1879. NEW ZEALAND.

NEW HEBRIDES GROUP: A POSSESSION OF THE CROWN.

MEMORANDUM REGARDING THE VALUE OF THE ISLANDS FOR PURPOSES OF GOVERNMENT AND COMMERCE IN THE PACIFIC.

Laid on the Table by the Hon. Sir G. Grey, with the leave of the House.

MEMORANDUM ON SECRETARY OF STATE'S DESPATCH dated 10th October, 1878.

In reply to the Secretary of State's Despatch, No. 48, of the 10th October, 1878, on the subject of the New Hebrides, I venture to remark as follows:-

2. I understand it to be admitted that the New Hebrides Islands were a possession of the British Crown, as indicated by commissions to several Governors of New Zealand; but that, the limits of the Colony of New Zealand having been altered, those islands no longer form a portion of the colony. This fact, however, does not affect the status of the islands as being a possession of the Crown, which they may still remain, although they have ceased to be a part of this It appears that Her Majesty's Government have given to the Natives of those islands, as well as of other islands in the Western Pacific Ocean, protection from the misdeeds of British subjects, and have provided British subjects with Courts of Justice having civil and criminal jurisdiction; and that, having proceeded so far, it has no intention of doing more in the direction of a political protectorate.

3. I think that what has been done is not sufficient to meet the actual requirements of British subjects in Australia and New Zealand. What their interests require is that there should exist in the Pacific Islands forms of government which can insure protection of life and property,

and Customhouse officers who can protect trade and prevent smuggling.

4. I base my views in this respect, in as far as New Zealand is concerned, upon the following facts and considerations:—

5. The New Zealand Islands lie in a great ocean, and are separated by long distances from any continent, and indeed from any land except those islands of the Pacific which lie in their They are thus peculiarly safe from invasion, and from any chauce of being overrun by

a hostile army.

7. New Zealand has been endowed by Nature with coal fields of vast extent, which are very rich in workable strata. It also possesses water-power, in almost every portion of its islands, capable of being used in manufacturing processes. In addition to the precious metals, it contains iron in abundance, as well as copper. It further produces wool in great quantities; whilst the islands which lie nearest to it are capable of producing large crops of cotton, at a very moderate price. The same islands yield, in addition to most other tropical products, various materials from which oils of the most valuable nature may be extracted. All these circumstances combine to point out New Zealand as one of the great future centres of manufacturing industry; whilst, from the productive character of its soil, it yields food in the greatest abundance, and is therefore able to sustain a very large manufacturing population.

7. These great advantages can be only utilized by its commercial resources being developed in a degree proportionate to the increase of its manufactured goods, and by its having markets in

which it may readily dispose of its commodities.

8. From the geographical situation of New Zealand, its commerce can only succeed by its possessing a population trained to the sea and composed in part of skilful sailors. A population of this nature is daily growing into existence. The coasts of New Zealand abound in harbours and deep ocean inlets, the shores of which are inhabited by an industrious people delighting in the sea, and carrying on already their intercolonial pursuits in fleets of small vessels built in the vicinity of the spots inhabited by their owners. Thus, not only is a hardy population of scamen being raised here, but, the forests of the country affording the finest timber in the world for constructing vessels, ship-building has become one of the main features of the industry of the North of New Zealand, and many vessels of a most superior class are annually built in the colony.