

The following reductions have been made in revenue duties :—

Reductions from 25 per cent. to 20 per cent.—

Carpets.

Fancy goods, sporting requisites, jewellery and platedware.

Tobacco pipes, pouches, cigarette holders and cases.

Other reductions—

Toilet preparations : From 35 per cent. to 25 per cent.

Pianos and other musical instruments : 20 per cent. to 10 per cent.

Engines for tractors : 10 per cent. to free.

Cigarettes : 33s. 9d. per thousand to 25s. 6d. per thousand.

In the following cases the protective duties have been increased :—

Ground or crushed maize : From free to 2s. per cental.

Porcelain enamelled cast iron baths : From 20 per cent. to 25 per cent.

Gas meters : From free to 10 per cent.

Increases as follows have also been made in revenue duties :—

Cigarette papers : From 25 per cent. ad valorem to 1¼d. for each 60 cigarette papers.

Motor vehicle chassis and trucks : From 10 per cent. to 15 per cent.

Altogether, the New Zealand Customs Tariff includes 449 items : of these, some 344 are not touched by the recommendations of the Commission nor by the proposals of the Government. In some form or other, the remaining 105 items are brought under consideration.

WHEAT AND FLOUR.

Since 1927 New Zealand has had a sliding-scale of duties on imported wheat and flour. On this subject there has been, and there continues to be, a reasonable and healthy difference of opinion. I need not recall all of the controversy that has been sustained, nor the periodic outbursts of criticism that have occurred from time to time ; nor is it necessary to recall that even within the most highly organized and the most articulate of bodies unanimity of opinion has been singularly lacking. For present purposes and so far as the report of the Tariff Commission is concerned, I merely mention that this is one item of importance on which the Commission itself failed to submit a unanimous recommendation. It may be of interest to indicate briefly the nature of the recommendations of a majority of the Commission, and after that I shall indicate also the Government's proposals.

A majority (three of the four members) of the Commission recommend the abolition of the sliding scale of wheat and flour duties and the substitution of flat rates of 1s. 3d. per bushel on wheat and £5 15s. per ton on flour. These compare with the present level of duties of approximately 2s. 9d. per bushel on wheat and £7 per ton on flour based on Australian prices of 2s. 11d. per bushel and £6 7s. 6d. per ton respectively.

The other member of the Commission—and both the majority and the minority reports will, of course, be published—recommends that the duties be abolished as soon as is practicable by progressive reduction over a period of years.

The Government, having full regard to the report, to the reasoning and to all attendant circumstances, propose that the present sliding scale should be retained, and in substantially its present form.

We believe that, on the whole, the existing system has worked well—not indeed that it has won universal praise, but as far as can reasonably be expected in this human world, it has worked and is working well. That is a view in which, without doubt, the great majority of the community concur.

The contrary view has been expressed, as I have made clear, by the Commission. From their report I quote one sentence :—

“ . . . We are unable to see any reason why the wheat farmer should not, like most other primary producers, be subject to the vicissitudes of the world price-level.”

That expresses a sentiment with which we do not agree. Our view is that the removal of the protection that has been given to wheatgrowers would menace an