

10. In the last session of Parliament the Premier moved in the House of Representatives, for the reasons Ministers have now stated, with others, "That in the opinion of this House it is inadvisable for this colony to join the Federal Council of Australasia under the existing Federal Council Act." Some discussion ensued, and the Hon. Major Atkinson moved an amendment as follows: "That in the opinion of this House it is inadvisable during the present session, and pending further consideration by the people of the colony of the important issues involved, to adopt legislation having for its object to join New Zealand in the Federal Council of Australasia." This was accepted by the Ministry, and passed. There was, however, a considerable section of the House who not only objected to the continuance of further negotiations, but were desirous that the subject should not even be further discussed.

11. Thus, therefore, the matter rests. Ministers must await further developments before they can take any other action in the matter; and, under the circumstances, this colony cannot be represented at the Council, as suggested by the Right Hon. the Secretary of State for the Colonies.

12. It is, of course, impossible to predict what the result of establishing the Federal Council may be. The idea was conceived amidst the struggle for the extension of British influence in the Pacific; and the failure of the colonies to obtain their desires so far as regards New Guinea, New Hebrides, and some of the other islands, has tended to cool the ardour of those who agitated for it. If this colony could see that the Federal Council would be of use in extending the Empire of the Pacific, and in uniting the various British possessions in a closer bond of union for future defence, Federation might be accepted. The European complications that arose, and that might have still further been called into existence by the proposed annexation of unclaimed islands, prevented the Imperial Government carrying out the views of the colonies; and, so far as can be seen, the policy of the Imperial Government in declining to deal with the Pacific Island question is likely to be continued. It is now asked, What good can a Federal Council do? The chief question of colonial importance left is that of naval defence; and this is a subject as much for agreement between the Imperial authorities and the various colonies as for any federated action amongst the colonies themselves. The other matters proposed for legislation by the Federal Act might be dealt with by arrangement with the Imperial Government and the colonies.

13. New Zealand is afraid of Federation for two special reasons—(1) what has been urged in various memoranda—viz., the weakening of her local autonomy and legislative power; (2) the weakening of her influence in the Pacific, of which she is naturally the trade centre. It is felt that it would be wrong in a colony to join a Federal Council unless the desire to do so was widespread amongst the colonists, and the love of such union was strong. There is as yet no feeling in this colony for Federation. There is, however, no doubt, a warm feeling of sympathy and kindness amongst all colonists in the Australasian Group, and hitherto they have had few disputes, or even misunderstandings. Many feel that, were the bonds drawn tighter, this happy state of things might be disturbed.

Wellington, 20th November, 1885.

ROBERT STOUT.

No. 13.

(No. 124.)

SIR,—

Christchurch, 5th December, 1885.

No. 10 *supra*.

With reference to my Despatch No. 121, of the 18th ultimo, concerning Rarotonga and other islands in the Pacific, I have the honour to transmit herewith a copy of a memorandum which I have received from the Premier, Mr. Stout, enclosing a letter addressed to me by the Native Minister, giving an account of two interviews he had, whilst recently at Auckland, with the Queen of Rarotonga.

2. I beg to draw special attention to the views expressed by my Ministers with regard to the desirability of cementing the relations between the islands and this colony in the manner indicated by Mr. Ballance's letter.

I have, &c.,

WM. F. DRUMMOND JERVOIS.

The Right Hon. Colonel Stanley, M.P.

Enclosure.

MEMORANDUM for His EXCELLENCY.

THE Premier has the honour to forward the enclosed letter from the Hon. the Native Minister, giving an account of two interviews which he had, while in Auckland, with the Queen of Rarotonga; and to say that Ministers are quite in accord with the views expressed by Mr. Ballance as to the desirability of cementing the relations between the islands and this colony in the manner indicated; and they hope that His Excellency will bring the matter before the Right Hon. the Secretary of State for his consideration.

Wellington, 21st November, 1885.

ROBERT STOUT.