

It would be proper, I think, to suggest to the Home Government the expediency of in future causing the signature of the parties giving such promissory notes to be witnessed by the master and chief officer of the vessel by which they are to sail, or by some one or two persons coming out to the colony by the same ship, whose evidence in court might be obtained if required.

I fear no stipulations have been made at home with the captains of the vessels bringing them, that they shall not be entitled to payment until they produce the parties at your office or some other appointed place, and consequently that you cannot make them in any ways responsible for the production of them, or withhold payment of any passage money or freight that may be due to them.

VAN DIEMEN'S
LAND.

Mr. Secretary
Stanley to Lieut.-
governor Arthur.

VAN DIEMEN'S LAND.

Extracts from DESPATCHES relating to the Consumption of Rum in the Colony, and to the Difficulties experienced by the Masters of Assigned Servants.

— No. 1. —

Extract of a DESPATCH from Lieut.-governor *Arthur*, addressed to Viscount *Goderich*; dated Government-house, Van Diemen's Land, 9 July 1831.

WHEN commenting upon the proceeds of the proposed tax upon ticket-of-leave men, I observed, that although there would thereby accrue to the Immigration Fund a sum equal to 4,355 *l.*, yet that the whole revenue of the colony would not be increased by that amount insomuch, as there would result a considerable deduction from the ordinary revenue.

Lieut.-gov. Arthur
to Lord Goderi.

The surplus wages of labour are chiefly expended in the purchase of intoxicating liquors; the impost, therefore, upon the labourer would be just so much money diverted from the spirit trade; and if the present retail price of a gallon of rum, the common drink of these men, be from 11 *s.* to 15 *s.*, it follows, that at the least, the half* of 4,355 *l.* will be taken from the ordinary revenue, diverted from, and limiting to a proportionate extent, the sales and profits of the publicans.

It appears, therefore, that should your Lordship direct the imposition of a tax upon labour to the amount which I have suggested, there would be an accession indeed to the Migration Fund, but it would be counterbalanced in some measure by a defalcation in the ordinary revenue.

It has been necessary, in consequence, to consider whether it be possible to compensate for this reduction by increasing any of the present duties. The present ordinary revenue amounts in round numbers to 60,000 *l.*, of which about 40,000 *l.* is paid by the consumers of ardent spirits, who consist chiefly of free and ticket-of-leave labourers.

Free hired labourers receive 15 *l.* of surplus wages, over and above a most liberal allowance of food and clothing, and fencers, reapers, carpenters, masons, &c. derive a still larger surplus; yet these men, in eight cases out of ten, do not accumulate; every farthing is expended in the purchase of ardent spirits, and when all is gone they return to labour. Were spirits reduced in price, they would still expend all their money, they would dissipate for a longer time; were spirits, on the contrary, raised in price, the only effect would be an increase of the time devoted to labour, and a reduction in the number of hours spent in intoxication. The sums annually drawn from the public, therefore, by the importers and retailers of these commodities are not in any way affected by their cheapness or dearness, or by the amount of the tax levied upon them, but by the aggregate surplus wages received by the labourers.

An additional tax on spirits, then, would not affect the interests either of the merchants or of retailers; for though their trade would appear diminished by the number of gallons sold, their cash receipts and profits would continue the same, on account of the immediate rise in the price of the commodity.

Rum

* Being the duty of 7 *s.* 6 *d.* per gallon.