

appear, as the ground for issuing it, that the Governor of New South Wales was only carrying out the intentions of the Conference in not allowing New Zealand cattle to land in Australia, while nothing of the kind was really intended or recorded; and, secondly, that he cites as his authority for issuing it, an Act which only gives power to exclude stock coming from countries or colonies where there is reason to believe cattle disease exists, of which countries or colonies New Zealand was believed *not* to be one, in April, when the first proclamation was issued by New South Wales.

A reply was sent to Mr. Parkes' letter by me, informing him that this Government was unwilling to follow the course taken by New South Wales, as the Conference resolution clearly did not contemplate such a step, which was, moreover, unnecessary, as New Zealand was believed to be free from foot-and-mouth disease, rinderpest, or any other cattle disease contemplated at the Conference; and also that it would seem harsh to take such an action then, as the latest information from New Zealand was that a Bill was about to be brought into Parliament to legalize the issue of a proclamation similar to those issued by the other Colonies.

This reply to New South Wales was posted on the 2nd August, a copy thereof being also forwarded on the same day for the information of the Colonial Secretary of New Zealand. Two days afterwards a telegram reached the Government from the Colonial Secretary of New Zealand, dated 25th July, stating that the Bill had been rejected, as mentioned already; upon which, a further letter was forwarded by me to the Colonial Secretary, Wellington, inquiring what his Government proposed to do under the circumstances, to which no answer was returned until November 4th.

In the meantime,—October 23rd,—the Government became aware, by an uniform Press telegram, that the Government of New South Wales (suddenly, and without prior communication of any kind with Victoria,) had issued a third proclamation, forbidding any cattle (as it was first understood—see Appendix A) from Victoria being landed in their territory, because Victoria continued to permit imports of stock from New Zealand, although the Legislature of that Colony had declined to pass the Bill referred to. The New South Wales proclamation was issued at a most untoward time for Victorian and New South Wales (Riverine) interests, the Agricultural Annual Show in Melbourne being actually open the very day it appeared, and for the moment, it had the effect of paralyzing the intentions of both buyers and sellers of Victorian pure-bred stock; and, urged on by a deputation consisting mainly of stockowners in the districts north of Victoria, in the Colony of New South Wales, a telegraphic correspondence with New South Wales immediately took place (see Appendix B), which resulted in Mr. Parkes undertaking to rescind the proclamation on condition this Government issued one to prevent New Zealand stock landing in Victoria; and accordingly thus, under pressure and to terminate as early as possible the disastrous influence the New South Wales notice was occasioning, this Government agreed to do what was desired, and the proclamation, *purposely assimilating to that of New South Wales*, was issued which forms the subject of Sir James Fergusson's letter to the Governor of Victoria.

It should be stated that when the Sydney proclamation came to hand in course of post, some days after, it was found not to apply to *Victorian-bred* cattle, as had been fairly and necessarily deducible from the telegrams, but to cattle sent to Victoria from New Zealand. To this extent the Government of Victoria was misled by the Press telegrams; and it is to be regretted that Mr. Parkes, who, from the nature of the communications that passed, could hardly have failed to perceive the misapprehension, and might easily have corrected it, took no opportunity to do so, but allowed this Government to act on the erroneous supposition that his proclamation applied generally to Victorian cattle. The error was not perhaps material as regards the amount of the damage that would have been done to Victoria by a denial of action on our part, for the necessity would still have existed of producing certificates and going through the forms and affirmations requisite to prove that stock going across our borders into New South Wales did not originally come from New Zealand, which would have stopped communication, or have seriously interfered with the trade, as such restrictions always do.

A full explanation of the causes which forced this Government—it may be almost said against its will—to issue the proclamation, was immediately sent to New Zealand, in order to show that it had resisted the proposition of New South Wales as long as possible, and had only consented to move in the matter when further delay must have inflicted immense injury on the interests of Victorian stockowners. It may be mentioned that Victoria gained nothing by keeping open the import trade in New Zealand cattle, as it was quite nominal, and, in fact, of no importance whatever to either Colony.

From the foregoing, it will be seen that, prior to the receipt of Sir James Fergusson's Despatch, New Zealand had, by the action of its Legislature, declined to give effect to the obligation she was under by the agreement her representatives at the Conference had entered into on her behalf, by not sustaining her representatives before the eyes of the other Colonies; that New South Wales, from some motive not apparent, as no real danger was threatened from the side of New Zealand, had endeavoured to persuade Victoria into adopting towards that Colony a line of action which Victoria rejected as being unfriendly as well as uncalled for; that, in consequence of her refusal, New South Wales had issued, without giving any notice, a proclamation which could not have failed, whatever its actual text, to inflict a severe injury on an important branch of industry; while as to Victoria, that she had carried out the resolution of the Conference to the letter, and even risked her own interests rather than be a party to any unfriendly or coercive measures against the New Zealand Executive.

The letter of Sir James Fergusson is therefore not only unprecedented, but, considering all the prior circumstances, unfriendly as regards Victoria. For, even if it were proper for the Governor of one Colony to personally impugn the action of the Ministry of another (which is what Sir James Fergusson really does), no more unfitting occasion could have been conceived for doing it than he selected for questioning the course adopted and the legality of this particular proclamation of the Ministry of Victoria, who had evinced a desire to serve the Colony of which he was the Governor.

It is to be remarked that His Excellency states that he is "moved by his Advisers to write." It is singular that the New Zealand Ministry never before felt any difficulty in corresponding with this Government direct, and in that way many important negotiations have been satisfactorily concluded between the two Colonies; while this allusion to his Advisers is also very inconsistent with the fact that