

with the accompanying documents, for the information of your Excellency They enter fully into the details of the discussions related as having taken place.

While in Honolulu I learned that H.M.S. "Champion" had been ordered some six weeks before our arrival, to proceed to Necker Island, to sound the adjacent water, and to survey the island itself. The "Champion," however, had not returned to Honolulu, and the result of the examination was unknown.

In my inquiries in various quarters I gained some information of an uninhabited island—Nihoa, or Bird Island—150 miles nearer Honolulu than Necker Island, which I deemed it expedient to visit. Captain May, of H.M.S. "Hyacinth," having received authority from the Admiralty to further the object of our mission, was pleased to take his ship to the locality, in order that by direct inspection we might obtain personal knowledge of the island. Consul-General Hawes accompanied us. On reaching Bird Island we effected a landing. Captain May during the limited time we had at our disposal took as many soundings as were possible. We satisfied ourselves that while Bird Island does not in all respects present the conditions desirable in a mid-ocean station for the proposed telegraph, it nevertheless offers certain advantages, which suggest that whatever may be the result of the survey of Necker Island, Bird Island should be further and more thoroughly examined. Owing to the necessity of returning to Honolulu to keep an appointment with the Hawaiian Cabinet, we were unable to remain at Bird Island beyond a few hours. Captain May and Mr Hawes exerted themselves to the utmost to promote the object of our mission, and during the whole period of our stay in Honolulu showed us extreme kindness, attention, and courtesy. We were most cordially received and hospitably entertained by members of the Hawaiian Government present in Honolulu.

Shortly after our return to Canada Mr. Mercer left for London. It is a duty, as it is a pleasure, on my part, gratefully to acknowledge the services rendered by him in the joint mission intrusted to us. I can only express the satisfaction that it has throughout afforded me to have been associated with him on this service.

I have, &c.,

SANDFORD FLEMING,
Special Commissioner.

The Right Hon. the Earl of Aberdeen, Governor-General of Canada.

II.—STATEMENT referred to in Mr FLEMING'S REPORT to His Excellency the GOVERNOR-GENERAL, on the Mission to Honolulu.

SIR,—

S.s. "Alameda," 25th October, 1894.

We have the honour to report that, under the instructions given to us, we proceeded to Honolulu, arriving there on the 6th instant, and took steps at once to place ourselves in communication with the Hawaiian Government. Mr Hawes, the British Commissioner and Consul-General, who showed us throughout the greatest attention and kindness, presented us to Mr Hatch, the Foreign Minister, and several interviews were accorded to us, at which Mr Hatch, Mr Damon, Minister of Finance, and Captain King, Minister of the Interior, with Mr Hawes and ourselves, were present, and in which the subject of our mission was very fully explained and discussed. Mr. Dole, the President, and Mr Smith, the Attorney-General, were absent from Honolulu.

We stated in the first place that we were acting on behalf of the Canadian Government, who, by a resolution of the Ottawa Conference, had been constituted the agents or representatives of the delegates for the purpose of making inquiries and of promoting the establishment of the proposed cable undertaking. The two resolutions were then read which defined the views of the Conference as to the cable being free from foreign control, and any landing station in the Hawaiian Archipelago (if that route should be chosen) being of a neutral character. It was explained that, from the point of view of the commercial security of the cable, it was considered that the most satisfactory course would be that the landing stations should be under control of the promoters of the cable, and that this condition was important from the financial point of view, inasmuch as, whether the large capital required was raised by public vote or from private investments, it would undoubtedly exercise very great influence upon public opinion in the countries which would be appealed to to carry out the scheme. We went on to state that this requirement perhaps pointed to the full cession of territory for the purposes of a landing station in any foreign place at which it might be agreed to touch, but that the British Government desired that the proposal to be made to the Hawaiian Government should not go beyond the absolute necessities of the case, and had accordingly given instructions that no application should be made for such cession, but that the Hawaiian sovereignty and jurisdiction over the place selected should be preserved, and accordingly that we were only asking for a lease of some small and uninhabited island on the outskirts of the archipelago. In other words, what was wanted was the private as distinguished from the political ownership of the island, with such covenants on their part as might be desirable to secure this object, and on ours to limit the rights granted to the purposes of the cable, and to connect the main cable by a branch line with Honolulu. We were not in a position to state specifically what island we desired, as the Hawaiian Government were aware H.M.S. "Champion" had recently surveyed Necker and perhaps other outlying islands, but the results of the examination had not reached us. We therefore suggested that we might be allowed to exercise an option at a later date, and observed that, if the Hawaiian Government came into the scheme, they would, no doubt, be interested to see a satisfactory selection made, and that we should be glad to receive their advice and co-operation.

Our explanations on these points appeared to be received in good part, and no suggestion was subsequently made that the main cable should be brought to Honolulu. We then proceeded to remark in general terms upon the costliness of the undertaking, and the necessity that all the countries directly benefitting from the line should contribute towards making up any deficit which, for a greater or less period, might occur. We referred to the offer which the Hawaiian Government