1878. NEW ZEALAND.

CULTIVATION OF TOBACCO IN NEW ZEALAND, AND EMPLOYMENT OF COOLIE LABOUR.

(CORRESPONDENCE WITH MR. E. C. BUCK, DIRECTOR OF AGRICULTURE AND COMMERCE IN THE NORTH WEST PROVINCES OF INDIA.)

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

The AGENT-GENERAL to the Hon. the MINISTER for IMMIGRATION.

Sir.—
7, Westminster Chambers, London, S.W., 25th February, 1878.
I have the honor to transmit copy of letter which I have received from Mr. E. C. Buck, the Director of Agriculture and Commerce in North-West Provinces of India, on the subject of the cultivation of tobacco in New Zealand, and the employment of coolie labour in connection therewith. I also enclose a copy of my reply to Mr Buck's letter, and shall be glad, if the Government desire to take any action in the matter, to become the medium of communication with him.

You will observe that the opinions I have expressed in my letter to Mr. Buck are my own, and that I have in no way committed the Government.

I have, &c.,

Julius Vogel,

Agent-General.

The Hon. the Minister for Immigration, Wellington.

Enclosure 1 in No. 1.

Mr. E. Buck to the Agent-General for New Zealand.

From E. C. Buck, the Director of Agriculture and Commerce, N.W. Provinces, India and Oudh, to Sir Julius Vogel, K.C.M.G., &c., dated Nynce Tal., North-West Provinces India, the 12th of October, 1877.

Subject—Emigration from India to the Colonies.

SIR,— Department of Agriculture and Commerce, N.W.P. and Oudh.

I had written the accompanying note some two or three weeks ago, but circumstances occurred which delayed my despatching it.

In the meantime your letter to the *Times* has appeared, and although I have not had the opportunity of seeing the letter, yet I have heard enough to make me understand that the purport of it is a recommendation that emigration of surplus Indian population to some of the

English colonies should be promoted.

The fact of your having publicly expressed your views to this effect encourages me to believe that you will treat the accompanying note, and the suggestions it contains, with consideration. The proposals which the note contains were, however, intended for the advantage of New Zealand, rather than for the advantage of redundant Indian populations. If both ends can be obtained, so much the better.

If you consider the project as prima facie one which cannot be undertaken, I shall be inclined to abandon it, as, from the knowledge which I, of course, obtained during my visit to New Zealand of your work in that country, I have every faith in the soundness of your opinion, and know that you have courage to adopt any course, however novel in its character, which is likely to benefit that country. Still I venture to hope that you will allow the questions I bring forward to remain open for further discussion.

Yours truly,

E. Buck.

Enclosure 2 in No. 1.

Mr. E. Buck to the Agent-General for New Zealand.

SIR,-

I have the honor to place before you for consideration a question which occurred to me during a visit which I paid to New Zealand in 1875, and I trust that in doing so I may be acquitted of committing an unwarrantable intrusion upon your time.

2. I must preface my remarks by referring to my official position, in holding which I have been (and shall continue to be) brought specially in contact with the subject which I wish to bring to your notice. My appointment (of which the official title is given at the head of the accompanying letter) involves the control of agricultural experiments, undertaken with the view

of developing the natural resources of the N.W. Provinces.

3. Among other enterprises which have been initiated since I received charge of my present office has been that of the cultivation, curing, and manufacture of tobacco for the European markets. A Calcutta firm (Messrs. Begg Dunlop), which have been exclusively concerned in the development of tea-production in India, have, under terms arranged by myself, undertaken to give the experiment a full trial, and, with some assistance from Government, afforded through the agency of my department, have for the last eighteen months been at work, and they have, under the conditions of their contract with Government, procured the services of a thoroughly skilled Virginian curer and manufacturer, selected by Messrs. Campbell and Co., of Virginia, one of the largest tobacco-exporting firms in America. The enterprise, so far, promises well. The firm have obtained in England and Australia a valuation for their cured leaf three times as large as any price hitherto obtained for Indian tobacco, and have, on the strength of their success, imported a second Virginian, and are now building a factory.

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4. On my way to New Zealand in 1875 I made the acquaintance of Mr. Cameron, the managing proprietor of the Virginian Tobacco Factory at Sydney, to which leaf is exported for manufacture from Virginia. I visited his factory, and learned something of the conditions of the tobacco trade in the colonies. I have lately heard from Mr. Cameron that experiments are

being made in tobacco-culture in New South Wales.

