

*Special Machinery.*

A particular hardship often brought prominently before the Committee was the fact that many industries requiring special machinery which cannot be made in the Dominion, or which may be protected by patent rights and exclusively manufactured abroad, are penalized by being called upon to pay high duties. Your Committee recommends that relief should be afforded.

*Preference to United Kingdom.*

The question of preference to Great Britain has had consideration, and it is agreed that the principle is a sound one, inasmuch as the United Kingdom is our best and most important customer; and, further, that we are dependent on the Mother-land for protection by sea and land—in short, our interests are identical and should be made completely mutual. The amount of preference should be substantial, so that the object of fostering trade between the United Kingdom and this Dominion may be secured. The Committee, on the other hand, recommends that in the case of British dominions not extending preference or favourable treatment to New Zealand the Dominion's ordinary tariff should apply.

*Reciprocity.*

The Committee believes that after the tariff is revised an attempt should be made to enter into a reciprocal agreement with Australia and other British dominions for the interchange of certain productions of each country.

*South African Treaty.*

The Committee recommends the immediate revision of the reciprocal treaty entered into with South Africa in 1907. An examination of the business done between the two countries shows that New Zealand's exports to South Africa are practically nil, and that South African exports to New Zealand on which preference is given, excepting wine, amount to very little. The duty on South African wines is as low as 2s. per gallon, and the preference in 1918 cost the revenue £5,000. It is more than doubtful if the public receive the advantage of the reduced duty.

*Tariff Board.*

The Committee recommends that the Board of Industries and Commerce be also a Tariff Board, to consider tariff questions and to make general recommendations from time to time in regard to these matters. It is further recommended that the Standing Orders of the House be amended to render it possible for any article or articles to be dealt with by way of amendment to the tariff without the tariff in general being open to amendment.

*Surtax on Enemy Goods.*

In 1915 legislation was passed empowering the Governor-General by Order in Council to impose a surtax of 50 per cent. on any goods specified in the Order that are imported into New Zealand from the countries recently at war with the British Empire, the evident intention being that the additional duty should be imposed on such goods when peaceful relations were resumed. Provided there is no international agreement to the contrary, the Committee recommends that the above provision should continue.

*Control of Prices.*

In almost every instance where further protection was asked for by way of assistance to local industries it was agreed by those seeking such assistance that should Parliament afford protection they would agree to price-control by the Board of Industries and Commerce. Your Committee agrees with this principle, and strongly urges that in the interests of the purchasing public price-control be a permanent policy in relation to the tariff.