

Whilst, however, Her Majesty's Government deeply regret that any of the Australasian Colonies should be disposed to recur to what they believe to be the mistaken policy of protection, they fully recognize, so far as the action of the Imperial Government is concerned, the force of the observations made by the Chief Secretary of Victoria, in his Memorandum of October 7, 1871, "that "no attempt can be more hopeless than to induce free self-governed States to "adopt exactly the same opinions, on such questions as free trade and protection, "which the people of England happen to entertain at that precise moment;" and they are well aware, to use again Mr. Duffy's words, "that the colonists are "naturally impatient of being treated as persons who cannot be intrusted to "regulate their own affairs at their own discretion."

Similarly, Mr. Wilson, Chief Minister of the Tasmanian Government, in his Memorandum of September 11, 1871, observes, that "it is only on an abstract "theory of the superior advantages of a free-trade policy that the Secretary of "State objects to a proposal which seems to sanction protection under the name "of reciprocity. These are views," he goes on to state, "which can find no "acceptance with Colonial Legislatures under a system of constitutional govern- "ment." It is obvious that a prolonged controversy on a subject on which the opinions entertained on either side are, unfortunately, so entirely at variance, would not tend to promote the principles of free trade, opposition to which would become identified in the minds of the colonists with the assertion of their rights of self-government; and that it could scarcely fail to impair those relations of cordial and intimate friendship which both the Imperial and the Colonial Governments are equally desirous to maintain.

But although, for these reasons, Her Majesty's Government might not feel justified in refusing to allow the colonists to adopt the policy which they think best for their own interests, they desire to point out that, in order to meet the views of the Colonial Governments, as expressed in the papers now before me, it would be necessary not only to repeal so much of "The Australian Colonies Government Act," 13 and 14 Vict. cap. 59, as prevents the imposition of differential duties, but to exempt the Colonies in question from the operation of any future commercial treaties which may be concluded by this country, containing stipulations against such duties, leaving them at liberty, subject to the obligations of existing treaties, to make such arrangements as they may think fit for reciprocity with each other or with foreign nations; and before so serious a step is taken, they would ask the colonists gravely to consider the probable effects of a measure which might tend materially to affect the relations of the Colonies to this country and to the rest of the Empire. In the meantime they have thought it right not to proceed in this matter until the Australasian Governments concerned have had an opportunity of communicating any further observations which they may desire to make in explanation of their views.

Governor Sir G. F. Bowen, C.G.M.G.

I have, &c.,
KIMBERLEY.

NEW SOUTH WALES.

Enclosure 1 in No. 58.

The Earl of BELMORE to the Earl of KIMBERLEY.

(No. 161.)

MY LORD,—

Government House, Sydney, October 6, 1871.

I have the honor to transmit the copy of a letter which I have received to-day from Sir James Martin, the First Minister, respecting the proceedings at the recent Intercolonial Conference at Melbourne.

2. I also enclose one from Mr. Robertson, the Colonial Secretary, forwarding certain printed papers, marked A and B, in duplicate, which should form the enclosures to Sir James Martin's letter, together with six copies of a Memorandum of the proceedings of the Conference.

3. The paper marked A is, in fact, a reply to your Lordship's Circular of 13th July on intercolonial tariff arrangements.

I have, &c.,
BELMORE.