5. I have, both from Mr. Cameron and the Virginian curer in this country, who has travelled with me over a great part of these provinces, become informed of the character of the climate and soil required for the successful cultivation of tobacco, and I am convinced that no country could be more suitable for it than certain parts of the North Island of New Zealand. I may mention here that I travelled across the Island from Auckland to Tauranga on horseback, and thence to Napier by coach, in the company of some southern colonists, who were anxious to ascertain the character of the North Island land. Aided by their local knowledge and experience, and guided by my own acquaintance with the character of soils (derived from the duties which I have had for several years to perform, in classifying in very great detail soils in this country for the assessment of land revenue, which is here proportional to the value of soils), I was able to form what I believe to be a tolerably fair estimate of its capabilities.

6. I doubt, however, whether tobacco cultivation, which requires a great deal of petty manipulation, and constant care and attention, would, in New Zealand, give a remunerative return to European labour. But the thought occurred to me during my travels that its cultivation might be undertaken with great advantages by Indian coolie labour, under proper

superintendence.

- 7. This involves the question whether coolie labour will be allowed in the Island by the New Zealand Government.* I addressed a letter in 1875 to Sir Donald McLean, in which I represented that many Indian officers were anxious to settle, with their families and pensions, in New Zealand, and in which I also mentioned that nothing would be easier than to import coolie labour with them. Sir Donald McLean's successor (then Superintendent of Hawke's Bay) expressed to me his opinion that Indian officers of both services would be desirable settlers; and I was encouraged to believe, by the official answer which I received from Sir Donald McLean, that some consideration would be paid to my suggestions when the questions then pending between the Central and Provincial Governments as to the control of administration were settled. I have, however, as yet received no definite answer.
- 8. I reckon that coolie labour, allowing for everything (comparative physical weakness included) would not, at the utmost, exceed one-third of the cost of European labour. There is no difficulty in obtaining coolies from these provinces, whence they go in hundreds every year to Demerara and French Guiana and the Mauritius; and the climate of the North Island (which in the lower levels is never so cold as are the north-west plains of India in the winter months, when we often get severe frosts) would suit them admirably. There remains, however, the objection of colonists to their introduction.
- 9. I am not quite sure whether their objections have received any distinct expression in the absence of any definite proposal on the subject, but I believe that the New Zealand labouring classes have a general impression that they would be undersold by the Indian coolie. This might be the case if Indians went in crowds to settle in the Island, and performed work which was now done or could be done by Englishmen. But, in the first case, an Indian coolie never

^{*} The consent of a foreign Government to the terms of the Indian Emigration Act is necessary before emigration can be allowed from this country to any other.

H.—9.

emigrates as a permanent settler—he always returns to India; and, in the second place, he always comes to do work which the European is unable, or rather which it would not pay him, to do. The prejudices of the Queenslanders have given way before the profits of black labour, and such would probably be the case in New Zealand.

and such would probably be the case in New Zealand.

10. It seems to me, however—if I may be permitted to make the suggestion, of which to obtain your consideration is the object of addressing this letter to you—that both black labour and the production of tobacco and other valuable products, to which I will presently refer, may with advantage be made Government monopolies for the benefit of the whole white population, by raising a fund to meet expenditure now defrayed by taxation. A large revenue might be raised in the North Island from the cultivation of special crops by black labour, and if the introduction of Indian coolies were to take this form, and the white population made to understand that it was undertaken solely for their benefit, without any chance of foreign labour being brought into competition with home labour, popular feeling might be favourable enough to the measure.

11. I could name more than one Indian gentleman, whether of the military, civilian, or planter class, who would willingly undertake the management of estates worked by Indian coolies, on behalf of Government, for a very small remuneration, either in the form of land or money, for the sake of having something to do in a good climate. Indian officials like work and dread an idle life, and want occupation and a healthy atmosphere more than money. Indeed, as far as profit and personal advantages are concerned, they would rather be allowed to bring coolies and work them for their own benefit. I have, at any rate, met many who wish to go to New Zealand, who would willingly undertake, on their own behalf, this experiment. But I am not now writing for the benefit of intending colonists from India. My sole motive is to place before you a suggestion for the good and advantage of New Zealand, to which I have given much thought and consideration.

