Having carefully watched the various phases of the movement, I am more convinced of the soundness of this view, and therefore it is that I am unable to join heartily with you, although I do not set up my own view as sufficient to warrant me in declining to hold conference with you and the other Colonies,

as to the best course to be pursued in a more united manner by the whole group of Australasian Colonies.

I think you are taking a sanguine view when you say "the people of England are at our back."

My own belief is that the people of England are comparatively indifferent whether the islands are annexed or not by England. To a certain portion of the community, any accession of territory by England is a subject of triumphant cry; such persons, however, often overlook the responsibility which such acquisition of territory brings with it,—a responsibility for the right administration of the islands themselves, and a responsibility to those other European nations who will not stand idly by, when we have laid violent hands upon the islands with which they have also been cultivating mercantile or trading relations.

It is because I see, or believe I see, some of these difficulties and responsibilities, that I do not

enter upon the matter with the same impulsive spirit which you have brought to bear upon it, and thus it is that I seem to you to be "cool, hesitating, or indifferent."

I am strongly impressed with the idea that a protectorate by England over New Guinea, or at all events over its southern coast, and a joint protectorate by England and France over the New Hebrides and other groups of islands, would be the best and most practicable solution of the question. I believe that it would be more advantageous for us—I mean for the whole of the Australian Colonies—if the assurance were clear that no other nation would annex the islands, than that we should be saddled with the responsibility and expense of annexation; and moreover, I feel perfectly sure that whatever may be the feeling of France with regard to New Guinea (probably she would not care much about it), she would not allow us to annex the New Hebrides without a strong protest and struggle.

I do not undervalue the trade with those islands—personally I have been as much concerned in it as any man in the Colonies—but in the event of war they would be rather sources of weakness than of strength, having such a number of places to protect and defend; nor do I see where the annexation is to end; if the New Hebrides, then how about the Solomon group, the Santa Cruz, New Ireland, New Britain, and scores of others. Are we to annex them all, or are we to be content with the New Hebrides and New Guinea, and see France take up these intermediate groups as the outlets for her criminal classes?

I regret extremely to see the question complicated by injudicious letters of colonists in London, who speak of non-annexation by England involving alienation of the Colonies from the Mother Country. I hold, in contradistinction to such sentiments, that the Colonies are thoroughly loyal in their attachment to the old Country, and would best show their loyalty to her and to their own interests, if they were to content themselves at present with urging upon her the desirableness and necessity of coming to some arrangement with other maritime nations of Europe, that no one should take any overt steps towards annexation, but that free trade should be permitted to all, and that there should be combined action for the protection of that trade so far as it is legitimate, the suppression of what may be deemed illegitimate, and the regulation of what is commonly known as the labour trade upon principles of humanity and

morality.

I have thought it right that, before we meet, you should know my views, which are shared by my colleagues, and to a great extent, I believe, commend themselves to a majority of the people in New South Wales.

I remain, &c.,
ALEX. STUART.

No. 36.

The Colonial Secretary to The Agent-General.

Sydney, 8 September, 1883. My dear Samuel, I received duly your letter of 27th July, with copies of the joint letter of the Agents-General

to Lord Derby, on the question of annexation.

I must compliment you all upon the able manner in which the historical statement of the matter on up. I consider it a valuable addition to the literature of the subject, tracing, as it does, the chief points of interest in connection with that which has now culminated in a desire for annexation.

For my own part, I have not felt any strong desire to see the annexation policy carried out. I believe it would be far preferable if some arrangement could be come to whereby none of the maritime Powers should annex any of the islands; but so detrimental to colonial interests would be their occupation by foreign Powers, that, rather than leave such a contingency open, I would urge as strongly as any one that the Imperial Government should annex them; and thus it is that I telegraph to you to join with the other Agents-General in urging the Imperial Government to take some action in the matter.

In order that you may clearly understand my views, I enclose copy of correspondence I have had

here with Sir Thomas M'Ilwraith on the one hand and Mr. Service on the other.

We are to have a Conference here about the latter part of November, when the matter will be

discussed in all its bearings, I have no doubt.

In New South Wales there is marked contrast between the feeling of the masses of the people and that which obtains in Victoria or in Queensland. I don't know whether we are more phlegmatic in our temperament than they are, but assuredly it would be a hard task to get up upon this subject the enthusiasm which is displayed by our neighbours on either side of us.

Believe me yours very truly ALEX. STUART.

[Enclosures.]

- No. 1.—Colonial Secretary, Queensland, to Colonial Secretary, New South Wales. 17 July, 1883.

 " 2.—Colonial Secretary, New South Wales, to Colonial Secretary, Queensland. 31 July, 1883.

 " 3.—Colonial Secretary, New South Wales, to Premier, Victoria. 27 August, 1883.

 " 4.—Premier, Victoria, to Colonial Secretary, New South Wales. 29 August, 1883.

 " 5.—Colonial Secretary, New South Wales, to Premier, Victoria. 31 August, 1883.

 " 6.—Premier, Victoria, to Colonial Secretary, New South Wales. 4 September, 1883.

 " 7.—Colonial Secretary, New South Wales, to Premier, Victoria. 8 September, 1883.