А.—3в.

that is long past; and the Tongese at the present time have a just claim to be regarded as the most energetic, enlightened, and systematically desirous to avail themselves of the benefits of European civilization of any of the semi-barbarous peoples of the South Sea: if, perhaps, we except the Rarotongans, who, their numbers being comparatively small and their land of limited area, can never be expected to exercise so great an influence over the commercial progress of the Pacific as the Tongese, from whom they take a pride in declaring that their ancient progenitors were a wandering colony.

The archipelago of *Tonga* consists of about 100 islands, large and small, and includes, properly speaking, three groups—Tonga, Hapai, and Vavao. The total population has been variously estimated, but is probably not less than 25,000.

Tongatabu, upon which is the seat of the General Government, is in the form of an irregular crescent, enclosing a lagoon five miles by three in extent. The highest point is less than 100 feet above high water. The formation of the islands is volcanic, intermixed with coral atolls and reefs of considerable extent. The land generally consists of volcanic ashes, densely overgrown with palms and

The true wealth of the Tonga group consists in the luxuriance of these cocoa-nut groves, of which the The true wealth of the Tonga group consists in the luxuriance of these cocoa-nut groves, of which the annual yield is enormous. In former years, very great quantities of oil were manufactured by the Tongese, but they now chiefly turn their attention to the making of kobra, of which the Hamburg firm of Messrs. Johann Cæsar Godeffroy and Son have in a great measure monopolized the trade in these latitudes. They have established warehouses and maintain a staff of trading agents upon each of the principal islands of the Friendly Group, i.e. Tongatabu, Lefonga, and Vavao. Round all the intermediate isles they keep several small vessels cruising at all seasons of the year. These carry their cargoes to the depôts, from whence they are transhipped into large vessels, whose commanders receive their instructions from the agent of Messrs. Godeffroy, whose headquarters are at the settlement of Anja in Samos. Although there are Sydney traders (and occasionally some small vessels from Apia, in Samoa. Although there are Sydney traders (and occasionally some small vessels from Auckland) who visit the Friendly Isles, the amount of business which they are enabled to do there is very limited. The most successful of them have been Captain Robinson of the barque "Rotumah," and Captain Lyons of the brig "Ocean" (both of which vessels have been lately lost). They were accustomed to trade among the Friendly Isles before the advent of the Germans, and secured a continuance of trade in consequence of having given a considerable amount of credit both to native chiefs and to Europeans who had established themselves upon the islands. These liabilities they permitted, to a certain extent, to run on from year to year, and thereby they secured to themselves a permitted, to a certain extent, to run on from year to year, and thereby they secured to themselves a continuance of custom, although necessarily on a very small scale in comparison with the gigantic operations of the Godeffroys. These last, in the year 1870, secured to themselves what almost amounted to a monopoly of the kobra trade of the Friendly Isles, by advancing to the King a large sum of money, of which he was greatly in need. At the same time, they succeeded in introducing into his dominions what is known in the Pacific as "iron money," i.e. Bolivian silver coin, which is regarded as base metal, and passes current nowhere in the South Sea with the exception of Samoa, where the Messrs Godeffroy imported it in great quantities and in spite of the determined exposition of the the Messrs. Godeffroy imported it in great quantities, and, in spite of the determined opposition of the English Consul and traders, established it as the regular currency of the place. They had a double object in so doing: in the first place, they obtain this coin (chiefly in half-dollar pieces) at a reduced value, and circulate them at 50 cents, or what else they are supposed to represent; furthermore, seeing that no other merchants will receive this money, or have anything to do with it, they secure to themselves the custom of whatsoever persons will take it from them, which all the inhabitants of the Samoan group, with the exception of some English traders of small business, for several years past have done without objection. After repeated failures (induced by the determined opposition of the Wesleyan missionaries), they succeeded in thrusting this depreciated currency upon the Tongese, at least to a great extent, the King having stipulated in the Commercial Treaty concluded by Herr Kegel, the representative of the Hamburg firm, that not more than one-half of the coin circulated by them in his dominions should be Bolivian—a proviso obviously void of all practical effect, insomuch as the Government of Tonga have no means of estimating what amount of specie is in circulation among its subjects during a year.

The annual poll-tax per adult is \$6, generally paid in kind; a license is also levied upon all persons engaged in business; foreigners, likewise, must pay for permission to reside upon the Friendly

Îslands.

I have said that the missionaries objected to the introduction of the Bolivian money. This was not the case in Tonga only; they set their faces against it in Samoa and elsewhere. The reason of their opposition was a very natural one. They were in former years, before war weakened their influence, accustomed to derive a considerable revenue from the islands, which was paid in coin. It did not, of course, fall in with their views to accept for a dollar, a coin which they were unable elsewhere to

negotiate at more than 75 cents.

When Mr. B. B. Nicholson, of Melbourne, owned the guano diggings at Maldon Island (now Grice and Sumner), he obtained his labour among the Christian natives of the Hervey group, and paid them in Bolivian coin for a time; but the Superintendent of the Mission in those seas sent a circular to all the chiefs under their influence, advising them not to permit any of their people to be hired as guano diggers unless their employers would bind themselves to pay wages in English or United States coin: for the reason that very much of the money, directly or indirectly, finding its way in the end into the coffers of the mission, the directors naturally enough resisted the idea of their disciples bringing to them contributions of this objectionable "iron money."

As an instance of the great quantity of specie with which the Friendly Islands have been inundated, as also as an evidence of the resources of the islands themselves, I may cite the fact that in the year 1870, the employés of Messrs Godeffroy obtained among them over 700 tons of kobra, and in the following year more than double that quantity; the greater part of which they paid for in the first place in silver coin, of which, however, a large percentage immediately returned to their hands in the shape of payment for European goods, upon which their profits are very great; insomuch as a strict regulation exists among them that to no person whatsoever (including the servants of the firm) are they permitted to sell any article of trade at less than 100 per cent. advance on the cost price, exclusive

of freight or commission.