

PAPUAN SUGAR AND WILD CATS.

p. 25

THE following appeared in "The Sydney Morning Herald," of May 21, 1932:—

Tropicane, Ltd., has been registered in Sydney with a capital of £20,000 in £1 shares, to cultivate sugar, tea, coffee, etc., in New Guinea and Papua. First directors: G. Macdonald, B. Davies, E. C. Ritchie, W. T. Hill, M. D.

Something seemed to strike a chord in the memory, so we looked through our records, and we found this cutting from "Companies registered" in the Sydney "Sun," early in 1931:

The New Guinea and Papuan Undertakings, Ltd.—Nominal capital, £20,000 in 20,000 shares. Mines, mining rights and metalliferous lands in New Guinea. The company intends to acquire £1 each. Directors: G. Macdonald, E. C. Ritchie, B. N. Missen, W. T. Hill, M. D. Davies, Head Office, Sydney.

Thus encouraged, we sought information at the office of Tropicane, Ltd., which was also the original office of N.G. and P. Undertakings, Ltd.—namely, 17 Martin Place, Sydney. We were frostily received—they seemed to think we were in league with "Smith's Weekly," or the devil, or something. However, we did ascertain that the general idea is the sale of bonds in a Papuan sugarcultivating enterprise, and we obtained a copy of a sort of prospectus. This optimistic, cheery document bore a strong resemblance to a copy of the prospectus of N.G. and P. Undertakings, Ltd., which was sent to us last year by a Papuan resident, with a covering letter couched in really shocking language.

Both prospectuses, compiled with a view to inducing people to invest in sugarcultivation, have been written by a dreamer. Undertakings, Ltd., although described in the newspapers as primarily a mining enterprise, is really a bond-selling company, based on sugarcultivation. Tropicane, Ltd., is exactly the same sort of thing—in fact, it is the same concern under a different name.

These prospectuses contain much matter about the possibility of growing sugar in Papua—which no one has ever disputed—but nothing at all to show that practical men are behind it. The directors are comparatively unknown; Macdonald is a "company manager"; Ritchie is a "master baker, of Lismore"; which may be so, although a recent caller who said he knew Lismore well, had not heard of him; Missen is an "advertising contractor"—but not known to this writer, who has acquaintance with the majority of advertising men; Hill is a "company manager, of Brisbane"; Davies is a "company director, of Brisbane."

These may be very worthy gentlemen; but it is not a directorate which includes any vast practical knowledge of the ticklish business of sugarcultivation and marketing. Their prospectus is inequacious on the matter of profits to be made by the purchasers of bonds, but disappointingly vague in regard to port and marketing.

Papua is marvellously rich in undeveloped resources; with the result that a whole herd of "wild cat" companies have been prowling about the Territory, promising to produce sugar rubber,

ARE THEY AFTER SUGAR OR "SUGAR"?

Operations of Companies in Papua.

IT is time that something is done, by either the Australian Commonwealth or Papuan Government, to supervise the sales of shares and bonds to the public by companies allegedly interested in the industry of growing sugar in Papua.

THERE is nothing wrong or fantastic about Papuan sugar-growing. Probably, there is no country where better sugar can be grown, or where it can be produced so cheaply. It is this fact that has stirred a certain class of company promoter to activity; but so far as some of them are concerned, the only kind of sugar they will ever produce is that which they will take out of the pockets of their deluded share- and bond-holders.

At the present time, there appear to be four different groups interesting themselves in Papuan sugar.

SANGARA.

The only group worth serious consideration by Australian investors is the Sangara Company, at the head of which are two practical men, Mr. Tom Nevitt, plantation inspector in Papua for the B. and N.G. Company, and his brother, Mr. A. L. Nevitt, of Cairns. Both have a thorough knowledge of sugar production. The Sangara Co. has obtained the only freehold land suitable for sugar-production in the region of Collingwood Bay, in the North-East of Papua, and it now has a large and flourishing experimental plantation there from which it can plant out thousands of acres in sugarcane, when it is ready. The Nevitt Brothers are now on their way to London, and while there it is probable they

will secure British capital. They want at least £300,000. They are not proposing to offer bonds to the public.

SUGARLANDS LTD.

