

once this terrible duel has been commenced in which every forfeit of a life on the native side at the hands of a white man, or through his direct or indirect instrumentality, demands, at whatever length of time after, from his nearest relative or his heirs, the head of a murdered white man in satisfaction, it is difficult to foresee in what crowd or on what shore, distant perhaps from the scene of any former outrage, the avenger may find a victim whose death concludes his feud and inaugurates another; nor is it easy to suggest how it may be stayed.

The natives of the Louisiades and of the neighbouring islands are a very intelligent people, capable, I believe, of being made friends of. They appear to be quite as amenable and capable of instruction as the Malays. See them in management of a European vessel for instance: they have mastered all the details, can furl sails, steer, or obey an order with all the precision and competency of a Malay crew. They have taken appreciatively to such new products as have been given them; pineapples are becoming every year more common; tomatoes and different sorts of melons that have been given to them have been cultivated by them; and under proper direction they would soon, I am sure, by raising crops of maize and rice larger than they could consume, be able to offer them in barter for other necessities.

The island belt stretching eastward from Milne Gulf and China Straits may be roughly divided into three portions: the first, comprising the islands nearly adjoining the mainland as far east as Teste Island, are well populated; all are high and composed of stratified or volcanic rocks, covered with cultivated patches. In the second portion, from Teste Island eastward to the Loumard entrance to the Sunken Barrier (including the Conflict group), the islands are quite low and flat, and are entirely of coral formation. They are covered with little or no soil for the sustenance of any vegetable products of much value except cocoanuts. The third portion is the Calvados chain (including the extra-reef groups of St. Aignan, Redlich, and Deboyne), commencing with Real Island (where the land again attains a considerable elevation), and terminating with Rossel Island. These islands are composed of stratified or metamorphic rock, and many of them are of value. The larger of them are inhabited. Of the larger islands of the first group, such as Moresby, and especially Fergusson Island (Goschen Straits), few have been explored owing to the supposed hostility of the inhabitants; but judged from the shore they appear to be capable of being largely cultivated if the natives were once shown how to cultivate such remunerative products as maize and hill rice. Along the shores of the islands of the second group abundance of most excellent kinds of edible fishes are to be had, which might be profitably cured by *bêche-de-mer* fishers and copra collectors, in addition to their usual work. Cocoanut-planting might be largely resorted to on these islands, with great future advantage to leaseholders. The third group contains many islands, such as St. Aignan, which ought yet to yield a large revenue. The large island of Sud-est has most favourably impressed me. It contains many grassy plains and large patches of gently undulating land, and much less steep country than New Guinea territory generally: maize and rice, and if it were nearer civilisation sugarcane also, might be largely grown. Portions of Joannet Island, and Kaluma—which is also sparsely wooded—are capable of producing crops of the same cereals. But, with only the 'long-shore acquaintance which has yet alone been possible to obtain, it is not safe to give any decided opinions for the guidance of the general public.

On the 13th November H.M.S. "Dart" (Lieutenant Commander Field), which had been engaged for fully six months in the triangulation of the area between South Cape, Teste Island, and East Cape, left for Australia, having completed the survey. When the charts are published these intricate waters will be one of the easiest and safest ocean by-ways to navigate, owing to the extreme care and minuteness with which all the operations have been conducted.

On the 10th November H.M.S. "Diamond" arrived at Dinner Island, and, after a few days' stay, proceeded to St. Aignan, where such punishment as was possible was inflicted on the natives there for the attempted assassination of Lieutenant Commander Marx. Thence she proceeded to Joannet Island; but Captain Clayton, finding it impossible to accomplish any retribution by a white force, returned to Dinner Island, where he met and reported the circumstances to your Excellency.

Very little of the work which your Excellency's representative ought to have been able to do has been possible to be accomplished, owing chiefly to the very disturbed state of native feeling in the Archipelago. A much more comprehensive account might be given by him six or eight months hence as to the mineral wealth and likely productions of the Louisiades and of a good wide margin of the mainland, if an armed guard of seven or eight trusty South Sea Islanders were given him. Such force would be sufficient to enable him to penetrate anywhere with absolute safety. Until his duties have increased so as to occupy his whole time—which is far from being the case at present—at head-quarters at Dinner Island, he can be employed in no service more beneficial to the Protectorate than constantly moving round—one subordinate European, competent to look after the Residency and to clear and otherwise adjust matters with vessels calling at the port, being sufficient, for some time yet to come, to act in his absence—his district with such a force, slowly accustoming the natives everywhere to the presence among them of a representative of the Government fearlessly able to penetrate where he wishes, exercising authority over all classes wherever he arrives, punishing petty cases summarily and removing for trial more serious offenders; gradually and patiently subverting by his influence while suggesting and commending the reverse of their obnoxious customs (which are, it is too often forgotten, perfectly moral and right in their eyes, and imperative on them as sanctified by generations of unbroken use and wont); distributing seeds, and introducing the knowledge among them of the cultivation of such products as tobacco, maize, and rice, all of which could be most remuneratively cultivated in the islands of the eastern portion of the Louisiade Group and on the shores and back-lands north of Milne Gulf.

The "Coral Sea" is far from a suitable vessel for doing any efficient work in these seas. Without comfort, and having no accommodation, it offers no refuge from the tropical sun, one twelve hours' exposure to which renders any work of brain or hand out of the question for days. I should