a decrease of revenue to any material extent, because the very difficult task would then be imposed upon me of obtaining an equal amount of revenue from some other source.

Nearly 90 per cent. of the motor-cars imported since the war commenced were for utility purposes, and can in no sense be classed as pleasure-cars. The average price paid per car imported into New Zealand was £150. Motors for business purposes have come here to stay, as is the case all over the world. The time has passed for accepting a general condemnation of their importation on the grounds that they are for pleasure and are not indispensable. We want the revenue. The duty at present is 20 per cent., with a preference of 10 per cent. to Great Britain and any part of the Empire that reciprocates with us.

AMUSEMENT-TAX.

I propose to levy a duty on admissions to places of amusement similar to that imposed in Great Britain by the Finance (New Duties) Act, 1916. This duty will commence at 1d. where the price of admission, exclusive of the duty, does not exceed 6d., proceeding in graduations until it reaches a duty of 1s. on admissions of 12s. 6d., with an additional 1s. for every 10s. or fraction of 10s. over 12s. 6d. in the price of admission.

The amount of revenue that I estimate will be obtained from this source is £80,000, and will be devoted to paying the war bonus to old-age and military pensioners, and widows, and to miners suffering from pneumoconiosis.

EXCESS-PROFITS TAX.

With reference to the excess-profits duty, it will be remembered that last year I asked the House, in response to a generally expressed wish, to levy special taxation on the extra profits that had accrued to taxpayers owing to the war. On investigation it was found here, as it had been found in England, and was afterwards found in Canada, France, and the United States, that the difficulties of ascertaining exactly the actual profits resulting from the war were almost insuperable. The machinery needed for the purpose was too elaborate to enable the revenue to be collected when it was required.

The method adopted here was substantially on the lines of the English excess-profits tax, but as the amount realized did not reach my estimate I propose this year to readjust this form of taxation. I may say that if the profits-tax were to be retained and doubled in rate so as to make it 90 per cent. it would not provide the amount required. I therefore must ask the House to authorize such a change of taxation as will make it certain that larger sums shall be contributed by those who have not paid their just share under the profits-tax. The adjustment I propose will not only provide the amount of revenue I require, but it will ensure that every one shall contribute in proportion to his means. Experience of the excess-profits tax has also shown that it is inequitable. The concessions necessary to avoid hardship in some cases resulted in the escape of many other taxpayers who were in a position to pay and, in my opinion, should have paid. The main reason for this is that the conditions here are different from those in the older countries. In this young country there is a larger proportion of concerns in the process of development than is the case in the older countries, and the tax presses unduly on them. The profits made on shipping and munition contracts in Great Britain are enormous. There are thousands of long-established industrial, commercial, and general businesses that can be safely relied on by the Home Government to ensure a large amount of revenue from a profits-tax. It is not so here: on the contrary, the purchase by the British Government of our principal staple products has largely reduced the profits that, under ordinary conditions, would be earned by export business houses, and an equivalent amount cannot be collected spread over such a large number of producers who are selling their produce to the British Government; nor could it be charged to the buyers, the British Government. A careful estimate for this year shows that, owing to the greatly increased price of stocks imported for sale, the margin of profit will be materially reduced, and it would not be safe to rely upon receiving this year a revenue approaching the amount received last year from this source,