This is what is called "the New Zealand concern." There was originally formed in New Zealand a concern called Papuan Rural Products Ltd., and it applied for 20,000 acres in the Collingwood Bay region. Later, it became involved with Mr. Mond, the picturesque swindler who came into Sydney and talked in millions, and came in conflict with the law. Then Messrs. Donaldson and Spencer came to Papua, apparently searching for land, and they apparently selected the 20,000 acres already referred to, and acquired from the wreck of Papuan Rural Products, Ltd. whatever rights it had to the land. The latter were disposed of to Sugarlands Ltd., but Sugarlands Ltd., if it is a genuine seeker after sugar production, is not a quick mover. Little has been done with the proposition up to date, and the Company's title to the land should be carefully investigated by any likely investor. All holders of leasehold land are under an obligation to carry out certain developmental work within a certain time, on pain of forfeiture.

TROPICANE LTD.

It is the activities of the concern known as Tropicane Ltd. which par-

ticularly should have early and careful investigation. It is a year since we first drew attention to Tropicane Ltd. and to an allied concern, New Guinea and Papuan Undertakings Ltd., of 17 Martin Place, Sydney. We said then that we could not ascertain that Tropicane Ltd. had any practical knowledge of sugar-growing, or that either company had any practical connection with sugar-growing in Papua, or that either of them even owned land in the Territory. We said that persons asked to purchase shares or bonds should inquire very carefully into the proposition. We have since learned that Tropicane Ltd. has been offering for sale, in various parts of Australia, bonds in a so-called sugar-growing enterprise in Papua. We do not know what representation has been made by these bond-sellers, so we cannot say there has been misrepresentation; but we do say that persons who invest in bonds under the following conditions are super-optimists:—

(a) Up to the end of February last, this Company did not hold any land in Papua. It had merely lodged an application for a certain area of about 20,000 acres in the Collingwood Bay district. If the application is approved many formalities have to be observed before the native rights can be investigated, a survey made, and possession given.

(b) Tropicane Ltd., or its allied concern, has not done any experimental or preparatory planting whatever.

(c) It is not shown that any of the directors or chief executives of this Company has any practical experience of sugar-production.

We have received letters from Queensland, dealing with the methods employed by both companies in selling bonds, and scrip, and referring to the issue of some Supreme Court writ; but we are not detectives, and do not propose to canvass the standard of commercial ethics adhered to by Tropicane Ltd., or anyone else. All that we are concerned about is that Papuan sugar-growing, which has marvellous possibilities, shall not be injured by misrepresentation or by the operations of "go-getters". We say emphatically that a company like Tropicane Limited, in selling bonds in something that is merely an idea elaborated on paper, and which had not, up to the end of February, spent £50 in Papua itself in experimental or preparatory work, must expect to find itself suspect.

THE KINGSMILL GROUP.

There were frequent reports, last year, about a sugar-growing enterprise fathered by Senator Kingsmill and Mr. Gus Nelson, of Papua. It was active for a time, and it inquired concerning land in the North-East district; but nothing has been heard about it for several months, and it is thought to be moribund, if not dead.

Surprising Claims of Tropicane Ltd.

I have not ascertained the Company known as Tropicane Ltd. to which reference was made in your issue of June 1933. I have been informed that the Company has salesmen out attempting to sell bonds in connection with the Company's enterprise. The Company is known as "The Sun" on a first-class bond salesmen wish to discourage any further issue of bonds in Papua; but we would urge those who are asked to purchase bonds in Tropicane, Ltd. to do so carefully. They should be sure to investigate the Company really knows about the business of growing sugar.

I received a copy of a prospectus issued by this Company, dated June 18, 1933, and on page 18 thereof, under the heading of "Estimated Returns," it is stated that the Company, apparently, can obtain 10,000 acres in the purpose of sugar growing. It is the extraordinary assertion that it will cultivate these 10,000 acres and will produce 10,000 tons of sugar from each acre. It is stated that it will get £8 per acre, and it adds to this that the preference of 14 per cent will be paid. It is stated that the total income of £480,000 per acre will be paid. It is stated that the cost of these 40,000 tons will be £25,000, or a total cost of £25,000 for a net profit of £255,000. It is stated that the cost of practical sugar men are ridiculous.

