

respecting the establishment of an export trade in tobacco and cigars from that colony.

2. I am addressing a similar despatch to the Governor-General of Australia.

I have, &c.,

ALFRED LYTTTELTON.

Governor the Right Hon. the Earl of Ranfurly, G.C.M.G., &c.

### Enclosure.

SIR,—

Government House, Suva, Fiji, 23rd September, 1903.

In paragraph 3 of my despatch (No. 97) of the 14th ultimo, forwarding the report on the blue-book for 1902, I had the honour of drawing attention to the possibility of establishing in Fiji a valuable export trade in tobacco and cigars; and, again, in paragraph 3 of my despatch (No. 105) of the 15th instant, submitting for consideration Ordinance No. VII. of 1903, I referred to the concessions granted under that Ordinance with a view of encouraging that new industry.

2. In this connection the accompanying extract from the published report of the directors of Messrs Austin Walsh and Co., the important firm referred to in my despatch (No. 105) above quoted, may be of interest as showing the extent to which that firm has already taken up the local trade since opening negotiations with me in April last.

It will be observed that they now control and finance the tobacco plantations at Nadroga, covering 218 acres, and that their newly established factory in Suva can turn out from thirty to forty thousand cigars a month. I have tried samples of these cigars made entirely from Fiji-grown tobacco, and they are well made and of good quality and flavour.

3. I regret that I am informed by Messrs Austin Walsh and Co. that after consideration of the proposals referred to in the latter part of my despatch (No. 105) of the 5th instant, the New Zealand Government have notified them that they are not prepared at present to admit Fiji tobacco on special terms; but the firm state that they have no intention of accepting this decision as final.

I have, &c.,

The Right Hon. J. Chamberlain, M.P.

H. M. JACKSON.

EXTRACT from Directors of Messrs Austin Walsh's Report to the Press of Meeting held 8th September, 1903.

THE latest productions in the cigar department—namely, the “Atlas Rothschild” and “Atlas Bouquet”—are worthy of particular attention. They have been but recently placed before smokers, and are already meeting with a large demand. Made only by expert hand makers, of Fiji leaf throughout, and packed in neat and attractive boxes, the quality and appearance of these cigars prove conclusively that our local factory can manufacture an article able to compete successfully with any imported cigar.

The leaf is specially selected and grown on the company's own plantations in Fiji, and most smokers appreciate the unique and delicate aroma which specially characterizes the Fijian tobacco, as manufactured under the special treatment adopted by the company in its Auckland and Suva factories.

The plantations of the company were specially selected by Mr. G. F. Sutherland, a planter of long experience in India and elsewhere, and who was for some years Tobacco Expert to the New South Wales Government. Mr. Sutherland has devoted several years to the culture of tobacco in Fiji, and has undoubtedly demonstrated that excellent leaf can be successfully cultivated in that colony, the quality of the tobacco being in many respects even superior to the product of older tobacco-producing countries.

Owing to the extensive experience gained by Mr. Sutherland he was in a position to select the special variety of tobacco most suitable for the climate and soil of Fiji, his experience having resulted in producing a new type of aromatic leaf essentially valuable to cigar-manufacturers, from which can be selected wrappers, binders, and fillers of high quality as required, and for which a large export trade is confidently looked for when the planting operations are extended.

From opinions expressed by experts in the leaf trade, it is anticipated that the production of tobacco in Fiji will ere long assume similar large proportions to that at present obtaining in the Philippine Islands, and East and West Indies, Fiji being one of the few British colonies that has so far successfully produced a tobacco able to compete successfully with the leaf grown in these countries.

The business of this plantation, with the trade in Fiji of manufactured cigars, was taken over by a company formed entirely of Auckland and Fijian residents, and registered as the “Fiji Tobacco Company.” This company afterwards amalgamated with the business of Messrs Austin Walsh and Co., of this city, and the combined business is now carried on under the title of “Austin Walsh and Co. (Limited),” the directors being Messrs Austin Walsh (managing director), A. H. Nathan, J. Schischka, J. J. Oldum, E. B. Dufaur, and S. Lazaras.

Incorporated with the company are,—

The Improved Tobacco Plantation at Nadroga, Fiji, consisting of about 218 acres, leased on very favourable terms from the Government, with furnished residential quarters, offices, labour-barracks, and curing-houses. This plantation is one of the most fertile spots in Fiji, is situated on a navigable river, is easily worked, and admirably adapted by Nature for the cultivation of tobacco.