

Prices fell as result.

3. A comparison of the tables given in Chapter IV, page xliii, throws an interesting light on the question. We must point out, however, that the figures must not be taken as conclusive proof that reduction in the duty on any particular article has been passed in its entirety to the public.

	England. Average Rise in Prices, 25 per cent.	New Zealand. Average Rise in Prices, 7 per cent.
Tea.. .. .	- 3 per cent.	+ 4.80 per cent.
Sugar]	- 1 ..	- 17.72 ..
Kerosene	+ 27 ..	- 30.89 ..
Currants	- 19.31 ..
Rice	+ 19 ..	- 23.78 ..
Soda	+ 35 ..	- 12.12 ..

NOTE.—This table shows that while prices rose in England 25 per cent. prices in New Zealand rose 7 per cent., and that in England, while the prices of kerosene and soda rose above the average, rice less than the average, and tea and sugar actually fell, in New Zealand the prices of all articles except tea fell considerably, and that tea did not rise as high as the average. It should be borne in mind that the table covers a period before and after the tariff reductions of 1907.

Except where controlled by combinations.

4. It is to be regretted that the statistical material does not exist to complete the table for every article affected by the reductions that took place in 1907, nor had the Commissioners time to compile the information themselves. It must also be remembered that the prices given are wholesale: whether a similar fall took place in retail prices we are not able to say; but it is reasonable to suppose that even if the fall was not so marked it was still considerable.

A time of rising prices, as has been pointed out by Layton ("Study of Prices," 93), affords a favourable opportunity for monopolists to hold up the price of any given commodity and make considerable profits, and this has been done in New Zealand, as shown in Chapter IX. Remissions of duty in some instances on articles controlled by the Merchants' Association did not reach the public. For example, the invoiced prices of Colman's mustard and Neave's food have not changed in twelve years, and although there has been a tariff reduction of 2d. a pound in mustard and 15 per cent. in Neave's food the retail selling-price as fixed by the merchants and manufacturers has remained stationary.

The remission of ½d. per pound in sugar was not followed by an equivalent reduction in the price of locally manufactured confectionery, nor did the remission of duty on cream of tartar (1d. a pound English, 1½d. a pound French) produce an adequate reduction in the price of Edmond's baking-powder. Where trading-conditions are open and competitive the reductions in duties have reached the public.

Boots and shoes.

5. In the Official Year-book for 1911, page 277, reference is made to alterations in the Customs tariff of 1907, enumerating, among other articles placed on the free list, children's boots, Nos. 0-6 (this remission affects children only up to three years old). The succeeding paragraph refers to the articles upon which increased duties were imposed, but no reference is made to the enormously increased duties on boots, shoes, and slippers used by the working-classes, which previously carried a duty of 22½ per cent. *ad valorem*.

The following estimates indicate the increase of duties in the 1907 tariff, viz. :—

BOYS' AND GIRLS' FROM THREE TO TEN YEARS OLD (NOS. 7 TO 1 INCLUSIVE).

(Duty, 6d. per pair and 15 per cent. *ad val.* Preferential, 3d. per pair and 7½ per cent. in addition.)

	Duty.	
	British.	Foreign.
Shoes or boots invoiced 1s. per pair ..	8d.—66⅔ per cent.	1s.—100 per cent.
" " 1s. 6d. " ..	9d.—50 ..	1s. 1½d.—75 ..
" " 2s. 6d. " ..	11d.—37 ..	1s. 4½d.—55 ..
" " 3s. 6d. " ..	1s. 1½d.—32 ..	1s. 8½d.—48 ..

YOUTHS' AND GIRLS' FROM ELEVEN TO FIFTEEN YEARS OLD (SIZES 2 TO 5 INCLUSIVE).

(Duty, 1s. per pair and 15 per cent. *ad val.* Preferential, 6d. per pair and 7½ per cent. in addition.)

	Duty.	
	British.	Foreign.
Shoes or boots invoiced 2s. 6d. per pair ..	1s. 5d.—57 per cent.	2s. 1½d.—85 per cent.
" " 3s. 6d. " ..	1s. 7½d.—45 ..	2s. 5¼d.—67½ ..
" " 5s. " ..	1s. 10d.—37 ..	2s. 9d.—55 ..