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Just 26 1932

NO PAPUAN SUGAR And the Reason Why

From Our Own Correspondent

P.T. MORESBY, December 10.
It is recognised now that there is no hope for sugar growing in Papua. Australia against the plan. It seems that if Papua grows sugar, the Australian quota of sugar applied under the Imperial Preference scheme will be disturbed.

It has been apparent for a long time that there was some obstacle in the way of growing sugar in Papua, where conditions are ideal for this industry. The real explanation is now known. Papua should concentrate on rubber growing, and if Australia does her duty in the Territory, Papuan rubber growers will flourish. That may be some compensation for the sugar position.

acific Islands Monthly
7, December 20 1935

Pacific Islands Monthly
p. 28 December 20, 1935

PAPUAN SUGAR British Expert's Opinion

From Our Own Correspondent

P.T. MORESBY, Nov. 12.
HAVING recently visited Papua to inspect Sangara Sugar Co.'s property outside Buna, in the Northern Division, Mr. Moody Stewart, a British sugar expert, spoke in glowing terms of the Territory's sugar prospects, on his return to Queensland. "Papua is a wonderful country," he averred, "and is especially suitable for the growing of sugar cane."

It is known that the Territory possesses lands ideal for sugar growing, as it is the home of the "Badilla" variety, the richest cane known in the world. It is still confidently hoped that with the ideal conditions of soil, labour and climate, Papuan sugar planters may yet successfully compete with world growers.

Sangara Sugar Estates Limited was formed in July, 1931, with a nominal capital of £1,000,000 in 1,000,000 shares of £1 each. Of this 450,000 shares were offered for subscription, 50,000 fully paid were issued to vendors, and 500,000 were held in reserve. The object of the company was to acquire 20,000 acres of approved sugar lands near Buna and to plant sugar on an extensive scale for export to England and Canada.

Unfortunately, sufficient capital was not forthcoming at the time, owing to the general economic depression and the company's enterprise was shelved until better conditions prevailed.

It was a disappointment, for in 1931-32, as at the present time, Great Britain and Canada offered markets for sugar. Papua as a British dominion enjoys the advantage of a British Empire preference.

Pacific Islands Monthly
June 24, 1933. p. 33

RIVAL SUGAR PLANS IN PAPUA.

[To the Editor]

In your issue of April, you publish data about the location of Sangara that you evidently believe to be correct.

Sangara is not in Collingwood Bay; it is situated a good many miles inland, in the Northern, not the North-eastern Division of Papua, at Buna, Buna Bay.

While I agree that the land is most suitable for the cultivation of sugar cane, and is in the middle of a well-populated area, the transport is against its development, as the initial cost would run into thousands of pounds, as would also the annual upkeep.

Regarding the prospects at Wanigela, and Sinapa, both in Collingwood Bay, of the two companies styling themselves "Sugarlands, Ltd.," and "Tropicane, Ltd.," respectively—these two companies have by far an easier proposition to handle; the land is equally suitable with Sangara for sugar cultivation, and there is no transport to speak of in either locality.

From over fifteen years' experience of the cultivation and manufacture of sugar in Demerara (British Guiana), Nickeri (Dutch Guiana and Trinidad (B.W.I.), I consider the prospects of the two companies in Collingwood Bay are better, provided they are properly managed south and in Papua. Labour in the vicinity is also plentiful.

Thanking you in anticipation of a space in your most interesting paper.

I am, etc.,

W. SYDNEY WELLS.

"Kofili Tufi," N.E.D., Papua.
17/5/1933.

FAPUAN SUGAR. Various "Inspections."

From Our Own Correspondent.

P.T. MORESBY, Sept. 26.
DEVELOPMENTS in the sugar industry of Papua appears to be making some progress.

Senator Sir Walter Kingsmill has been in Papua since September 5, visiting Wanigela in Collingwood Bay in the North Eastern Division for the Papuan Sugar Corporation Ltd., in which he is interested.

The Corporation bought up Wanigela this year from Sugar Lands Ltd., previously acquired from Papuan Rural Products Ltd.—a concern which died some time ago, before starting development.

Mr. G. MacDonald, of Tropicane Ltd., is also visiting the territory and is at present inspecting Sinapi, in the East, an area of 15,000 acres, which has been granted to his company by the Government.

