

Motion negatived, Mr. Mackenzie dissenting.

The Commission adjourned at 5 p.m. until 10.30 a.m. on Friday, the 31st May, to enable the necessary printing of report, &c., to be completed.

WELLINGTON, FRIDAY, 31ST MAY, 1895.

The Commission met at 10.30 a.m.

*Present* : Hon. Major Steward (Chairman), Mr. Stevens, Mr. Tanner, Mr. McGowan, and Mr. Mackenzie.

The minutes of the previous meeting were read and confirmed.

A letter was received from J. A. Iggo, of the Bluff, asking for the free admission of crude chalk. *Resolved*, To reply that the letter was received too late for consideration by the Commission, but that it would be forwarded to the Customs Department.

On the motion of the Chairman, *Resolved*, That, as the Commission expires to-day, and as most of the Commissioners are leaving Wellington by this day's boat, the Chairman be authorised to verify and confirm the minutes of to-day's proceedings.

The Chairman reported that he had received an estimate signed by Mr. Larchin, Chief Clerk, Customs Department, showing the effect on the revenue of the revised tariff as recommended by the Commission. The estimate showed the total increases to amount to £106,536, and the decreases to £96,187, leaving an estimated net increase of £10,349.

Mr. Glasgow said that he did not agree with these figures, and that it was a pity they should be taken down. He had gone over the returns, and the following was his estimate—

The Chairman : Then, this estimate has not been submitted to you?

Mr. Glasgow : Not till after it had been sent in. I estimate the total increases to amount to £103,536, and the decreases to £104,187, reckoning on the basis of the 1894 returns, without making any allowance for decreased importation.

The Chairman pointed out that a comparison of Mr. Glasgow's estimate with the estimate made by the Commission, and based on the 1893 returns, showed there was only a difference of about £1,000. Practically, the two estimates agreed.

Mr. Glasgow said he estimated that the following items, upon which the duty had been increased, would not yield the revenue estimated in the return furnished to the Commission: Apparel, hats, silks, millinery, boots, harness, leather, leather manufactures, furniture, cords, jewellery, plated ware, stationery, hand-bills &c., cartridges, brushware, fruit, milk, pickles, sauces, patent medicines, bamboo furniture, matches. The total increases on these items in the report amounted to £61,352. He thought that a deduction of one-third should be made from that total, owing to the fact that increased protection generally tends to discourage importation. He therefore estimated that the total increase would amount to £83,086 in place of £103,536.

The Chairman asked if Mr. Glasgow made any allowance for increased importations in consequence of decrease of duty on tea, kerosene, &c.

Mr. Glasgow said that in his estimate he had not included the tobacco licenses. The principal items to be considered upon which an increased importation was possible owing to a decrease in the duty were tea and kerosene, but he did not think that there would be much increased consumption in regard to tea. In the United Kingdom a reduction of the tea duty was generally followed by increased consumption, but he did not think that precisely the same effect would follow from a reduction of duty in New Zealand, the circumstances of the two countries being quite different. He estimated that there would be a considerable increase in the consumption of kerosene owing to the reduction of the duty, and he thought a further sum of, say, £2,000 might be added to the estimated increase on account of the altered duty on that item. Therefore, not taking into consideration the revenue to be derived from the tobacco licenses, he estimated that the increase in revenue would be short of the decrease by the sum of £19,000.

Mr. Mackenzie said that in connection with his memorandum of dissent he had based his remarks on the estimate made by the Commission, but Mr. Glasgow's estimate showed that the revenue would lose by the concession to the extent of about £19,000.

The Chairman said Mr. Glasgow had not allowed for tobacco licenses in his estimate.

Mr. Mackenzie desired to place on record the fact that his forecast of the probable effect of the proposed changes, as indicated in his memorandum attached to the report, was based upon the schedule drawn up by the Commission, and that the information Mr. Glasgow had just given practically went in the direction of confirming the result he had arrived at.

The Chairman said that, in comparing the statement made out by the Commission, and which was based on the returns for 1893, with the calculations made by Mr. Glasgow on the returns for 1894, the result was that they had come out within a few hundred pounds of each other. The basis of calculation being different, and the Commissioners having had to go on the last printed returns—viz., those of 1893—he thought it would be found that, adjusting the calculations to the returns of 1894, upon which the Customs Department had proceeded, but which were not at the disposal of the Commissioners, the results were very nearly identical.

On the motion of the Hon. Major Steward, *Resolved*, That, seeing that the work intrusted to the Commissioners has occupied them until a period which will only leave them about fourteen days between the date on which they can reach their homes and the date on which they will have to leave again to attend the session of Parliament, they will be unable to deliver the usual pre-sessional addresses, and hereby appeal to their several constituencies to hold them excused.

The Secretary was instructed to communicate this resolution to the Press.

The Chairman said they were now about to sign the report for presentation to His Excellency the Governor, and if any member wished to enter a protest or record his dissent now was the time to do so.