from here.

The Government consequently directed its attention to preventing exploitation, and the Board of Trade, when it was set up, was specially instructed to leave nothing undone to help in this direction, and it has been engaged since its constitution in making close inquiries in different portions of the country. The reports will be made available for Parliament.

It seems almost impossible during war-time, owing to the world-wide increases in freights, added to the general increase of the first cost of goods in the countries of origin, to hope for a general lowering of prices until the war is over. Similar difficulties present themselves regarding our own produce, which is, fortunately, in general demand. As prices are fixed by the law of supply and demand in all parts of the world it seems apparent that only the lowering of values in the outside world can effectively bring about a reduction of prices in New Zealand. If relief by the remission of Customs duties would have helped, this would have been proposed. It will be seen, however, that practically all articles of food and materials largely in use are already free of duty.

INCREASED RENTALS.

Since the commencement of the war many complaints have been received regarding the advance in house-rents. There can be no doubt that increase of house-rents adds greatly to the cost of living, especially to those of limited salaries or wages. Honourable members will be asked to pass legislation to restore rents to their pre-war rates, and to prevent their being increased during the war period.

ARTICLES FREE OF DUTY.

I have had a return prepared showing articles of food at present free of duty. They are as follows: Arrowroot; farinaceous foods (n.o.e.); dried fruits—currants, dates, figs, prunes, raisins; fresh fruits—bananas, oranges, other kinds; maizena and cornflour; rice, dressed; rice, undressed; infants' and invalids' farinaceous foods; macaroni and vermicelli; mustard; nuts, edible, other than almonds and walnuts; sago and tapioca, except flour; salt, refined and table; sugar, molasses, and treacle; tea in packages containing 5 lb. or over.

The value of the articles imported under these headings during 1915 amounted to £2,046,910, and if the duty at the ordinary average rate had existed for that year, including sugar at a duty of $\frac{1}{2}$ d. per pound, and tea at 2d. per pound, the duty would have amounted to £576,679.

During the same year the following articles of clothing and wearing-apparel were admitted free of duty: Children's boots, sizes 0 to 6; gum boots; buttons, tapes, waddings, pins, and needles; cotton piece-goods; linen piece-goods; union, cotton and linen piece-goods; waterproof cloth; sewing silks and threads. The value of these imports amounted to £1,210,757. If duty had existed at the ordinary rates it would have approximated £240,000 for the year, so that with free food imports the sum of £816,679 per annum is represented by these two classes of imports. I mention this matter in consequence of the somewhat unfair strictures levelled at the New Zealand Government in reference to the increase in the cost of food prices. It is clear that in regard to the articles I have referred to nothing further can be done at present to reduce their imported cost, as they are all free of duty. It certainly cannot be denied that the prices of these commodities materially affect the masses of the people, and it is our clear duty to do all in our power to bring about a reduction in the cost of living. It was for the purpose of preventing exploitation that the Board of Trade was established by the Government.