The Nevitt Brothers, who went to London some time ago in the interests of the Sangara sugar plan, also of Papua, are still abroad. It is believed that the steady improvement in economic conditions throughout the Empire will assist them materially in obtaining British capital for Sangara.

Pacific Islands Monthly
p. 5, October 24, 1933

**The Surprising Clair
Tropicane Ltd.**

ALTHOUGH we have not a that the Company known cane, Ltd.—to which refe made in our June issue— granted any sugar-growing Papua yet, we have been info this Company already has sal on the job, attempting to sell a sugar growing enterprise, pany advertised in "The August 17 for "a first-class b man."

We have no wish to disco genuine enterprise based on resources of Papua; but we v all persons who are asked to shares or bonds in Tropicane examine the position and clai Company very carefully. Th satisfy themselves before inv money that the Company rea something about the business ing and marketing sugar.

We have procured a copy t pectus issued by this Compe April 4, 1932, and on page 1 under the heading of "Estim turns," we find some remark culations. The Company, a proposes to obtain 10,000 Papua for the purpose of su ing. It makes the extraord sumption that it will cult whole of these 10,000 acres secure four tons of sugar f acre. It assumes that it will ton for its sugar, and it ad figure a British preference ton. It therefore reckons th have an annual income of £4 annum. It estimates that tl producing those 40,000 tons: £6/7/6 per ton, or a total cost —thus obtaining a net profit c In the view of practical c these figures are ridiculous.

Pacific Islands Monthly
p.5, August 26 1

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Pacific Islands Monthly

April 24, 1933.

p.7

PAPUAN SUGAR.

Big Area Taken Up.

On page 28 of this issue there is an article about sugar-growing in Papua. Certain references are made therein to Sugarlands, Ltd., and the "Kingsmill Group."

After that article was put into type per error supplied with the following paragraph:—

The area at Wanigela, Collingwood Bay, Papua, which was selected for the purpose of sugar-growing, has been surveyed and found to contain 15,553 acres. The necessary leases have been issued to Sugarlands, Limited, a company registered in Papua, but controlled in New Zealand. This company has now entered into an arrangement for the sale of the leases to interests associated with Senator Sir Walter Kingsmill, and it is anticipated that the initial work will commence at an early date. Sir John Bates, Brig-General H. W. Lloyd (Managing Director of Australian Soap, Limited), Hon. J. G. Neilsen (Papua), Mr. Thomas Boylan (a director of the Bahinda Sugar Mill), and Mr. P. R. Higgins (a Sydney barrister and chairman of directors of Standard Portland Cement Company, Limited), together with Sir Walter Kingsmill, will form the directorate of the proposed company. The Papuan Sugar Corporation, Limited.

Pacific Islands Monthly, Feb. 21, 1936

PAPUAN SUGAR

Why is New Industry Being Retarded?

ABOUT five years ago, a small group of Papuan residents and Queensland sugar-cane-growers formed a company known as Sangara Sugar Estates, Ltd., and secured from the Government of Papua a lease of 20,000 acres of land situated 15 miles inland from Buna Bay, on the north-eastern coast of Papua, for the purpose of growing sugarcane, and, if it proved satisfactory for this purpose, to erect a factory for the production of raw sugar (says *Sydney Morning Herald*).

The company felled and cleared 50 acres of dense scrub land, planting out both indigenous and Bahilla canes—the latter being imported from Queensland. Records of the plant and ratoon crops of each variety of cane have been carefully kept, and the results fully justified the confidence of the members of the company that raw sugar can be produced in Papua in competition with any sugar-producing country in the world.

To date £12,000 has been expended by the company in experimental work, and the stage has now been reached where the erection of a modern factory is justified. Negotiations have been entered into with overseas capital which is interested in the manufacture of sugar in other dominions; who lately sent out an expert to inspect the property, and his report is most favourable. There seems little doubt that with the assistance of the Federal Government at the forthcoming conference of representatives of sugar-

p.47

producing countries, to be held in London, in obtaining a quota for Empire sugar for Papua, a sugar factory would be erected. The capital required for this undertaking, which would include, in addition to a modern factory, a wharf at Buna Bay, railway, etc., would amount to approximately £400,000. Visualising what the establishment of the sugar industry would mean in employment of natives, increased revenue, etc., those in control of Papua have given the members of Sangara Sugar Estates all the help possible during the period the experiments have been carried out.

