

No. 11.

The COLONIAL SECRETARY, Fiji, to the COMMISSIONER of TRADE and CUSTOMS, New Zealand.
 SIR,— Colonial Secretary's Office, Fiji, 15th April, 1886.

I am directed by His Honour the Officer Administering the Government of this Colony to acknowledge the receipt of your letter of the 23rd March.

His Honour observes with much pleasure the desire on the part of the Government of New Zealand to promote and extend commercial intercourse between New Zealand and Fiji; and I am instructed to assure you that His Honour on his part entertains a strong wish that the trade between the two colonies should be fostered in every manner that is practicable.

2. His Honour has had the pleasure and advantage of conferring at some length with the gentlemen despatched by your Government as delegates, and has from their knowledge and experience obtained much information that cannot but be of value in further considering the terms of any agreement that may be entered into to promote the freer interchange of the products of the two colonies.

3. His Honour would have been pleased had he been put in a position to consider before the arrival of the delegates the proposals of your Government, which first became known to him when stated by the delegates, and which consequently have not received the same amount of careful consideration in detail that would otherwise have been the case. This Government will, however, be prepared to refer the whole question of an arrangement of the nature proposed to a special Committee of the Legislative Council of this colony, consisting of an equal number of official and non-official members.

4. This Government will thereafter, if deemed advisable, submit proposals for the consideration of the Government of New Zealand, and will, after giving your Government due notice, be willing to send a member of the Government to New Zealand to discuss preliminaries.

5. The proposals from the Government of New Zealand are, as they now stand, unacceptable to this Government on the following grounds:—

- (1.) They do not, in the opinion of this Government, present as between New Zealand and Fiji that mutuality of advantage which the Government of New Zealand supposes.
- (2.) This Government would not, as the proposals would seem to require, be inclined to enter into any arrangement with New Zealand that would in any way affect the unrestricted right of this colony to enter into similar arrangements with others of the Australasian Colonies so long as the terms offered by Fiji to those colonies were not more favourable than those given to New Zealand.
- (3.) They appear to require the imposition by this colony of high differential duties on many imports from Australia, although the amount of trade between Australia and Fiji is, in round numbers, about five times as great as the trade between New Zealand and Fiji.
- (4.) The adoption of such a principle by this Government would not unnaturally provoke a feeling of hostility with our present principal commercial connection, and would, moreover, upset and derange the fiscal system of this colony at a moment when it is but ill prepared to venture on any experimental course.

6. It will thus be understood that no treaty into which this Government may seek the sanction of the Imperial authorities to enter will involve an alteration of the tariff for the time being for the purpose of making it more restrictive to the commerce of other colonies or countries.

7. Until a Committee of the Legislative Council have examined and reported on the statistics of trade between the two colonies, this Government can only express its views on the subject of the proposed reciprocity treaty in a general manner.

Speaking broadly, however, this Government would in all probability be prepared to admit free of duty all farm, dairy, and agricultural produce, being the actual productions of New Zealand; fruits, fresh or preserved; its meats and fishes, frozen, salted, or tinned; its breadstuffs; its timber, rough or dressed. On the other hand, it would be expected that New Zealand should admit free of duty all articles exported thither from Fiji not now dutiable, together with maize and maizena, unmanufactured tobacco, and all fruits, fresh or preserved; and sugar, tea, and coffee at such a reduced rate on the then existing tariff of New Zealand as may be agreed to by the two Governments upon a mutual consideration of the whole subject.

I have, &c.,

WM. MCGREGOR,
 Colonial Secretary.

The Hon. the Commissioner of Trade and Customs, Wellington, New Zealand.

No. 12.

Messrs. MOSS, M.H.R., and SEED to the Hon. Sir J. VOGEL.

SIR,—

Auckland, 21st April, 1886.

In compliance with the request contained in your letters to us of the 23rd ultimo, we proceeded to Fiji by the "Arawata" on the 4th instant. Calling at the Bay of Islands on the following day to coal, we left Russell on Monday, the 5th, and, after a pleasant passage, reached Fiji on the evening of Friday, the 9th instant.

On the following morning we called at the Government offices, where we were most courteously received by the Hon. the Colonial Secretary, Dr. Macgregor, who, after communicating with Government House, informed us that His Honour the Administrator in Council would receive us officially on Monday morning, at 10 o'clock. Later in the day we called at Government House to pay our respects, and in the course of conversation with His Honour the Administrator, Mr. J. B. Thurston, we furnished him with a copy of the proposals which formed the basis upon which we