

I learn from the Agent-General of Victoria that he has sent in a letter to the Colonial Office, objecting to the suggestion contained in my letter to Lord Derby, dated the 2nd June, in accordance with Mr. Griffith's recent proposal. I suppose it will be published as a Parliamentary paper, and I now transmit herewith a copy which Mr. Murray Smith has been good enough to supply to me.

I have, &c.,

The Hon. the Premier, Wellington.

F. D. BELL.

Enclosure.

The AGENT-GENERAL for Victoria to the COLONIAL OFFICE.

SIR,—

24th June, 1885.

I have the honour to inform you that Sir Francis Dillon Bell has handed to me a copy of a letter addressed by him to yourself, suggesting a further alteration in the Bill now before Parliament for creating a Federal Council of Australasia, to the effect that any colony adopting the Bill might enact, in its adopting Act or Ordinance, that Federal Council laws should be subject to the subsequent confirmation of that colony's Legislature.

I have already, in conjunction with my colleague the Agent-General for Queensland, stated the objections entertained by the confederating colonies generally to the 31st clause of the Bill; but especially to that part of it which permits any seceding colony to abrogate within its own borders any legislation previously settled by the Federal Council in which it had been represented; and our Governments have received with great satisfaction the announcement that the Secretary of State for the Colonies proposes to abandon this proviso. The suggestion made by Sir F. D. Bell appears to me equally injurious to the prospects of the Federal Union. It differs, indeed, only in name from the proposition laid down by the New Zealand Government as a condition precedent to the entrance of that colony into the confederation, which is that the subservience of the Federal Council to the local Legislatures shall be general and not confined to any one colony, since it is obvious that if any one of the confederating colonies thought it necessary to claim for itself the powers proposed by Sir F. D. Bell, no other member of the confederation would venture to dispense with a similar safeguard.

The preamble of the Bill drawn up by the delegates of all the Australasian Colonies, including New Zealand, at the Sydney Convention of 1883, and which has been repeated in the Bill now before the Imperial Parliament, recognized as a basis for agreement the expediency of constituting a Federal Council for the purpose of dealing with such matters of common Australasian interest, in respect to which united action is desirable, as can be dealt with without unduly interfering with the management of the internal affairs of the several colonies by their respective Legislatures.

The demands of the New Zealand Government, as urged by the Agent-General, directly contradict this agreement, and in fact assume that there is no subject of common Australasian interest which can be finally dealt with by their Council without undue interference with the several colonies. Of what value would be the legislation of a Federal Council under such circumstances? It would become a mere Board of Advice, without even such authority as would be possessed by a conference of Premiers such as has frequently been held previously in Australasia with comparatively little result. The range of subjects on which the Federal Council is desired to legislate may be extended, or, as Sir F. D. Bell would appear to suggest, narrowed; but within that range I would submit it is essential to federal union that its authority should be paramount.

Sir F. D. Bell has referred to "the relations of Australasia with the islands of the Pacific," as a subject on which New Zealand would, even if a member of the Federal Union, reserve entire liberty of action.

I may point out that the necessity for settlement of this question was mentioned by the Secretary of State as a reason for the formation of a Federal Union; yet Sir F. D. Bell proposes that it should be withdrawn entirely from the ultimate control of the Federal Council.

It is a matter of extreme regret to the confederating colonies that New Zealand and New South Wales cannot be induced to enter the Federation, and they are sensible of the difficulties which such abstention imposes on the Imperial Government; but I would submit that they have a right, at any rate, to ask that their own agreement, complete and approved among themselves, should at the earliest possible opportunity be sanctioned, and rendered effectual by Imperial legislation.

I have, &c.,

The Under-Secretary of State, Colonial Office.

ROBT. MURRAY SMITH.

No. 137.

The AGENT-GENERAL to the PREMIER.

SIR,—

7, Westminster Chambers, London S.W., 14th July, 1885.

I transmit to you herewith a *Times* report of what passed in the House of Commons on the 9th instant, on the occasion of the second reading of the Federal Council Bill.

The Bill had been set down for Committee on the 16th, but has been put off for a few days in order to let further papers be presented, including the latest correspondence from yourself to me. In the meantime a parliamentary paper has already been issued, of which I enclose copies for your information.

I have, &c.,

The Hon. the Premier, Wellington,

F. D. BELL.