The above statement was obtained in an interview with Mr. C. G. Rutledge, who is an original shareholder in Sangara Sugar Estates. Mr. Rutledge stated that the members of the company are very disappointed with the lack of interest so far displayed by the Commonwealth Government in the work done by the company. In spite of the fact that the Papuan Government was kept fully advised of all that has been done, and the overseas expert referred to has confirmed the company's statement of production costs, which compare more than favourably with any other sugar-producing country, the present Minister for External Affairs (Sir George Pearce) states that sugar cannot be grown commercially in Papua, and therefore should be discouraged. It would be interesting to know on whose authority Sir George based his opinion. Mr. Rutledge stated that it appeared difficult to reconcile the attitude on the part of the Minister for External Affairs with the expressions of other members of the Federal Cabinet, who have more than once stated publicly that if Australia and its dependencies are not soon utilised to their best advantage, then our fight to them will end.

PAPUAN SUGAR.

Progress of Sangara Scheme.

OWING to the depression and continued uncertainty about Australian financial conditions, the promoters of the Sangara sugar scheme—the production of sugar on a large scale in north-east Papua—have further postponed their flotation.

Probably the postponement will not be lengthy. There is a powerful London group interested in the scheme, and British financial conditions are improving rapidly. Recent news from London indicate that British money is again becoming available in substantial amounts for sound investments.

The Islands seems to have a peculiar attraction for "wild cats," and wise investors will carefully scrutinise every flotation with an Islands basis. But, so far as our information goes, the Sangara project is in a different category. Reputable people, with immense practical experience of Papuan conditions, and with a far-reaching knowledge of the sugar industry, are connected with it, and their main concern seems to be to produce cheap sugar in quantity, rather than get rich quickly at the expense of the gullible public.

The promoters have acquired 20,000 acres in north-east Papua, around the back of the excellent deep-sea port of Buna, and here they propose to cultivate the *Madia*—the excellent, indigenous cane of Papua. They have first-class soil, permanent streams, a rainfall of 130 inches, abundant timber, and an inexhaustible supply of native labour. They have 40 acres already under test plantation, with highly satisfactory results.

It is urged, against the scheme, that the world already is over-supplied with sugar, and unprotected sugar-growers are starving. The Sangara people reply that the conditions surrounding their enterprise are so favourable that they can produce profitably, and show a satisfactory dividend at the present prices—on which other sugar-producers are making no profits at all. They do not propose to enter the protected Australian market; they can do very well, they say, by entering the world's free market without bonus or subsidy.

Mr. Tom Nevitt, of Papua, one of the promoters of the scheme, was in Sydney during March.

Will Papua Get Colonial Sugar Preference?

Two Big Plans Depend on News of Ottawa.

CERTAIN information, the character of which is as yet unknown, but which may have a direct bearing upon the future of Papua, is being brought to Australia from the Ottawa Conference by Mr. Harry Gullitt, Minister for Customs.

The information—which is awaited with considerable eagerness in certain quarters—has to do with preferential duties on sugar, which have been promised or already granted to the imperial units by Great Britain. It will be remembered that, several months ago, Britain granted to her Crown Colonies a substantial preference for sugar grown in those Colonies. But that preference did not extend to Dominion-grown sugar. Britain held that up her sleeve as something with which to bargain at Ottawa. It was obvious, of course, that if Australian-grown sugar is to freely enter the British market on the same terms as colonial-grown sugar, Australia will have to give something substantial in the way of preferences to Britain, in return.

So far, so good. But the position of Papua, in relation to sugar-growing, is most anomalous and unfortunate. Papua, although a territory of Australia, has an independent life of its own so far as customs duties are concerned. That is to say, the import duties imposed by Papua are applied to all goods, quite irrespective of their country of origin. They are not Australian duties, in any shape or form. In any event, the Customs duties imposed by Papua, being purely revenue duties, are comparatively low.

It was quite a fair thing, therefore, that Papua should enjoy the same conditions in regard to British sugar preferences as the Crown Colonies. If this were granted it would make a considerable difference to the future of Papua. It would permit the early establishment of the sugar industry in Papua on favourable conditions, and this would take the place of the rubber industry, which has collapsed, and of gold, on which were built high hopes which never materialised.