12. I myself have for some years decided to settle in New Zealand, if I live out my term of service, but for the next ten years I am tied to this country. I can, however, during that ten years, have three years' furlough, which I shall probably spend in New Zealand. The only personal ambition which I have is that of looking forward to congenial occupation in as good a climate as possible, and I require no further pecuniary interest (any one who knows Indian officials will understand the feeling); and if you are of opinion that the idea to which I have given expression is capable of development I shall have as much pleasure in devoting my energies to assist in carrying it out, as I have in promoting very similar objects in this country. My suggestion is to act just as the Indian Government acted in pioneering the cultivation of tea, opium, &c., and now tobacco—i.e., try experiments on a small scale, and, if they show that material profits can be made, extend them indefinitely as Government monopolies; only that the Indian Government, while extending cultivation, have reserved to themselves the monopoly of nothing but opium.

nothing but opium.

13. The "other products" to which I have referred, and which I am convinced cannot be profitably undertaken by white labour, are tea, sugar, opium, and coffee. Which of them would thrive in the New Zealand climate must be left to experiment, but, in my belief, opium and coffee certainly would. Tea does exceedingly well 3,000 feet above the level of the sea, north of the Punjaub, further from the equator than Auckland (in the Kangra Valley of Himalayas), and I am now staying at a large tea plantation in Kumaon, 6,000 feet above the sea level, where snow lies two or three months in the winter. It is true that the out-turn in a hotter region is larger, but the quality is better in the colder. New Zealand, however, in the North Island, has no such extreme cold, and would probably give both quality and out-turn. Showery weather is indispensable for tea, and New Zealand, therefore, would grow for the whole colonies, since Australia, where hot enough, is too dry.

14. I have lately read the number of the Statistical Society's Journal containing a discussion on New Zealand finance, which more than ever convinces me that the wealth of that country should be developed more quickly from its internal resources—a process which is retarded by the smallness of the population and by the very high price of labour. Is not the large proportion which wool-growing forms in New Zealand wealth owing to the fact that the labour of growing wool is performed by nature and sheep, and not by men? What objection is there to making coolie labour (procurable at once in large quantities) supplement the resources provided by New Zealand grass, and develop wealth in other directions, at any rate pending the growth of European population.

15. I have laid great stress upon tobacco cultivation, because I am convinced that the New Zealand climate is so eminently suited to its production that the leaf produced there would at once take a high position in competition with the produce of other parts of the world. The atmospheric conditions are precisely those under which it would acquire a perfect flavour, just as in the case of fruit. If I am right, a very large sale would be effected for other countries, and New Zealand would then challenge Virginia, where, since the emancipation of slaves, labourcost is increasing. India, of course, can grow tobacco more cheaply still, but the climate is not good enough to allow the acquisition of the finest flavour.

16. Java is a country in which tobacco cultivation has within the last few years made great progress, and where, to use the words of Mr. Cameron, of Sydney, "planters are making rapid fortunes." There the price paid to a cultivator for a tobacco plant is twice what it is in India,

and the cost of a curing-house, which lasts for three years, is £120. There is a curing-house to every fifteen or twenty acres, with a manager on about £150 a year (a Dutchman) at each. I doubt if the cost, with coolie labour, in New Zealand would exceed this. Jamaica is another country where, owing to the exertions of Sir J. P. Grant, tobacco has of late years greatly added to the resources of the island (see Dr. Hooker's last report on Kew).

It is hould (or I may say shall) be only too glad to be allowed to bring coolies to New Zealand, and enter into the speculation on my own account. It would, I believe, be a very profitable undertaking, and I should have no difficulty whatever in getting up a company in India and Virginia to establish the enterprise. But I have higher ambitions. I have all my life contended against the principle of allowing private individuals to make rapid "fortunes," when the fortunes might be made in behalf of the whole community. Sheep-farmers have gone to England with enormous wealth, produced from New Zealand grass, while the country—i.e., the taxed population of the country—has to borrow large sums to make roads and harbours. Cannot some of the agricultural wealth of the country be absorbed by Government for the benefit of the whole body of New Zealand residents, whose interest it represents? This is my object in pointing out a direction in which Government can extract an income from land without coming into competition with any of the present interests of the white population, and with the result of relieving the heavy burden of taxation which now lies upon them. At the same time I do not, as I have said above, advise any rash speculation on a large scale. A few acres of tobacco, cultivated and cured under American experts, a few bushes of tea and coffee, grown by experienced hands, would decide, as well as the cultivation of one thousand acres or a million bushes, whether large profits are possible or not. The first step would, in fact, be a large Government experimental farm worked by black labour.

