Sub-enclosure No. 1.

Presbyterian Church of Victoria Foreign Missions Committee,

DEAR MR. GILLIES,— Manse, Richmond, 22nd August, 1889.

I have the honour to inform you, by direction of our Committee, that, in letters lately received from the New Hebrides, our missionaries say that from twenty to thirty liberated convicts have been brought from Noumea by the French New Hebrides Company, and settled as traders on the islands to the north of Efate. These men are permitted to trade in strong drink, ammunition, and firearms, and, by doing so, are doing serious harm to the natives, and are enjoying an advantage over British traders, who are prevented from carrying on such traffic by British authority.

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Moreover, there is nothing to hinder these liberated convicts from leaving these islands and finding their way to Australia. As, however, they are placed on land said to be the property of the French company, we do not know that they can be easily dislodged. Still we think it right that you should know the facts, and are sure that if anything can be done to prevent this evil you will do it.

I have, &c.,

The Hon. the Premier.

Andrew Hardie, Convener.

Sub-enclosure No. 2.

[Extract from the Argus, 26th August, 1889.]

IMPORTANT NEWS FROM THE NEW HEBRIDES.—RENEWAL OF FRENCH ACTIVITY.—ANNEXATION EXPECTED.

The latest news from New Caledonia states that a deputation of landowners and traders in the New Hebrides presented a petition, signed by all the English and other traders in the group, exclusive of Frenchmen, praying the French Government to annex the islands. The Governor gave a cautious but satisfactory reply, assuring the deputation that the petition would receive the utmost consideration. The residents of Franceville, an important harbour in the Island of Sandwich, did not sign this petition, they having proclaimed their independence on the 9th August, and elected M. Chevillard President of the Commune. A Proclamation was read, and the Franceville flag hoisted, in the presence of the captain of the French war-ship "Saone," who landed a firing party, and saluted the flag. A circular letter has been addressed to the Governments of the various nations praying them to recognise the Commune of Franceville. The captain of the "Saone," at the conclusion of the ceremony, made presents to the natives. The total population of Franceville is forty Europeans (no Englishmen, except a missionary), and five hundred imported black labourers, employés of a French company, and other settlers. There are other signs of French activity at the New Hebrides. The Nickel Company, the New Hebrides Company, and others have been busily engaged purchasing every piece of land they can get hold of. Even the Government officials at Noumea are investing, and it is considered certain that France will shortly take some decisive action with a view of securing possession of the New Hebrides and the adjacent islands.

THE EXTENSION OF FRENCH INFLUENCE.

Writing on the 16th July, our correspondent at Havannah Harbour, New Hebrides, furnishes the following information with regard to the efforts which have been made to extend French authority over these islands:—

The French company has, as I mentioned in a former letter, now a coffee-plantation in the Island of Santo, in addition to the one at Fila, which they purchased at the formation of the company from Captain Macleod. Since then the Fila plantation has been greatly enlarged and improved. M. Bernier, who did so much for the Fila plantation, is now at Santo, in charge of the plantation there. It is well situated on the south-east part of the south side of Santo, on the bank of a river, opposite to the Islet of Aore. At this place, between Aore and the mainland, is a large bay with good anchorage. The French war-steamer "Fabert," Captain Bernier, spent recently, just before

leaving for France, four months surveying this bay.

The ships that have been calling in this harbour since the 14th June afford a proof of the enthusiasm with which the French are striving to absorb the trade and secure the islands of the New Hebrides. On the 14th June, in the morning, the "Tenterden," after a stay of two hours, went out, followed by the French war-steamer "Saone" at a distance of about an eighth of a mile. In the afternoon H.M.S. "Opal" left, following the "Saone" to Noumea. From that time to the 7th instant the following vessels have called: Arrived 19th June, the mission schooner "Dayspring" British), left 22nd; arrived 20th June, "Fairy Queen" (French), left 22nd; arrived 22nd June, steamer "Nickel" (French), belonging to the Nickel Company, Noumea, and with the manager of that company on board, left 23rd; arrived 28th June, "Telegraph" (French), from Noumea, left 1st July; arrived 2nd July, "Admiral Pallu" (French), from Noumea, left 4th July; arrived, steamer "Nickel" from a cruise through the group, and left for Noumea 6-7th July; arrived 7th July, a small vessel (French). The mission schooner "Dayspring," the only British vessel in the above list, is not a trader, and, so far as the development of New Hebrides trade is concerned, is as much French as English, for her work is a work that makes the islands safe for all nationalities, and in this connection the same may; be said of the work of the English missionaries generally. The French are proceeding on the plan deliberately laid down on the formation of Higginson's company for procuring the annexation of the New Hebrides by France. The establishment of French marines in the group in 1886, and their withdrawal in 1888, has in no way altered or materially affected that plan; as it turned out it was only a little premature, that was all. The plan is to buy the land from the natives, and to buy out, or crush out by State-aided competition, the English trader—a process the more easy as the latter was not only not State-aided, but State-hindered and