

1873.

NEW ZEALAND.

INTERCOLONIAL RECIPROCIETY,

(PAPERS RELATIVE TO).

Presented to both Houses of the General Assembly by command of His Excellency.

No. 1.

The Hon. Mr. WATERHOUSE to the Hon. the CHIEF SECRETARY, Melbourne.

SIR,—

Colonial Secretary's Office, Wellington, 30th November, 1872.

With reference to my predecessor's Circular No. 66, of the 20th December, 1871, I have the honor to enclose, for the information of your Government, three copies of a further Memorandum by the Colonial Treasurer of New Zealand on the subject of Intercolonial Reciprocity, as raised by the Circular Despatch from the Secretary of State for the Colonies dated the 19th of April last.

I shall feel glad to receive any further statement of opinion that may have been formed by your Government upon this subject.

I have, &c.,

G. M. WATERHOUSE,

(for Hon. Colonial Secretary).

The Hon. the Chief Secretary, Melbourne.

(Similar Circular to each of the other Australian Governments.)

Enclosure in No. 1.

MEMORANDUM on a Circular Despatch from the Right Hon. the SECRETARY of STATE for the COLONIES on Intercolonial Reciprocity.

THE Colonial Treasurer has given careful consideration to the Earl of Kimberley's Despatch, dated 19th April, 1872, on the subject of Intercolonial Reciprocity.

Though the long correspondence on the subject has rendered inoperative the Bill passed by the New Zealand Legislature, the passage of which, in some degree, led to that correspondence, yet the Colony has no reason to complain; since it is evident, throughout the communications of the Secretary of State, that his objections have been urged in a spirit in no sense hostile to the Colonies, but, on the contrary, in one of anxiety to do justice to all parts of the Empire. Whether or not the Colonies agree with the Secretary of State, they cannot fail to recognize the conciliatory manner in which he has dealt with the question.

The Colonial Treasurer proposes to confine himself as far as possible to comments upon those portions of the present Despatch which refer to his previous Memorandum.

The Secretary of State, in his Despatch of July 13th, 1871, admitted the precedent of the British North American Provinces in favour of Intercolonial Reciprocity, but qualified the admission by contending that the precedent applied to exceptional conditions, and that its operation was very limited. Similarly, in the Despatch now under consideration, Lord Kimberley admits that the precedents "are to a certain extent in point," and goes on to observe that the application of the precedent "is exceedingly limited." This point underlies the whole contention of the Colonial Treasurer, and it involves a question rather of fact than of argument. In the previous Memorandum, it was pointed out at some length that the precedent of the British American Provinces went beyond the limited operation claimed by Lord Kimberley, and, indeed, that it went beyond that for which the Australasian Colonies were asking. In support of the application of the British American precedent, the following points were relied on:—

1. That one of the first acts of the Legislature of the Dominion of Canada was to pass such a measure as the Australasian Colonies desire to have the power to pass.

2. That the provisions in respect to reciprocity were similar to those which were in an Act of 1866, before the Dominion was constituted; that that Act was a reproduction of a former Act; and, therefore, that the legislation was not new.

3. That Lord Kimberley, in stating "that it (the Dominion Act) was passed in the expectation that, at no distant date, the other possessions of Her Majesty in North America would become part