

COPY OF A LETTER FROM THE HON. MR. FOX TO THE UNITED STATES CONSUL, DUNEDIN.

No. 1.

Copy of a Letter from the Hon. W. Fox to Mr. H. DRIVER.

Government Buildings, Wellington, N.Z.,

19th March, 1870.

SIR,—

As the first steamer which is to place in regular monthly communication New Zealand with the United States, is to start on its voyage a few days hence, perhaps you will be good enough to communicate to your Government the high appreciation, by the Government of New Zealand, of this close intercourse with the great and powerful country of which you are the representative, and of their earnest desire for its continuance.

The Government believe that the Colonists of New Zealand welcome in this line, not only a means of mail communication with Great Britain, but the commencement of what they hope will prove friendly relations, and, to both sides, profitable commercial connection, with the people of the United States. The Government will be glad to learn that, under the circumstances, your Government will in future be willing to allow the Government of this country to communicate with them direct in matters affecting the relations between the two countries.

It has for some time been the intention of this Government, in concert with the Governments of some of the neighbouring Colonies, to represent to your Government their earnest desire that a market should be opened in the United States to the wool, which is one of the largest articles of production of the Australasian Colonies. There are circumstances which it is felt should render the subject one which your Government may entertain, irrespectively of the question whether or not it is deemed that immediate pecuniary profit will arise from it. The Colonies are peopled by a race speaking the same language and acknowledging many of the same traditions and associations which belong to the people of the United States. For a long time to come the Colonies will manufacture to a very limited extent, even for home use. They will use a great many of the manufactures and products of the United States, but it is not probable they will be able to supply manufactures in exchange. They cannot therefore prejudice, but must benefit, the manufacturers of the United States. The wool the Colonists are able to send will assist those manufactories, and the wool ships will return laden with the wares and products of your country.

The nature and quality of the wool are not, it is supposed, such as will injuriously affect the value of the wool produced in your country. At present the wool of these Colonies is sent to but one market, and from that market a great deal of it finds its way to the United States, as will be seen from the Statistics appended to this letter, which have been compiled in the Customs Department here, from official sources.

It is submitted that it is equally a loss to the United States and to the Colonies, that there should be double shipping expenses, and unnecessary loss in the time of transit, on wool produced in these Colonies and used in America.

If the wool of Australia and New Zealand were admitted free to American Ports, the United States as a market for wool, for the supply of other countries as well as for its own use, would be second to none. The United States would reap the threefold advantage of being a leading market for wool, of obtaining wool at the lowest possible cost, and of obtaining it, moreover, in such quantities as would give a great impetus to their worsted and woollen manufactories, and of opening up a trade with countries which would not enter into manufacturing rivalry with it, but consume its products and manufactures. The United States with an adequate supply of wool would become, if not the largest, one of the largest woollen and worsted manufacturing countries in the world; but its progress in this direction must be limited if countries which produce so much wool are condemned to seek a market elsewhere, and the wool obtained from them be loaded with the charges of a circuitous and costly transit. It may be argued that the wool might even now be sent direct, but a moment's consideration will show that, whilst there is a heavy duty on it, wool sent to America has not the opportunity of finding a world-wide market which otherwise it would find if it were not burdened with charges of that kind, and if it were as available for sale for the use of other countries as it is in the market of Great Britain.

I have dwelt on what I conceive would be the American view of the question, because, on the part of the Colonies, it is only necessary to express my belief that they are fully aware of the great advantage they would gain in acquiring for their wool so vast a market as that of the United States, as also of the benefits they would gain from the large commercial interchange in other articles which would necessarily follow.

I append statement of the wool exported from the Australasian Colonies, from which statement, and from the others sent herewith, you will observe that the wool production of these Colonies is very large—that in 1868 Great Britain imported altogether 250,928,854 lbs. of wool, valued at £14,873,623, 62 per cent. of which was from Australia and New Zealand; that Great Britain receives annually an immense quantity of wool merely to re-ship it to other countries, and that a not inconsiderable portion of this finds its way to the United States.

In conclusion permit me to express the hope that the subject of this letter will meet the favourable consideration of your Government.

H. Driver, Esq., M.H.R.,

United States Consular Agent, &c., Dunedin.

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W. Fox, Premier.