RECIPROCAL TREATY.

One of the matters of inquiry was as to the probability of a reciprocal treaty between the Commonwealth and New Zealand in respect of certain natural productions. Whilst your Commissioners believe that there are articles of commerce which are produced in Australia, and which might be admitted free of duty or at lower duty in consideration of similar privileges being afforded by Australia to certain of New Zealand's natural productions, and that such reciprocity would be of mutual benefit to Australia and New Zealand, your Commissioners are not hopeful at the present time of any such reciprocal treaty being arranged. They, however, trust that this matter will engage the attention of the Government of New Zealand, and that efforts will from time to time be made to bring about such a reciprocal treaty.

GENERAL REMARKS.

There are several important matters bearing upon the political interests of New Zealand which your Commissioners think should be seriously borne in mind in considering whether or not this colony should become a State of the Commonwealth.

One of such matters is the provision of the Commonwealth Bill (section 127) that in reckoning the number of the people of the Commonwealth, or of a State or other part of the Commonwealth, aboriginal natives shall not be counted. The result would be that New Zealand, if a State of the Commonwealth, would have one member in the House of Representatives less than she would be entitled to if the Maoris were counted in the number of the people of the State. Though your Commissioners believe that the framers of the Commonwealth Constitution had not at the time our Maori fellow-subjects in their mind, and that the provision in reference to aboriginal natives was not intended to refer to the Maoris, yet they are clearly included therein; and as the voting-power of New Zealand in the House of Representatives would be correspondingly diminished, and as the exclusion of the Maoris would be a great injustice to them, your Commissioners consider that the people of New Zealand should hesitate before federating with Australia—if otherwise prepared so to do—unless some amendment of the Commonwealth Constitution be made which would enable the Maoris to be counted in the population of New Zealand. It should be said here that every responsible statesman who gave evidence admitted at once that such an amendment would be necessary, and would be willingly accepted in Australia.

Your Commissioners are of opinion that the power contained in clause 128 of the Commonwealth Act, enabling the veto of the Senate upon proposed amendments to the Constitution to be over-ridden by a popular vote, weakens the safeguard provided for the integrity of the States under equal Senate representation. They apprehend that amendments of a centralising character may be made hereafter, which would be injurious to the States most distant from the Federal capital, and that New Zealand, under federation, would be especially

liable to suffer from this cause owing to her isolation.

Attention is called to sections 111 and 122 of the Commonwealth Act, the former providing that the Parliament of a State may surrender any part of the State to the Commonwealth, and that upon such surrender, and the acceptance thereof by the Commonwealth, such part of the State shall become subject to the exclusive jurisdiction of the Commonwealth; whilst section 122 provides that the Parliament may make laws for the government of any territory surrendered by any State to and accepted by the Commonwealth, or of any territory placed by the King under the authority of and accepted by the Commonwealth, or otherwise acquired by it, and may allow the representation of such territory in either House of Parliament to the extent and on the terms which it thinks fit.

There can be no doubt that these sections are applicable to the Northern Territory of South Australia, which the Premier of that State has been recently urging the Federal Government to take over. It has been stated in the South Australian Press that section 122 "was inserted in the Commonwealth Act with distinct reference to the possible acquisition by the Commonwealth of the