

steaming, the cocoons are fit for carriage, and at the end of thirty days, at the outside, the chrysalids are quite dried up.

Thus the different lots would be steamed on the market, and conveyed to the filatures the same day, without damage.

2. The condition of the cocoon is the same as if the chrysalid were still alive. The thread can be wound off to the end, the maximum yield in silk being obtained. The colour of the silk is bright and natural, and its elasticity greater than usual.

3. Economy, both of cost and time, is obtained over other methods.

Professor Castrogiovanni's invention has met with the approval of the Chambers of Commerce of Turin and Cuneo, the members of which are generally interested in the silk trade as producers or dealers; of Professor Cantoni, President of the Agricultural Committee of Turin; and of various silk rulers who have made a practical application of his system.

Turin, February, 1871.

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No. 78.

COPY of a DESPATCH from the Right Hon. Earl of KIMBERLEY to Governor Sir G. F. BOWEN, G.C.M.G.

(Circular.)

SIR,—

Downing Street, 13th July, 1871.

I have had for some time under my consideration Despatches from the Governors of several of the Australasian Colonies, intimating the desire of the Colonial Governments that any two or more of those Colonies should be permitted to conclude agreements securing to each other reciprocal tariff advantages, and reserved Bills to this effect have already reached me from New Zealand and Tasmania.

It appears that whilst it is at present impossible to form a general Customs Union, owing to the conflicting views of the different Colonial Governments as to Customs duties, the opinion extensively prevails, which was expressed at the Intercolonial Conference held at Melbourne last year, in favour of such a relaxation of the law as would allow each Colony of the Australasian group to admit any of the products or manufactures of the other Australasian Colonies duty free or on more favourable terms than similar products and manufactures of other countries.

At the same time, it has not been stated to me from any quarter that the subject urgently presses for the immediate decision or action of Her Majesty's Government; and I trust, therefore, that any delay that may arise in dealing with it will be attributed to its own cause—namely, to the desire of Her Majesty's Government to consider the subject deliberately in all its bearings, with a view to arrive at such a settlement as may not merely meet temporary objects, but constitute a permanent system, resting upon sound principles of commercial policy.

The necessary consultations with the Board of Trade and with the Law Officers have unavoidably been protracted to a late period of the Session; and if Her Majesty's Government were satisfied that they could properly consent to the removal of the restriction against differential duties, it would not be possible now to obtain for so important a measure the attention which it should receive from Parliament. It is by no means improbable that the introduction of a Bill to enable the Australasian Colonies to impose differential duties might raise serious discussions and opposition both in Parliament and in the country, on the ground that such a measure would be inconsistent with the principles of free trade, and prejudicial to the commercial and political relations between the different parts of the Empire. And I feel confident that the Colonial Governments will not regret to have an opportunity afforded them of further friendly discussion of the whole subject after learning the views of Her Majesty's Government upon it, before any final conclusion is arrived at. I will therefore proceed to notice those points which seem to Her Majesty's Government to require particular examination.

The Government of New Zealand appears, from the Bill laid before the House of Representatives, and from the Financial Statement of the Treasurer, to have originally contemplated the granting of special bonuses to goods imported into New Zealand from the other Australasian Colonies. As, however, this expedient was not eventually adopted, I am relieved from the necessity of discussing the objections to such a mode of avoiding the rule against differential duties.