I shall be glad to use my influence with the connections I have formed in Virginia, to supply the New Zealand Government with properly skilled experts, and shall be prepared, if the subject is taken up, to enter into personal communication with the New Zealand Government in 1879 or 1880.

I have, &c.

The Agent-General for New Zealand, London.

E. Buck.

Enclosure 3 in No. 1.

The Agent-General for New Zealand to Mr. E. Buck.

Sir.—
7, Westminster Chambers, London, S.W., 12th February, 1878.
I exceedingly regret that, through its being accidentally mislaid, I have so long suffered

your letter to remain unaswered.

There was to believe the delay has arisen through no want of appreciation of your communi-

I beg you to believe the delay has arisen through no want of appreciation of your communication. On the contrary, it has exceedingly interested me; and, as it is designed for the benefit of New Zealand, I heartily thank you for it on behalf of the colony.

Individually I largely share your opinions as to the larger duties of Governments. Monopoly is an ugly word, and naturally unpopular, nor am I in any way favourable to it in a sense that would give to some members of a community advantages over others; but I have long felt that there was a limit to be drawn to the sweeping and unlimited objection to Governments doing things which private enterprise might accomplish. It frequently, indeed, is the case that under the guise of this specious doctrine private individuals get monopolies for the benefit of themselves at the expense of the rest of the community.

I have gladly recognized the great change in public opinion which has made itself manifest during the last few years. For example, there is now a strong feeling in favour of Central Governments undertaking the charge of railways and telegraphs, and of Local Governments taking the charge of water and gas supply, and of tramways. In New Zealand, indeed, we have gone further, for we have successful Government systems for perfecting and guaranteeing land titles, for insuring life, and for taking charge of trusts.

Turning to the question of a Government undertaking the charge of introducing a great natural product, I should not individually approve any monopoly which arrested the unrestricted personal following of the occupation when it became profitable. At the same time I think, as an encouragement, the Government might at first try the experiment, upon such terms and conditions as might be found desirable.

As to the question of using coolie labour, I confess I have not fully made up my mind on the subject. I entertain a very strong opinion that the amelioration of the position of the natives of tropical climates can only be brought about by the recognition of a material increase in the value of their labour. Whilst slavery has been abolished, the inhabitant of temperate climates has not yet grown to recognize that, in still requiring tropical productions at rates which necessitate the employment of labour at almost nominal wages, he still virtually requires of the dark man to give his labour to the white under a system very little different from slavery. If it were possible for the Governments of tropical countries to fix a high exchangeable value as the condition of exporting tropical productions, the tropical races would rapidly improve their condition, and the white man would merely have to recognize that the labourer who produced sugar is as much entitled to consideration as the one who produces bread. The labourers of temperate climates would equally benefit, because they would be freed from the disposition rapidly

developing itself to pit dark labour against white labour—not to raise the one, but to lower the other. But Governments cannot do what I have suggested, and time will be required before there will be full recognition of the dignity and value of labour, whether performed by the black or white man.

You will see, from what I have said, that theoretically I do not approve of the introduction of coolie labour for the purpose of reducing the value of white labour in the colony. Indeed, in my opinion, the great success of New Zealand materially depends on the high value which is set on labour, and I have always considered that when labour commands high wages prosperity is

most certain to reign.

Believing, however, as I do, that high-priced labour and its necessary concomitant—ingenious labour-saving machinery would not be inconsistent with the success of a sub-tropical production, which peculiarly suited the colony, I would gladly see a trial made on the most economical terms. For example, I believe, if it can be shown that tobacco-growing will suit the climate, and be profitable with coolie labour, that the productiveness of the soil (in parts of the country practically almost inexhaustible) and other favourable circumstances will enable the industry to be continued with white labour, mainly, if not exclusively. Nor would I object to the coolie if he became more than a labouring machine. I have no objection to the denizen of any country if he can be civilized, and if he will harmonize himself with the institutions of the country in which he lives.

I have thought it only a fair return to your letter to give you my individual opinions on the

subject, as you do me the honor to say you set some store by them.

I am unable, however, to say what will be the view of my Government on the subject. I feel that your letter is altogether too important to be withheld from them, and I have ventured to think I shall be consulting your views in laying before the Government a copy of your letter, and asking them if they wish to take any action on it.

E. Buck, Esq., India.

I have, &c.
Julius Vogel.

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1878.

Price 6d.]