Mr. Holland to the Under-Secretary, Foreign Office.

Downing Street, 27th September, 1872. I am directed by the Earl of Kimberley to acknowledge the receipt of your letter of the 20th instant, enclosing a copy of a despatch from Her Majesty's Minister at Washington, respecting the Navigator group of islands, in the South Pacific Ocean.

In the South Facilic Ocean.

With reference to the observations reported to have been made by Mr. Fish to Sir E. Thornton, upon the agreement made between the chief of the Island of Tutuila and Captain Meade, relative to the port of Pago-Pago, Lord Kimberley does not understand how, if the United States are to "have an exclusive right to that harbour as a naval station and a coaling dépôt," this is not to "interfere with any other results which might frequent the port, nor with commercial transactions."

This statement seems to his Lordship to require some explanation. The Under-Secretary of State, Foreign Office.

I have, &c. H. T. HOLLAND.

The Right Hon. E. HAMMOND to the UNDER-SECRETARY, Colonial Office.

Sir,—

With reference to your letter of the 27th of September last, I am directed by Earl Granville to transmit to you, to be laid before the Earl of Kimberley, a copy of a despatch from Her Majesty's Minister at Washington, reporting a conversation with Mr. Fish respecting the establishment by the United States of a naval station at I have, &c.

The Under-Secretary of State, Colonial Office.

E. HAMMOND.

Sir E. THORNTON to Earl GRANVILLE.

My Lord, Washington, 18th November, 1872.

Washington, 18th November, 1872.

On receipt of your Lordship's Despatch No. 378, of the 30th ultimo, I again referred, in conversation with Mr. Fish, to the agreement which had been made between the United States naval officer and the chiefs of the Navigator Islands, for giving to the United States an exclusive right to establish a naval station and coaling depôt in the Island of Pago-Pago, and I inquired whether the exercise of this right would interfere with other vessels which might frequent the port, or with commercial transactions.

Mr. Fish replied that he had not, since he last spoke to me upon the subject, had access to the document granting the right in question, which had been hurriedly sent to the Senate, at the close of its session, without a copy of it having been kept, and that he could not be able to see it again till the meeting of Congress. His impression from memory, however, was that, although an exclusive right was granted to the United States to establish a naval station and coaling depôt at Pago-Pago, this would only prevent other Governments from doing the same, but would not interfere with other vessels frequenting the port, nor with their trading there, nor with any commercial transactions, neither would it prevent private coaling depôts from being established there.

Mr. Fish added that, since the above-mentioned agreement had been made, a communication had been received, signed by all the chiefs of the group of islands, asking the United States to establish a protectorate over the whole of them. As yet the receipt of this communication had merely been acknowledged, and he believed that very little attention would be paid to it.

The Earl Granville, K.G.

Edward Thornton.

No. 6.

Governor Sir James Fergusson to the Right Hon. the Earl of Kimberley.

(No. 65.) MY LORD,

Government House, Wellington, 1st August, 1873. I am requested by my Advisers to inform you that they have had under consideration your Lordship's Despatch No. 78, of the 18th December, 1872, covering certain correspondence between the Foreign Office and the Colonial Office on the subject of the agreement between the United States naval officer and the chief of the Navigator Islands, for giving to the United States an

exclusive right to establish a naval station and coaling dépôt in the harbour of Pango-Pango.

2. It appears probable to my Advisers that, as Mr. Webb's line of steamers has been discontinued, the attention of the United States Government may be temporarily diverted from the Navigator group, for Mr. Webb's grant of water-frontage to the harbour was made, it is believed, to depend on his continuing the line of steamers.

3. Captain Meade's agreement was made to depend on its ratification by the Government of the United States, and, although highly recommended by the Government, it does not appear that the Senate has yet taken action. A Special Commissioner, accredited by the United States Government, has lately visited Honolulu, and it is stated in a paper published in that city, that he was to proceed to the Navigator Islands and to Fiji.

4. My Advisers have specially called my attention to the reference made by Captain Meade to the agreement, in these terms—"that on the 17th February the chief of Pango-Pango, Maunga, signed a treaty or agreement with me, granting the exclusive right to the United States Government to use this harbour as a coaling and naval station for your line and our ships of war, and binding himself not to grant a like privilege to any other Power than the United States," as stated in a letter from Mr. Webb to the Hon. Mr. Vogel.

5. In these circumstances, my Advisers are very desirous that the Imperial Government should at once take steps to prevent the Navigator Islands falling into foreign hands, or should allow the New Zealand Government to make such arrangements with the chiefs of the islands as will protect New Zealand interests. The group is too near New Zealand to make it desirable that the islands should be subject to such an arrangement as Captain Meade clearly contemplated, or that they should be annexed by any foreign Power. I am therefore moved to represent that immediate action in the matter is extremely desirable.

6. There is, I am informed, reason to believe that the German Government contemplated annexing these islands, and would have done so but for Captain Meade's action; and there is reason to fear that, in the event of the United States Government not desiring to carry out its agreement with the chiefs, action by that Government may yet be taken.

7. In communicating the views of my Advisers to your Lordship, they desire that I will request Her Majesty's Government to grant to this colony the right to negotiate directly with the chiefs of the Navigator group, in the event of Her Majesty's Government deciding not to take action themselves.

18—A. 4.