Before the Australian...

PAPUAN SUGAR.

Sangara Output Described as "Phenomenal."

From Our Own Correspondent.

PT. MORESBY, Nov. 30.

WHILE the Lieutenant-Governor (accompanied by Mr. H. W. Champion and Mr. H. L. Murray) was on tour in the north-east recently, he inspected the sugar areas under cultivation by Sangara Sugar Estates, Ltd., about twenty miles inland from Buna.

His Excellency was impressed by the healthy and vigorous condition of the cane and the apparently excellent prospects of successful sugar cultivation in this district—where the soil, rainfall and labour supply are most suitable.

Sangara Sugar Estates, Ltd., was registered in Papua late in 1931. It acquired 20,000 acres of suitable land and planned big scale developments; but owing to the general depression, it decided to engage merely in experimental cultivation for the present.

It is officially announced on behalf of Sangara that this season's harvest on the experimental area near Buna records the phenomenal yield of 76 tons of cane to the acre.

The Commonwealth Department of Trade and Customs comments: "This is quite phenomenal—even for planted cane grown on heavy stump-grubbed land." In North Queensland the average yield is around 22 tons per acre occasionally rising to 50 or 60 tons, but in Queensland only a small proportion is plant cane, the balance being second, third or fourth year ratoon crops. The result of the Papuan experiment, therefore, must not be regarded as anything like what would be the normal production. At the same time, it proves that Papuan conditions are extremely suitable for sugar growing.

PAPUAN RADIO.

Inland Station Connects with Canberra.

From Our Own Correspondent.

PT. MORESBY, Nov. 28.

THE Lieutenant-Governor (Sir Hubert Murray) and his party, while on their recent north-east tour, walked from Buna to the inland station of Kokoda in the Owen Stanley Ranges, and back, a distance of 140 miles.

From Kokoda, His Excellency com-

PAPUAN SUGAR.

Progress of Sangara Scheme.

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Probably the postponement will not be lengthy. There is a powerful London group interested in the scheme, and British financial conditions are improving rapidly. Recent news from London indicate that British money is again becoming available in substantial amounts for sound investments.

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Mr. Tom Nevitt, of Papua, one of the promoters of the scheme, was in Sydney during March but has now returned to the Territory. He is inclined to urge the early establishment of the industry on the ground that the substantial advantages given by the existing low scales of costs would more than offset the disadvantages of the financial depression.

A DISTURBING REPORT.

There was a disturbing report in Sydney during March that Mr. W. Beckett, a well-known promoter of commercial enterprises, was busy in London trying to interest British capital in a Papuan sugar enterprise. It is to be hoped that, for the sake of Papuan development, there is no truth in the report. There is nothing wrong with the Papuan sugar enterprise; but Mr. Beckett's history and associations do not suggest that he is the most suitable man to take any leading part in such an enterprise.

Will Papua Get Colonial Sugar Preference?

Two Big Plans Depend on News of Ottawa.

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So far, so good. But the position of Papua, in relation to sugar-growing, is most anomalous and unfortunate. Papua, although a territory of Australia, has an independent life of its own so far as customs duties are concerned. That is to say, the import duties imposed by Papua are applied to all goods, quite irrespective of their country of origin. They are not Australian duties, in any shape or form. In any event, the Customs duties imposed by Papua, being purely revenue duties, are comparatively low.

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Before the Australian delegation left for Ottawa, the Ministers were asked by Sir Hubert Murray to specially bring before the British delegation in Ottawa the desirability of giving to Papuan sugar the same preference as is given to sugar grown in the Crown Colony. It is not yet known at Canberra whether this has been granted—the secret remains with Mr. Gullett, along with all the other details of what has been arranged on Australia's behalf at Ottawa.

But if Papua is to have Colonial preference for sugar, at least two huge sugar-growing concerns will begin to operate immediately in Papua, and the effect upon the future of the Territory will be profound.

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company,
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issued of

The board of directors of this new company comprises:

P. J. Mond, gentleman, London (chairman).

W. Cunningham, company director, Mossman, Sydney (managing director).

Seymour H. Warner, sugar mill director, Cairns, Queensland.

