

A STATEMENT showing the Amounts Credited to the AUSTRALIAN COLONIES in 1872, on Account of the Year 1871.

C O L O N I E S .	Amount Overcharged in 1871.*	Sums allowed to the Colonies on Account of Penalties on the Mail Packet Service between Point-de- Galle and Sydney, Year 1871.†	Total Sums Credited to the Colonies.
Victoria	£ s. d. 50 9 4	£ s. d. 60 11 3	£ s. d. 111 0 7
New South Wales	20 2 11	24 3 6	44 6 5
South Australia	10 7 11	12 9 6	22 17 5
New Zealand	9 2 11	10 19 6	20 2 5
Tasmania	3 10 5	4 4 6	7 14 11
Queensland	8 15 8	10 10 9	19 6 5
Western Australia	1 14 2	2 1 0	3 15 2
	104 3 4	125 0 0	229 3 4

* The amount of Subsidy payable for the service between Point-de-Galle and Sydney was reduced by £500 per annum from 1st August, 1871, in consideration of the withdrawal of the naval agents. The sum of £208 6s. 8d. was accordingly deducted for the five months to 31st December, 1871 ; one-half of this sum is credited to the Colonies.

† Amount of Penalties inflicted	£	600
„ Premiums earned	£	350
Excess of Penalties over Premiums	£	250
One-half to be credited to the Colonies	£	125

No. 58.

COPY of a DESPATCH from the Right Hon. the Earl of KIMBERLEY to Governor Sir G. F. BOWEN, G.C.M.G.

(Circular.)

SIR,— Downing Street, 19th April, 1872.

Her Majesty's Government have had before them your Despatch No. 117, of the 9th December last, and also the Despatches from the Governors of the other Australasian Colonies, of which copies are enclosed, in reply to my Circular Despatch of the 13th of July of last year.

As the Resolutions signed by the Delegates of the Australian Colonies and the Memorandum conveying the views of the New Zealand Government relate to the same subject, it will be convenient that I should deal with them in the same Despatch.

Her Majesty's Government have no desire to enter upon a controversy on points of detail, as to the tariff arrangements of the Colonies. On the contrary, believing, as they do, that such controversies can scarcely be carried on without leading to misunderstandings and differences, they are anxious that their decision on the questions now before them should be based upon broad principles of policy, so as to avoid the irritation which is sure to arise from constant demands on the one side, and concessions on the other. But after an attentive consideration of the various documents submitted to them, Her Majesty's Government are of opinion that, looking to the gravity of the issues raised by the Colonial Governments, involving, as they do, the commercial relations of the whole Empire, and even the right of the Imperial Government to conclude treaties binding the Colonies, they ought not to come to a final decision without further friendly discussion, inasmuch as it appears to them to be required, in order that the nature and extent of the questions which have to be determined may be fully understood, both in this country and in the Colonies. I will therefore proceed to examine the demands which are now put forward.

The Resolutions signed by the Delegates from New South Wales, Tasmania, South Australia, and Victoria, claim that the Australian Colonies shall have the right to make arrangements with each other for commercial reciprocity; that no treaty shall be concluded by the Imperial Government interfering with the exercise of such right; and that Imperial interference with intercolonial fiscal, legislation shall absolutely cease.