

were authorized to negotiate with the Fijian Government, so that he might have the opportunity of considering them before meeting us on the following Monday. At the appointed time we went to Government House, where we were met by His Honour Mr. Thurston, the Hon. the Colonial Secretary, and the Hon. the Attorney-General. The Rev. Mr. Shirley Baker, Premier of Tonga, who was a guest at Government House, was also present, and took part in the discussions which ensued.

From remarks which had been made to us by some gentlemen from Fiji whom we met in Auckland, as well as from what we gathered in various quarters, we could not be insensible to the fact that a very general impression prevailed in Fiji that our mission was intended to promote other objects than the increase of commercial intercourse between that colony and New Zealand. We therefore thought it right at once to inform the Government that we were accredited solely to them; and that our mission was undertaken only for the purpose of extending trade between the two countries. A communication we received from the Chamber of Commerce at Levuka on the day before we left Fiji (and of which we enclose a copy, together with a copy of our reply thereto) illustrates very clearly the impression referred to. We took occasion to explain to His Honour the Administrator the circumstances which led to our having been sent to Fiji without previous notice having been given. Satisfaction having been expressed with these explanations, Mr. Thurston then proceeded to lay before us his views and those of his Government. He stated that, whilst sincerely desirous to meet the wishes of the New Zealand Government for the reciprocal interchange of the products of the two countries on mutually advantageous terms, they could not see their way to adopt the proposals we had submitted—partly because those proposals would cause a loss of revenue which, in the present state of the finances of the colony, could ill be spared, but mainly because they appeared to preclude a similar treaty being entered into with any of the Australian Colonies.

In the hope that some fair understanding might be arrived at, we urged the advantages that, in our view, would accrue to Fiji from increased intercourse with New Zealand, and expressed our hope that the Fijian Government would continue the negotiations by making proposals in accordance with their views. We pointed out that the consumption of sugar in New Zealand was about twenty-five thousand tons per annum, being more than double the present production of that article in Fiji; and we showed that the market in New Zealand for Fijian produce would be a constantly expanding one, owing to the rapid increase of its population, which in 1871 was only 256,393, but at the end of last year had increased to 626,517.

As we laid great stress on the import of sugar into New Zealand, we were asked to note that, although they were anxious in every way to encourage that industry, the Fijian Government thought we overrated its importance, as they attached great weight to other productions by the smaller settlers, who formed the bulk of the population in Fiji.

We referred also to the advantages that now result from the running of the single steamer "Arawata," belonging to the Union Steamship Company of New Zealand, which service is maintained by a subsidy paid by the New Zealand Government solely in the interests of trade.

It was readily conceded that the advantages to Fiji by increased intercourse with New Zealand would be very great, and His Honour the Administrator, being sincerely desirous of promoting that intercourse, promised to give further consideration to the subject, with a view of seeing whether some understanding might be arrived at as the basis on which a commercial treaty between the two countries might be arranged. It was accordingly settled that we should meet for a further conference on the following Thursday.

We should observe that Mr. Thurston pointed out that, just in the same way that no treaty could be definitely concluded on the part of New Zealand without the authority of the General Assembly, so no arrangement could be entered into by Fiji without the approval of the Home Government being first obtained. We gathered from him, however, that he did not anticipate any difficulty on this head if it could be shown that the proposed arrangement would be advantageous to the commerce of Fiji without unduly affecting the revenue from Customs or being prejudicial to the import of English manufactures.

On again meeting His Honour the Administrator he said that himself and Dr. Macgregor had in the interval given our representations, and the figures and statements with which we had supplied them, the best attention and consideration they could bestow during the short time at their disposal. He wished it to be distinctly understood that they were in every way as desirous as the Government of New Zealand could be to promote intercolonial reciprocity; and he might observe that correspondence was at that time going on with a neighbouring colony on the subject. Mr. Thurston further said that he desired to express his appreciation of the fair and reasonable manner in which the views we advanced had been expressed. He remarked also that the cause of the arrival of the delegates without previous intimation from the New Zealand Government had been fully explained to him; but that he could not help expressing his regret that such a course had been found inevitable, because if he had had notice he would not have prorogued the Legislative Council, as he had done only the day before our arrival, and he would then have been able to appoint a Committee of the Council to consider our proposals. Mr. Thurston concluded by saying that he should be prepared to enter into negotiations with the New Zealand Government for the reciprocal admission duty-free of a number of the products of the two colonies, which, we understood him to say in regard to those of New Zealand, would include many of our chief products, such as bacon and hams, cheese, butter, preserved meats, fish, flour, &c., &c.; and with regard to products at present liable to higher duties, he trusted that some arrangement might be arrived at whereby the exchange of these products in increasing quantities might be promoted without any great disturbance to the revenue of either Fiji or New Zealand. The views he had expressed orally to us would be duly communicated in writing in official form to the Government of New Zealand, and at the same time they would be informed of the willingness of the Fijian Government to send a delegate to New Zealand, at any time that would suit the convenience of the New Zealand Government, to discuss the terms and details of an arrangement such as he had described.