

The three products—sugar, copra, and green fruit—represent 95·60 per cent. of the total export trade in 1918.

The exports to New Zealand in 1919 amounted to £882,574, compared with £785,829 in 1918, composed principally of sugar and bananas, the values for 1918 being—Sugar, £732,417; and bananas, £47,497.

The total exports for 1919 amounted to £1,173,545, of which New Zealand purchases amounted to £882,574.

Besides taking three-quarters of Fiji's total export of sugar, New Zealand also takes one-third of the green bananas exported.

Fiji's total export of sugar since 1910 has been—1910, 61,760 tons; 1911, 73,833 tons; 1912, 61,728 tons; 1913, 94,709 tons; 1914, 92,112 tons; 1915, 85,563 tons; 1916, 120,528 tons; 1917, 97,335 tons; 1918, 63,009 tons; 1919, 64,347 tons; 1920 (estimated), 60,000 tons.

New Zealand is vitally interested in the question of sugar and sugar-growing; all her requirements come from Fiji, and anything which affects this Fijian industry must be felt in New Zealand.

London quotations for sugar on which duty had been paid were in September, 1914, £29 10s. per ton; for January, 1920, £57 10s. per ton; for March, 1920, £57 15s. per ton. The price in Australia in January, 1920, was £29 5s. per ton; the price in New Zealand in January, 1920, was £23 17s. 6d. per ton.

The following are the latest retail prices at which sugar is sold in various parts of the world: France, 7½d. per pound, including duty of 1¼d. per pound; Belgium, 7¼d. per pound, including duty of ¾d. per pound; United Kingdom, 7d. (cubes 7¾d.) per pound, including duty of 2¾d. per pound; Canada, 6¼d. per pound, including duty of 1d. per pound; United States of America, 5d. per pound, including duty of ½d. per pound; Australia, 3½d. per pound, including duty of 1d. per pound; New Zealand, 3d. per pound (no duty).

It will be seen that New-Zealanders are therefore purchasing sugar cheaper than any other people in the world. Undoubtedly the reason for this is that the Colonial Sugar Company is able to buy its raw material cheap in Fiji, and no duty is charged on refined sugar in New Zealand.

It was suggested in Fiji that the New Zealand Government was crushing the price down to such an extent that planters were being ruined. This, of course, is not the case. New Zealand could know nothing of the conditions existing in Fiji, and naturally made the best terms possible with the Colonial Sugar Company.

From the evidence we were able to obtain on this question it appears that the position at present in connection with sugar-cane growing is unsatisfactory; much land, owned by the Sugar Company but leased by white planters, has been given up, while other land, especially on the Rewa River, has been withdrawn from sugar-cane cultivation. The reasons given are—(1) Shortage of labour; (2) smallness of prices obtainable for cane; (3) unsatisfactory working-conditions.

1. *Shortage of Labour.*—For the most part Indians are employed to work the sugar-plantations. In 1916 the Indian contract labour system was abolished, and arrangements are now being made to induce free Indian labour to come to the colony. There are 60,000 Indians at present in Fiji, many of them owning land and in a prosperous financial position. Fiji could, however, gradually give lucrative employment to many times this number.

2. *Smallness of Prices obtainable for Cane.*—It is claimed that the price paid is not sufficiently attractive to induce growers to plant sugar-cane, and that thousands of acres have consequently been diverted to other purposes. It takes, according to the evidence, about 8 tons of cane to make 1 ton of sugar, and the price of cane of 11 per cent. pure obtainable cane-sugar is at present 15s. per ton, with a rise of 1s. 3d. per 1 per cent. above 11 per cent. pure obtainable cane-sugar, and a deduction of 1s. 8d. per ton for each 1 per cent. below 11 per cent. pure obtainable cane-sugar. It was freely stated that if the price was fixed at 20s. per ton of cane of 11 per cent. pure obtainable cane-sugar, with a rise and fall of 1s. 3d. per 1 per cent., many planters would again grow sugar-cane, and the output of raw sugar would increase considerably. At 11 per cent. pure obtainable cane-sugar it would take 9 tons of cane to make 1 ton of sugar. The cost of the raw material would therefore be about £9 per ton of sugar. We think, however, if the price were advanced even to 17s. 6d. per ton of 11 per cent. pure obtainable cane-sugar, with