In short, a Customs Union would tend towards leaving the Colonies, as at present, producers and exporters of less than half a dozen leading articles, and exchanging those in their raw state for the manufactures of other countries.

I feel far from certain that Victoria, notwithstanding the tempting (in other respects) nature of the proposal, would be willing to adopt it. I may observe that the plan has been already discussed with approbation by the principal Victorian importers, of its benefit to whom there can be no question.

At all events this Government are of opinion that such a proposal would not be suitable for this Colony. They would be prepared to recommend the New Zealand Legislature to join those of the neighbouring Colonies in asking for power, and if necessary in insisting on obtaining it, to make reciprocal tariff arrangements with other colonies and countries; and the Government are confident that such a power, when granted, would be fettered by no narrow selfish considerations, but be exercised with comprehensiveness and liberality. But the Government are not prepared to recommend the Legislature to abandon its right to deal with such matters itself, to renounce all power over its own tariff, and to be constrained by Imperial legislation into a commercial not a federal union, from which, if proved unsuitable, it would have great difficulty in freeing itself.

The Hon. the Colonial Secretary, Tasmania.

I have, &c., W. GISBORNE.

Enclosure in No. 8.

MEMORANDUM.

AGREED between the Governments of New South Wales, New Zealand, and Queensland-

1st, To address an earnest representation to the Secretary of State for the Colonies, respecting the disadvantage under which the Australasian Colonies labour, in regard to the doubts which exist as to their power to make mutual arrangements for the interchange, duty free, of their several products and manufactures—as also in respect of the doubts which exist as to their powers to enter into Conventions with foreign countries; to point out that Canada for a lengthened period has been placed on a more favourable footing; to urge that all doubts as to the rights to exercise such powers be removed; and that, in entering into arrangements with foreign countries; the Imperial Government should aid the Colonies. That such aid should be immediately granted in respect to endeavouring to negotiate with the United States for the introduction into that country, duty free, of wool, the product of the Australasian Colonies.

2nd, That direct representations be made to the United States with the object of inducing that

country to admit wool, the product of the Australasian Colonies, duty free.

3rd, That a representation be made to the Imperial Government urging the desirability of legislative provision to enable trustees to invest in the Government securities of the Australasian Colonies.

4th, That the Crown Law Officers of the Colonies should be moved to enter into correspondence with the view of determining the means best calculated to facilitate the apprehension of offenders when they pass from one Colony to another.

5th, That copies of this agreement be transmitted to the Colonies of Victoria, South Australia,

and Tasmania, in the hope that they will aid in promoting the several objects it embraces.

6th, It is agreed by the Honorable John Robertson of New South Wales, the Honorable Julius Vogel of New Zealand, and the Honorable Charles Lilley of Queensland, that the views embodied in this Memorandum shall be submitted to their respective Cabinets for approval.

JOHN ROBERTSON, Julius Vogel, CHARLES KNIGHT,

For Charles Lilley, by his authority, John Robertson.

Sydney, 6th January, 1870.

No. 9.

The Hon. J. T. BAGOT to the Hon. W. GISBORNE.

(No. 363-70.)

Chief Secretary's Office,

Adelaide, 20th April, 1870. I have the honor, by desire of His Excellency the Officer Administering the Government, toacknowledge the receipt of your letter of the 31st ultimo, enclosing copy of a communication addressed by you to the Government of Tasmania, in reply to a circular on the subject of a proposed Intercolonial Conference.

I have, &c.,

JOHN T. BAGOT,

Chief Secretary.

- The Hon. the Colonial Secretary, New Zealand.

No. 10.

The Hon. the Colonial Secretary, Tasmania, to the Hon. W. GISBORNE.

SIR,-Colonial Secretary's Office, Tasmania, 9th May, 1870.

I have the honor to acknowledge the receipt of your communication under date the 28th March, in reply to my Circular Letter of the 18th February, proposing an Intercolonial Conference to be held in Melbourne in May, to consider the question of an Australasian Customs Union.

I regret to learn from your letter that the Government of New Zealand is indisposed to acquiesce in the advisability of a Common Australasian Tariff, and is "of opinion that such a proposal is not suitable for that Colony."