

draw from the triple control of Samoa. The Hawaiian Islands now form part of America; Samoa belongs to the United States and to Germany. The coastwise laws of America prevent this colony doing any trade whatever. America is further encroaching upon our trade owing to an arrangement being made between the French Government and the Oceanic Steamship Company for a steamship service from San Francisco to Tahiti, and from this centre goods are distributed to the various islands.

The coastwise laws will soon apply to the Philippines; and there can be little doubt, as things are going, but that President Roosevelt's statement, that America would dominate the trade of the Pacific, may, unless some change takes place, be much nearer than is anticipated.

Honourable members are aware that we have subsidised steamer service to the Cook Islands and to Fiji. Further extension has been deemed advisable; and, after conferring with the manager of the Union Steamship Company, he has intimated that his company is prepared to give a steam service between the colony and Noumea for £2,400 a year. As this service would be of mutual advantage to the French Government and the colony, correspondence has taken place, and the Government of France has been asked to contribute; if not prepared to contribute, then to grant concessions in the way of admitting the products of New Zealand on as favourable terms as those conceded to other countries.

SUGGESTED EASTERN SERVICE.

I also, in my Budget in 1897, made the following statement:—

“In order to encourage and open up direct trade and passenger traffic with Queensland, the Netherland Indies, Straits Settlements, Burmah, and India, it would be worth while entering into negotiations with the New South Wales, Queensland, and Indian Governments, to see whether they would be prepared to join this colony in subsidising a good and fast monthly service, with Wellington and Calcutta as terminal ports.

“A through service between New Zealand and Queensland would be a matter of great importance, there being many interchangeable products between this colony and the tropical portion of Queensland; but, owing to the combinations between the shipping companies, all Queensland cargo for New Zealand has to be transhipped at Sydney, and necessarily the through rates for passage and freight are high, and obstruct trade. The route I would propose from Brisbane to India would be, in the first instance, up the Queensland coast, calling at intermediate ports as far as Thursday Island; thence to Batavia (Java), Singapore, Penang, Rangoon, and Calcutta.

“In order to profitably carry out this service it would be necessary to negotiate with the Dutch authorities at Batavia to allow the steamers to call and permit trade; and from what I can learn I think this concession would be granted, as it is already in the case of the Queensland Royal Mail service. A monthly line of large up-to-date steamers, with a speed of not less than fourteen knots, fair passenger accommodation, refrigerating machinery, and good cargo-carrying capacity, would be required.

“A brief glance at the population along the proposed route may be of interest. The population of the Islands of Java and Mildura (50,554 square miles) was estimated in 1894 at 25,067,471, or, adding that of adjacent islands, 32,800,000, of which about 60,260 were Europeans; the great commercial centre of Singapore has a population of about 184,554; Penang has a considerable trade, with a population of about 235,618; Rangoon (population 180,324), the capital of Burmah (population 7,605,560), and centre of a large trading country, has an immense trade; while the final port, Calcutta (population 861,764), forms a good base to tap a small portion of the trade of British India, with its population of upwards of 220,000,000.

“There is a large intermediate trade all along the proposed route. Our fresh and tinned meats, dairy-produce, horses, temperate fruits, grain, &c., would soon be appreciated in the tropics, and in return wool-packs, corn-sacks, tea, coffee, rice, rubber, tobacco, indigo, spices, and other tropical products would be brought here at low freights and direct trade be induced.