

No. 7.—*Dr. Krauel to Prince Bismarck.* (Sydney, 20th August, 1884.)

THE annexation of all the remaining islands of the Pacific having recently been advocated in Australia, Dr. Krauel has once again inquired into the commercial statistics of these islands. It results, from this inquiry, that the commercial achievements of the Australian Colonies, as exhibited in their own official returns, do not entitle them to take the political lead claimed by them.

Victoria, which most loudly calls for the exclusion of the rest of the world from the Pacific, has commercial relations with Fiji only. Equally limited are the commercial relations of South Australia, which sends flour to the penal settlement on New Caledonia. West Australia and Tasmania have never sought to establish commercial relations with the South Sea Islands.

New Guinea up till now is of no importance to Australian commerce. Only Queensland exports a few articles to it, of an annual value of £20,000, taking *bêche-de-mer* in return. Her exports to the other South Sea Islands merely consist in goods intended as payment for the labourers engaged there to work on the Queensland sugar plantations.

Only New South Wales and New Zealand have a substantial interest in the Pacific trade. About 70 per cent. of the articles exported from these colonies are of European manufacture. Most of the exports from the South Sea Islands to these colonies are ultimately shipped for Europe. These colonies cannot therefore claim a political supremacy on the ground that they already possess a commercial supremacy. The official figures prove conclusively that all the talk about the preponderating commercial interests of Australia in the South Sea rests upon ignorance or an intentional misrepresentation of the facts.

Enclosure.—*Commerce and Navigation between the Australian Colonies and the South Sea Islands, 1881-83.*

SYDNEY and Auckland almost monopolise the trade of Australia with the South Sea Islands, and the bulk of which is carried on with Fiji and New Caledonia. The following official statements of exports and imports show this:—

Value of Imports from the South Sea Islands.

	1881.	1882.	1883.
New South Wales ...	£287,067	£380,352	£419,999
New Zealand ...	78,561	74,895	81,260
Victoria ...	11,347	17,320	not yet published.
Queensland ...	3,770	7,782	not yet published.
Total ...	£380,745	£480,313	—

Value of Exports to the South Sea Islands.

	1881.	1882.	1883.
New South Wales ...	£390,476	£537,057	£609,067
New Zealand ...	74,326	71,318	115,969
Victoria ...	33,002	29,644	not yet published.
South Australia ...	17,064	36,744	not yet published.
Queensland ...	7,648	13,016	not yet published.
Total ...	£522,516	£687,779	—

The trade between the Australian Colonies and Fiji and New Caledonia (included in the above figures) is as follows:—

	Imports.			Exports.		
	1881.	1882.	1883.*	1881.	1882.	1883.*
Fiji ...	£86,694	£104,163	£141,265	£177,214	£230,869	£292,935
New Caledonia	190,243	274,205	152,352	204,735	269,449	239,324

The commerce with the other Pacific Islands is exhibited in the following statement:—

	Imports.			Exports.		
	1881.	1882.	1883.*	1881.	1882.	1883.*
Hawaii ...	£1,385	£386	£28,986	£84,893		
All others ...	102,423	101,559	111,581	102,568		

We thus find that the Australian Colonies had a total commerce (exports and imports) of £903,261 in 1881, and of £1,168,092 in 1882, of which £689,257 (in 1881) and £963,965 (in 1882) fell to the share of Fiji, New Caledonia, and Hawaii. In other words, the commerce with the islands named absorbed 76 per cent. of the total commerce in 1881, and 82 per cent. in 1882.

Fiji, since its occupation by England, has become immensely important to the commerce of Australia; and towards the development of this commerce the line of steamers, which now connects Melbourne and Auckland with the principal ports of Fiji, has materially contributed.

New Caledonia exports most of her produce to Sydney, where it is transhipped for Europe. The exports included (in 1882) nickel (£154,800), copper ores (£31,740), chrome ore (£17,490), cobalt ore (£4,611), copra (£19,822). Sydney and Adelaide, and in a less degree Auckland, take part in the imports into New Caledonia. Flour is the most important Australian product which finds a market there, its export in 1882 amounting to £48,583, of which £34,200 came from South Australia. New South Wales exports coal, coke, horses, and sheep; New Zealand, potatoes, beef, timber, and biscuits. The rest of the exports consists mainly of foreign merchandise. In 1883 the colonial produce exported from New South Wales had a value of £54,442, the foreign produce of

* Exclusive of Victoria and South Australia.