

exaggerate; the former, for both utilitarian and social reasons of only less importance. To put the case briefly, a less consumption of intoxicating drinks means increased happiness and social well-being; and larger local production means increased prosperity. It is clear that both these causes argue an increased power to pay Customs duties on whatever articles it is considered desirable they should be levied.

The returns of Customs duties on spirits during the last three financial years are suggestive. They are as follow: 1882-83, £410,517; 1883-84, £403,500; 1884-85, £377,696; and for the first two months of the present financial year the receipts have been at the rate of only £366,624 a year.

Those persons who refuse to see in the conditions of a new country the special circumstances which render inappropriate their ranging themselves under the old-world banners of protection or free-trade may at least meet on this common ground, that fiscal requirements are the primary object of Customs duties. I venture to go a step further and say there is no taxation more fair, just, and logical. I ask Protectionists to agree with me in this, although they may see in Customs duties an ulterior object in the encouragement they give to local production; and I ask Freetraders to render a like acquiescence, although they may argue that the remission of duties tends to lighten the cost of living. In short, Customs taxation is a natural and obvious species of revenue, and the Freetraders who would specially diminish it, or the Protectionists who would specially increase it, seek to modify natural conditions by artificial ones. I am far from saying that such a modification is necessarily unwise. It constantly falls within the range of the duty of Parliament to specially intensify or abate the application of recognized principles. But I have yet to show why I claim for Customs duties the character I have assigned to them. They are fair, just, and logical, because it is reasonable that the producers of other countries should not come here to enjoy all the benefits that the complicated machinery of Government affords to them without contributing to its cost. This proposition is in no way affected by the question of whether the ultimate charge falls on the consumer rather than on the producer. If it be admitted that it falls on the consumer alone, which is open to question, as at least to some extent it affects the lesser or greater profits of the producer, it is still clear that the consumer who finds it desirable to consume exotic productions should on their behalf contribute something to the cost of the Government, the operations of which enable those productions to find a market. Customs duties have, in addition, the two great advantages of being cheaply collected and of falling on those who, in greater or less proportions, elect to consume dutiable goods. The average cost of collecting Customs duties amounts to only £2 14s. 3d. per cent.

But it is undesirable that the whole taxation of the colony should be concealed, so as not to come home in a forcible manner to the taxpayers. Hence, together with indirect taxation, there should be taxation of an unmistakably direct character, as also some of that ingenious medium between the two that stamp duties supply. This leads me to state that, together with the revision of the tariff, it is desirable to pass under review the direct and semi-direct taxation of the colony. These classes of taxation require to be considered if for no other reason than they should be put upon an elastic footing, in which the feature of normal increase should have full play.

It is necessary now to consider the character of the population. Besides the very small number of persons who live upon their means, and the larger number employed by the Government, the occupations of the people may be divided as follows: agricultural, pastoral, mining, maritime (in which I include fishing), manufacturing, commercial, and professional, and domestic service. In each of these classes, excepting the last, there are both employers and employed, but for our present purpose we need make no distinction between them, because it is clear that the prosperity of any class means, or should mean, the prosperity equally of the employers and employed. Indeed, in a country with such a range of progress before it, it should be our ambition to see that facilities are open to the employed of to-day becoming the employers of to-morrow.