

could conclude with this expression of his inability to give to the association that support and recognition which are desired, and leave the members of it to undertake, on their own responsibility, the risks of an enterprise which they appear to think likely to prove remunerative. The position, however, in which Her Majesty's Government now stand with regard to New Guinea is not such as to leave them free to sanction, even tacitly, the acquisition of land within the island by British subjects.

6. As you are no doubt aware, the Governments of the Australian Colonies have addressed to Her Majesty's Government strong and formal representations in favour of the annexation of New Guinea by this country. Those representations are now being carefully considered, and, pending such consideration, it is not open to any unauthorised and independent association of Englishmen to take possession of, or to purport to acquire from the savages of the island, that land with respect to the acquisition of which, on behalf of her subjects generally, the Queen is now being advised.

7. In the prospectus it is suggested that the association should purchase land from the natives, but in the rules and regulations there is no mention of purchase; the not unreasonable inference from which seems to be that it is now proposed to take by force the very large tracts of land required in order to make a grant of four (or in some cases five) square miles to each person joining the expedition. There is no evidence whatever respecting the power of the natives to enter into contracts which would be intelligible to them or binding upon them, or of their willingness to allow private settlers to occupy their country. But if there were no objections from the native point of view to so extensive an appropriation of territory, it would be impossible that any such acquisitions, or ostensible acquisitions, of land could be sanctioned and confirmed in the event of the territory hereafter becoming British. It is clear that, without the funds arising from the sale and lease of lands, it would be impossible to provide for the government of the country; and any persons who may now settle in the country, knowing that Her Majesty's Government is considering the question of annexing it, must distinctly understand that no acquisitions of land made previous to a decision on this subject can be recognised to the prejudice of the Crown.

8. With reference to the concluding paragraph of your letter, I am desired by Lord Carnarvon to point out to you that, although, as has already been observed, Her Majesty's Government could not permit the exercise of magisterial functions by persons connected with the expedition, there exists, under the provisions of "The Pacific Islanders Protection Act, 1876," a sufficient means of preventing and punishing abuses or outrages committed by British subjects upon the natives of New Guinea.

I am, &c.,

W. R. MALCOLM.

APPENDIX F.

No. 1.

DEAR MR. LAWES,—

Residency, Port Moresby, 7th July, 1886.

It is desirable, I think, that I should state to you in writing some of the points of our conversation yesterday afternoon, in order that we may the more clearly understand the aspects in which we mutually regard the acquisition of land from the New Guinea natives.

2. Finding it necessary to set apart a portion of ground for the interment of the dead, I proceeded, in the company of yourself, Mr. Musgrave, and Dr. Clarkson, to select a suitable site. We chose an area, estimated at about four acres, in a valley a short distance from the Mission-station. The next step will be to ascertain the owners of the ground. We shall have no difficulty, I presume, in doing this. I propose then to offer them a fair price in accordance with prices previously given. It is possible that the owners may refuse to sell, as has been done in the case of some portions of land in the vicinity of the Government buildings. In that event, the land being required for public purposes, I propose to nominate yourself and Mr. Goldie as assessors of its value; to pay that value, when adjudicated, to the owners; and to occupy the ground by enclosing it with a substantial fence. Regulations will then be issued for the interment of the dead. The practice of the natives in this respect is so defective, and so pregnant with danger to all who live in the vicinity of the village, that I am anxious as soon as possible to effect a change in this respect.

3. In reference to the further acquisition of land for the purpose of settlement, and in accordance with my instructions, it will be necessary that I should, on behalf of Her Majesty's Government in this Protectorate, acquire land from time to time from the natives, and in doing so I shall hope to make the most careful provision for their interests in the future. I feel bound, however, to add that, having due regard to the interests of Her Majesty's subjects who may settle in New Guinea when the contemplated sovereignty is proclaimed, it will be necessary to survey and set apart considerable areas of land, the acquisition of such land from the natives being made a matter either of treaty or purchase, or by such other means as may be approved of by the representatives of Her Majesty's authority.

4. It is the more necessary that I should make this statement to you, because, if I am not mistaken, I gather from the expressions of your opinion to me yesterday that you would regard any attempt made in the form of a settlement by the survey and sale of land as the first step towards an infraction of the Proclamation made by Commodore Erskine on the 6th November, 1884. I cannot regard it as such, and it is my duty to inform you accordingly.

I am, &c.,

JOHN DOUGLAS.

No. 2.

DEAR MR. DOUGLAS,—

Mission-house, 7th July, 1886.

I beg to acknowledge the receipt of your letter of this morning *re* land purchases, and thank you for so kindly stating to me your views on the subject. The accompanying letter I had