

to-day is about 35 per cent., and I could not recommend to my Parliament an increase of that tariff by even 1 per cent. Further, the importations into the Colony are principally from foreign countries. One of our largest importations is salt for fishery purposes and is obtained from Cadiz. This at the present time passes in duty free, and the imposition, even of 1 per cent., might not only lead to retaliation on the part of our Spanish and Portuguese customers, but the tax would fall heavily upon the very poorest of the population, namely, the fishermen. There is another large foreign importation, namely, flour. Part of our importation comes from Canada, but a considerable portion of it, highest grades, comes from the United States of America. That now passes in duty free, and the imposition of even 1 per cent. upon the principal food of the poorest people of the Colony, would naturally be resented, and be regarded as oppressive. The other articles of foreign importation, upon which the proposed tax would fall, would be meats, pork, bacon, butter, sugar. Forty-five per cent. of the total imports of the Colony consist of food, and these are derived to a large extent from the United States of America. The policy of my Government is to reduce the tax on articles of food. The fact then that a very large proportion of our food supplies has to be imported from the United States, and our fishery supply of salt from Cadiz, renders the position of my Colony, as I have previously remarked, totally different from that of any other Colony. Under these circumstances I regret that I cannot support the proposal that is made.

Fourteenth Day.
9 May 1907.

IMPERIAL
SURTAX ON
FOREIGN
IMPORTS.
(Sir
Robert Bond.)

Mr. DEAKIN: If I had taken fuller advantage of my opportunities when opening this debate instead of curtailing my remarks to spare time for the Minister I should have avoided some of the criticisms, even of my friend Sir Joseph Ward. If he looks at this proposition, he will see I have suggested the 1 per cent. only as a measure, so that it would be quite possible for New Zealand or any State in a similar position not to impose the 1 per cent. at all or impose any surtax. Under the second clause of the first paragraph "or an equivalent contribution made by each of the legislatures," it would only be necessary for New Zealand to find her 20,000*l.*, or whatever the sum is, from her own revenue, without a surtax at all. I am sure that misapprehension was due to my omission to explain the details of the proposition at length. I only submitted it, of course, to assert or suggest a principle and not as a final proposition which could not be amended. I admit, however, that Sir Joseph's criticism and the criticism to which it has been subjected by others show that this percentage upon foreign goods is open to serious criticism. It is needless to pretend that it is not. But again it was the same misreading of the resolution which led Sir Joseph to speak of the possibility of the 1 per cent. duty falling upon British goods instead of upon foreign. That would not be possible under the terms of this resolution at all. First of all, you need not have your surtax on foreign goods unless you like; but you cannot have it on anything else. You can take it out of general revenue. You cannot impose 1 per cent. on anything except on foreign goods, and need not impose that if you prefer some other means of finding the money.

Sir JOSEPH WARD: Yes, I see that is so.

Mr. DEAKIN: Sir Joseph's criticism was entirely sympathetic, as was that of most other Colonial members of the Conference. Having regard to the general character of this resolution and the nature of the subject, I had not even worked out the figures as to what a 1 per cent. contribution was. I stated yesterday, and stated again to-day, on several occasions that