Enclosure 1 in No. 28. MEMORANDUM by Mr. Fox.

Sub-Enclosure 1. Ministers have the honor to forward to His Excellency copy of a Resolution adopted by the Legis-Vide Journals of lative Council with respect to the Navigator Islands. Ministers also forward an extract relating to

Sub-Enclosure 2. His Excellency is urgently advised to draw the attention of Her Majesty's Government to the Vide Appendix to great importance of deciding without delay what is to be done as to the Islands of the Navigator R., 1871, A. No.

R., 1871, A. No. 6, p. 5.

It is intended by the Contractors for the Californian Mail Service to make one of the islands a coaling station for their boats, and it is probable that in course of time, besides the steamer to New Zealand, steamers will be run from such station to Queensland, to the southern ports of Australia, to Tahiti, to Fiji, and New Caledonia. One of the islands possesses a most excellent harbour, approachable at any hour of the day or night. It may be assumed that that island will be chosen for the coaling station; but the position of the group as a whole, relatively to the western shores of North America, to Australia and New Zealand, and to the islands of the Pacific generally, makes the islands admirable calling places for mail services, as well as for depôt purposes in connection with the islands trade. In short, they are probably destined to become places of great importance.

It is therefore very desirable that assistance should be rendered to the rulers of the group to enable them to maintain law and order, and to do justice to the European interests which are likely to

grow up there.

Ministers submit that it is desirable the islands should be, in some form, under the protection or guidance of Great Britain or a British colony, following the precedent of the protectorates maintained

by the Cape Colony.

The recent movement in the Fiji Group—the result of which has been the constitution of a form of nominally independent government, so weak in itself that the first Foreign Power which chooses to interfere will assuredly be eagerly welcomed—is calculated to create very great anxiety as to the possibility of further complications. At the present moment, the Government have before them a request from the British Consul at the Fiji that the Postal authorities in New Zealand will disregard the postal arrangements which have been made by the Government of the islands, under apparently perfectly regular circumstances. Her Majesty's Ministers cannot surely desire that the Colony should act as an arbiter between the representative of Great Britain and a quasi-foreign Government.

If a similar movement should take place in the Navigator group with a similar result, Ministers believe that New Zealand interests would be very much prejudiced. In the event of war, a Foreign Power might, under pretence of a protectorate, take possession of the group, and, with a small fleet at command, might inflict great injury upon the Australasian Colonies. In any case, a Government nominally independent, but so intrinsically weak as such a Government as that of Fiji must be for a long period, can have little power for useful purposes, whilst it is liable to be converted to purposes the reverse of favourable to the large interests which Great Britain has in the South Pacific.

Ministers desire very earnestly to add, that if Great Britain really intends to stop the frightful system of slavery which, under the pretence of voluntary labour, is now being carried on and extended amongst the islands of the Pacific, some hold must be obtained upon a group such as the Navigators; and a feeling must be created that the inhabitants of any of the scattered islands can depend that Great Britain will not only refuse to countenance the iniquities which are now driving the islanders to desperation, but will afford protection against slavery in any form and shape.

New Zealand is so much interested in the Californian Service, one of the most important stations of which will before long be at the Navigators, that Ministers may confidently request His Excellency to assure Her Majesty's Government that anything within reason which it may be desired the Colony should do, to aid Great Britain in establishing for the group some form of protectorate,

will receive from the Assembly the utmost consideration.

Ministers propose to despatch to the Navigator Islands a person qualified to report upon them. Meanwhile, they would suggest that His Excellency should seek from Her Majesty's Government authority to appoint a Consular representative, with large magisterial powers, and with instructions to inquire, and report to His Excellency, for the information of Her Majesty's Government, what steps, if any, it would be desirable to take, with the concurrence of the native rulers, for the purpose of extending British protection to the islands of the group.

Wellington, 24th November, 1871.

WILLIAM FOX.

No. 29.

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

(No. 113.) My Lord,—

Government House, Wellington,

New Zealand, 24th November, 1871.

With reference to your Lordship's Circular Despatch of the 20th July ultimo, asking for certain information respecting the laws in force in New Zealand to regulate the sale of intoxicating liquors, I have now the honor to transmit a Ministerial Memorandum, covering a statement by the Attorney-General.

I have, &c.,

The Right Hon. the Earl of Kimberley.

G. F. BOWEN.

Memo. by Mr. Fox, 24th Nov., 1871, with subenclosure.