

1934.

NEW ZEALAND.

CUSTOMS TARIFF

(STATEMENT BY THE RIGHT HON. J. G. COATES, MINISTER OF CUSTOMS, WHEN INTRODUCING
THE CUSTOMS RESOLUTIONS, 10TH JULY, 1934).

Presented to both Houses of the General Assembly by Leave.

THE complete overhaul of New Zealand's Customs Tariff is one of the main tasks to which the attention of Parliament is to be directed during the session. It is a task that will call for time, for close study in detail, and for patience. For reasons that are well understood, there is no alternative but to ask the House to give formal consent at once to the resolutions so that the new rates of duty may operate without prior notice; but, while this is so, the Government have no intention of forcing the pace or of avoiding the fullest discussion, and facilities will be provided accordingly.

The revision of the Customs Tariff is always a difficult matter on account of the complexity of the interests involved. It affects all classes of the community—for example, primary producers, manufacturers, employees, traders, and consumers generally. It necessitates the amassing of an enormous amount of detailed information concerning the many lines of goods that are imported into or manufactured in New Zealand. As honourable members are aware, on the last two occasions on which there was a general revision of the tariff a Commission was set up to report to the Government. Owing to the changes that take place in manufacturing and trading conditions both in and out of the Dominion, it is necessary that there should be a periodic review or what may in other words be called a "Tariff stock-taking." The last general revisions took place in 1921 and 1927, so that in the ordinary course another revision could not have long been postponed.

Under the Ottawa Agreement of 1932 New Zealand, in common with the other Dominions, was committed to hold an inquiry into the tariff, and, if necessary, to revise it in accordance with certain explicitly stated principles. Our undertaking was that protection against United Kingdom products should be afforded only to industries which are "reasonably assured of sound opportunities for success," and, further, that protection should be on a level to enable the United Kingdom producer to compete "on the basis of the relative cost of economical and efficient production." Those are the Ottawa words. But it will, I am sure, be universally conceded that, apart altogether from any Ottawa commitments, they are words that state precisely the principles which, in our own interests and from our own viewpoint, should govern the consideration of the tariff.

Suggestions have from time to time been made in certain quarters in this country to the effect that undue delay ensued in carrying out New Zealand's part of the Ottawa Agreement. These suggestions are absolutely without foundation in fact. The truth of the matter is that the detailed tariff revisions which we undertook