

honesty of the importer. Discounts shown on invoices could easily be adjusted in accounts as between the shipper and the importer.

Special discounts are given when a contract is made to take a certain quantity over a given period of time, also when a purchaser contracts to deal only in the goods of a certain shipper. There are other cases, but these are the principal.

Any other standard of fair market value in the country of export than that in force would be unsafe in the case of consignments. There is a tendency to undervaluation of consigned goods. There is no transaction as between buyer and seller, and the invoice sent out by the shipper cannot in all cases be depended on in verification of the true value for duty. Any vagueness as to what is to be considered the value for duty would render consignments difficult to be dealt with. It is with cheap consignments that regular traders find it most difficult to compete, and the same remark applies to many local industries.

I think the suggestion of the deputation is in the interests of large firms which can command large capital, and if adopted it would tend to the establishment of monopoly of importation in many leading lines of merchandise. For the above reasons, the suggestion should be received with great caution.

W. T. GLASGOW,

Secretary and Inspector of Customs.

18th February, 1895.

“*The Customs Laws Consolidation Act, 1882.*”

Sec. 39, as amended by sec. 16 of “*The Customs and Excise Duties Act, 1888.*”—In all cases where any duty is imposed on any goods imported *ad valorem*, or according to the true and real value of such goods, such value shall be understood to be the fair market value thereof, when sold for home consumption, in the principal markets of the country whence and at the time when the same were exported, including the value of the case, cask, or covering of any kind in which such goods are contained, with ten per centum added.

Sec. 40.—The fair market value for duty of goods imported into New Zealand shall be the fair market value thereof, in the usual and ordinary commercial acceptance of the term, at the usual and ordinary credit, and not the cash value of such goods, except in cases in which the article imported is, by universal usage, considered and known to be a cash article, and so *bonâ fide* paid for in all transactions in relation to such article; and all invoices representing cash values, except in the special cases hereinbefore referred to, shall be subject to such additions as, to the Collector of the port at which they are presented may appear just and reasonable, to bring up the amount to the true and fair market value as required by this section. No discount for cash shall in any case be allowed in deduction of the fair market value as above defined, nor shall goods be admitted to entry at cash value, except where it is satisfactorily shown to the Collector that such goods can be purchased only for cash, and then it shall form a part of the declaration of the importer that the cash value of such goods was paid at the time of purchase.

Sec. 41.—In any case where goods are chargeable with a duty *ad valorem* under any Act in force imposing such duty, such value shall be verified at the time of entry of such goods by the production to the Collector or other proper officer of the genuine original invoice of the manufacturer, merchant, or person from whom the same were purchased in the country whence the same were shipped, showing the actual prices paid, or to be paid, by the importer for such goods.

“*The Customs and Excise Duties Act, 1888.*”

Sec. 15, as amended by sec. 2 of “*The Customs and Excise Duties Act Amendment Act, 1893.*”—No deduction of any kind shall be allowed from the fair market value of any goods imported because of any special arrangement between the seller and purchaser having reference to the exportation of such goods or the exclusive right to the sale thereof within certain territorial limits, or because of any royalty payable upon patent rights, but not payable when goods are purchased for exportation, or on account of any other consideration by which a special reduction in price might or could be obtained.

(21.) MONDAY, 11TH FEBRUARY, 1895.

WILLIAM CABLE examined.

775. *The Chairman.*] What are you, Mr. Cable?—An engineer and ironfounder, in business on Waterloo Quay, Wellington.

776. How long have you been connected with that business?—Thirty-three years, seventeen of which in Wellington.

777. What is the matter you want to bring under the notice of the Commission?—I wish the following articles, manufactured or partly manufactured, which are imported, and which are absolutely necessary for the carrying-on of this business, admitted duty-free: Engineers' bolts and nuts (all sizes, from  $\frac{1}{4}$  in. to  $1\frac{1}{4}$  in.), iron nuts (blank, tapped, or screwed), engineers' set pins, studs—(when the tariff of 1888 was compiled engineers' bolts and nuts were taxed 20 per cent., but no mention was made of pins or studs. I find the Customs authorities are very progressive, and they put everything under the 20 per cent.)—split pins, steam and hydraulic pressure vacuum-gauges, plumbago crucibles, engine-governors, boiler material (manufactured and partly manufactured, and including furnaces, corrugated, welded, flanged or unflanged, or welded of any sort, and boiler-tubes, boiler stay-tubes, and mountings, and boiler-ends, 6ft. or over, flanged), and engineers' tools generally.

778. You claim that a crucible is an artificers' tool?—Yes. They seldom last over a week, and sometimes burst the first time they are used. At present they pay 20 per cent. Boiler-tubes up to 4in. diameter are free, over that the tariff is 20 per cent. Boiler-ends 6ft. and over pay 20 per cent., under 6ft. they cannot be flanged in the colony. By engineers' tools I mean all machine tools and appliances used by engineers, boilermakers, and ironfounders.

779. You ask that the whole of these items should be admitted free?—Yes.

780. Have you any idea what is the total value of each of these items imported into the colony yearly?—I fancy you would find the engineers' tools in the Customs returns.

781. What quantity of bolts and nuts would you use in your foundry in the course of a year?—It would depend upon the state of trade; from 3 to 4 tons. Each of the factories in Wellington and the other towns would use about the same. Twenty to thirty tons a year would represent the consumption of the whole colony.