Enclosure.

MEMORANDUM for His EXCELLENCY.

Memorandum for His Excellency.

Sin George Grey presents his respectful compliments to the Marquis of Normanby, and acknowledges the receipt of the Secretary of State's despatch of 20th February last, informing this Government that Her Majesty's Advisers have assured the Government of France that Her Majesty's Government have no intention of proposing to Parliament any measure having for its object to affect the independence which the New Hebrides Islands now enjoy.

2. Sir George Grey ventures to point out that, as he believes, the New Hebrides Islands are now a possession of the British Crown. Reference to a Commission issued to Sir George Grey Governor of New Zealand, in 1845 or 1846, will, he thinks, show that this is the case.

3. Respecting New Caledonia, Sir George Grey would observe that, by the Commission just mentioned, he was, in fact, appointed Governor of those islands as a dependency of New Zealand; that he proceeded in a small brig to visit the group as Governor of it, and that he found that the French-had, a few days before his arrival, taken possession. The question of right was, by agreement between Sir George Grey and the French Commodore, referred to their respective Governments, and New Caledonia was subsequently relinquished to the Government of France.

4. Sir George Grey respectfully submits these remarks for the consideration of Her Majesty's Government, and requests that the Marquis of Normanby will forward them to the Secretary of State for the Colonies; and that His Excellency will also forward the enclosed memorandum by the Attorney-General of New Zealand, upon the subject of

Excellency will also forward the enclosed memorandum by the Attorney-General of New Zealand, upon the subject of the impolicy of the British Government refusing to extend the protection of England to the New Hebrides group.

Wellington, 14th June, 1878.

G. Grey.

Sub-Enclosure.

MEMORANDUM re NEW HEBRIDES GROUP.

In my opinion, it is much to be regretted that the Imperial Government should have refused to extend the protection In my opinion, it is much to be regretted that the Imperial Government should have refused to extend the protection of England to this group. I do not see how the French Government could interfere. The colonization of New Caledonia has not been very successful, and, were it not for the aid given to the colony by the French Government, it would not, I believe, exist long under its present management. No doubt, if the annexation of the New Hebrides group threatened in any way the existence of New Caledonia, or interfered with its commercial relations, something might be said against the Imperial Government interfering. The Marquis d'Harcourt's letter only states that commercial relations have been established, and that these are rapidly developing; but the trade relations between New South Wales and New Caledonia are far more extensive, and the mere fact of New South Wales being an English colony has not disturbed those relations, nor is it likely to do so.

I think this Government should unge the Imperial Government to reconsider its determination.

I think this Government should urge the Imperial Government to reconsider its determination 22nd May, 1878. ROBERT STOUT.

No. 3.

The Right Hon. Sir M. E. Hicks Beach to Governor the Most Hon. the Marquis of Normanby. (No. 48.)

Downing Street, 10th October, 1878. I have the honour to acknowledge the receipt of your Despatch No. 21, of the 22nd of June last, enclosing a memorandum from Sir George Grey, and also one from the Attorney-General of the colony, with regard to the maintenance of the independence of the New Hebrides Islands.

As regards the opinion expressed by Sir George Grey that the New Hebrides Islands are already a possession of the British Crown, as indicated by his Commission of Governor of New Zealand, I have to observe that by the Act 26 and 27 Vict., c. 23, passed in 1863, the boundaries of New Zealand are declared to be the 162° east longitude, the 173° west longitude, and the 33° and 53° south latitude. The New Hebrides, therefore, are no longer within the limits of New Zealand; as this country has for many years exercised no rights or functions of ownership within the group, and moreover as by the Western Paging Order in Council of 1877. How Meiorty has given to group, and moreover as, by the Western Pacific Order in Council of 1877, Her Majesty has given to the natives of those islands protection from the misdeeds of British subjects, and has provided British subjects with Courts of Justice having civil and criminal jurisdiction, Her Majesty's Government, as at present advised, have no intention of proceeding further in the direction of a political protectorate. _ I have, &c.

Governor the Most Hon. the Marquis of Normanby, G.C.M.G. &c.

No. 4.

The Administrator of the Government to the Right Hon. Sir M. E. Hicks Beach, Bart. (No. 16.)

Government House, Wellington, 20th March, 1879. In reference to your Despatch to the Marquis of Normanby, dated the 10th October, 1878, and numbered 48, I have now the honour, at the request of Ministers, to forward to you six printed copies of a memorandum by Sir George Grey, and also a copy of a memorandum by the Attorney-General of New Zealand. I have, &c.

The Right Hon. Sir Michael Hicks Beach.

JAMES PRENDERGAST.

M. E. HICKS BEACH.

Enclosure 1.

MEMORANDUM for His EXCELLENCY.

In reply to the Secretary of State's Despatch No. 48, of the 10th October, 1878, on the subject of the New Hebrides, T 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 colony. It appears that Her Majesty's Government have given to the natives of those islands, as well as of other islands in the Western Facific Ocean, protection from the misdeeds of British subjects, and have

17—A. 4.