

- (5.) Queensland further to be consulted in all appointments made under such appropriations, and to have the option of dissenting from any local ordinances.
- (6.) A co-ordinate power of dissent to appertain to Her Majesty's Government as representing Imperial interests.

I have not here referred to a recommendation I have made elsewhere (*vide* report on Thursday Island) as to a readjustment of the maritime boundary of Queensland. The Islands of Torres Straits might, I think, be attached to New Guinea. The responsibilities connected with them are more likely to be adequately met in that way; and I think that the whole subject may be dealt with when the proposed Constitution for British New Guinea is being discussed.

Brisbane, 24th March, 1886.

JOHN DOUGLAS.

### Sub-Enclosure.

THE ISLANDS OF THE STRAITS.—Extract from the Report addressed to the Hon. the Colonial Secretary by the Government Resident, Thursday Island, and referred to in Memorandum on New Guinea.

THESE might well form the subject of a separate report. They were at one time the resort of questionable characters, over whom no authority could be exercised. The inclusion of them within the territorial jurisdiction of Queensland has been beneficial to them in one respect. They are no longer infested by the most predacious kind of beach-combers. They are worthy, however, of much more attention than has hitherto been bestowed on them.

Murray, Darnley, and Stephen are, each of them, lovely islands, possessing many advantages both of soil and climate. They are fertile and healthy. There are other islands also, such as Banks Island and Jervis Island, which are interesting, though not so fertile as the first-named islands. Saibai also, close to the mainland of New Guinea, though low and swampy, is inhabited by an enterprising tribe, who have lately laid aside their savage usages, and promise to be most useful allies in the civilization of their neighbours. The people of Saibai have to a great extent been christianised. The old skull-hunters are now in a minority, and the young people are most anxious to live by agriculture or by some respectable and peaceful avocation. The island belongs naturally to New Guinea, and now that the Protectorate has been proclaimed it ought to be handed over to New Guinea. This, however, would require to be arranged with Her Majesty's Britannic Government, and confirmed by an Act of the Queensland Parliament. Indeed, a readjustment of the present maritime boundary of Queensland in these seas is now rendered desirable. I hardly like to suggest a readjustment which would involve a transfer to New Guinea of all the islands in the Straits, because I know that young States, quite as much as old States, are particularly sensitive as to their territorial possessions.

It might be supposed also that I had some personal interest in the readjustment from the fact that I have been appointed Special Commissioner for New Guinea. Nevertheless, I am convinced that the arrangement would be a good one for all concerned.

The islands are excellent stepping-stones to New Guinea. Most of them are perfectly healthy—New Guinea is not—nor do I think that the Government or the people of Queensland attach any particular importance to the possession of the islands, including even the Prince of Wales Group. They regard them, if I am not mistaken, rather as sources of probable future expenditure than as sources of revenue. It must be admitted also that this is a region in which the native or coloured races will, in all human probability, preponderate. Such a condition of society is not in accordance with the genius of the people of Queensland. It is possible that you may be able to recognize these indications of the order of Providence, and to induce others of our countrymen to accept the higher principles of natural adjustment which rise superior to the temporary expedients of a passing emergency. The territorial definitions of the present are not binding on futurity if more convenient arrangements for the purposes of government can be made. The union of the different States of Australia, which will gradually be accomplished, points to territorial readjustments in the interests of the people themselves. I can scarcely doubt that you entertain these views yourself, and that the realization of them, so far as it is possible in connection with your administration of affairs, is merely a question of time and opportunity. If, therefore, after an examination of the position, you should arrive at the conclusion that the insular dependencies of Queensland in this vicinity could advantageously be transferred to the New Guinea Protectorate, I feel convinced that a considerable advance will then have been made to the settlement and the good government of the new province. It might, indeed, be a condition of the readjustment that the Protectorate should be associated with, and for a time at least be dependent on, the Administration of Queensland. Some harmony of action might thus be secured which would prove advantageous to both. The chief interest which Queensland will have in the occupation and civilization of New Guinea must be that which is founded on commercial relationships. The merchants and storekeepers of Townsville, Cooktown, and Thursday Island will buy from the natives whatever marketable commodities they can produce, and there is every reason to believe that this production will not be inconsiderable when they have learned the value of regular industry. In like manner our merchants and traders will sell to the natives the numerous articles of commerce which are recognized with us as being the necessities and the luxuries of life. The various breeds of animals which have been domesticated here will be domesticated there; and all this, in addition to the probability of mineral discoveries being made, will lead to profitable interchanges, by which the people of Australia, and especially the inhabitants of Northern Queensland, will profit. I conclude, therefore, that whatever contributes to the civilization of the natives of New Guinea, and to the occupation of it by European settlers having respect to the right of the natives, will be advantageous both to them and to us.

For these reasons, and for others which might be urged, I am satisfied that the more intimate the relationship of the two countries can be made the more profitable and useful will be the connection. To the enterprising and acclimatized pioneers of Northern Queensland I look chiefly for