Dr. D. Guthrie Hunter, Eastwood, Sydney.

Leslie J. Thompson, M.B., Auckland, N.Z.

P. Warford-Mein, gentleman, Toorak, Melbourne.

Smiths Weekly says, of the board: "it is a collection of respectable names in Australia and New Zealand; and all those gentlemen must have satisfied themselves concerning the London end of the huge undertaking."

We have not attempted to traverse the new company's highly optimistic prospectus. It points out, with the flamboyancy usual in prospectuses, that Britain imports 1,700,000 tons of sugar yearly, of which over 1,000,000 tons is not Empire grown; that Britain grants for Empire grown sugar, that Papua is one of the most suitable countries in the world for sugar growing and is destined to be the future 'British Cuba.' The fact that there is huge over-production of sugar in the world to-day does not dampen the company's enthusiasm.

There is the story. The Papuan scheme is part of Mr. Mond's magnificent

back to 1st page

propose to enter the protected Australian market; they can do very well, they say, by entering the world's free market without bonus or subsidy.

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But if Papua is to have Colonial preference for sugar, at least two huge sugar-growing concerns will begin to operate immediately in Papua, and the effect upon the future of the Territory will be profound.

their recent north-east tour, walked from Buna to the inland station of Kokoda in the Owen Stanley Ranges, and back a distance of 149 miles.

From Kokoda, His Excellency communicated by radio with the Prime Minister at Canberra and received a reply the following day. This is the first occasion on which an official wireless message has been sent from an inland station in the heart of Papua.

The wireless apparatus used is the property of Mr. M. Rich, A.R.M. at Kokoda.

L. J. G. G. G.

THE prospectus has been issued of the Sangara Sugar Estates Ltd., a company with a nominal capital of £1,000,000. This company, which is registered in Papua, is to acquire 19,978 acres of sugar land in that Territory from the vendor company, and will plant sugar cane there on an extensive scale.

PAPUAN SUGAR
Big Scheme Afoot
Half Million for Enterprise
Near Buna

The PACIFIC ISLANDS MONTHLY

Page Four
Friday, October 23, 1931.

one of the "Bad-
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OF SUGAR

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 in 1928

28,218,000 tons, of which the British
 Empire produced only 4,675,000 tons.

Even if the preference, through
 political changes, is not continued, it
 is stated that, owing to the low cost
 of production, the Papuan sugar in-
 dustry could successfully compete
 with foreign producers in supplying
 the United Kingdom and Canada, and
 show handsome profits by doing so.

Estimated revenue of the company
 is based on an annual output of 27,000
 tons of sugar, at 19/10/- per ton, c.i.f.
 London. This price is £3 below the
 world's average selling price.

Another point, which is important
 to investors, is that the company is
 not subject to Federal, State, or
 Papuan taxation of any kind. Under
 the present Federal Income Tax Acts
 income derived in Papua is exempt
 from taxation.

In last issue, The Pacific Islands
 Monthly, after reviewing some com-
 pany flotations based on Pacific Is-
 lands enterprises, urged investors to
 be very careful of this class of specu-
 lation. But the personnel of the San-
 gaura Company is an indication of its
 being a genuine industrial enterprise.

It is proposed to issue 50,000 fully
 paid up £1 shares to the vendor,
 which is Sangaura Sugar Estates Ltd.
 The new company takes the same
 name a rather unusual proceeding.
 Evidently the shareholders in the
 present company (who are not dis-
 closed) will distribute the 50,000
 shares in the new company among
 themselves, pro rata; and the present
 company's share list will be wiped
 out. Altogether 450,000 shares in the
 new company will be offered to the
 public.

The consideration for which the
 vendors will receive 50,000 £1 shares
 comprises 19,973 acres of leasehold,
 title for 99 years, the rental of which
 is £275 per annum. The land has been
 surveyed, a road is being cleared and
 25 acres have been planted with
 "ladika" cane. The vendors say that
 they have spent £7,000 on develop-
 mental work.

It is proposed to spend £337,000 on
 the erection of a mill, tramlines, roll-
 ing stock and wharf; and another
 £113,000 in planting sugar and launch-
 ing the enterprise.

Generally, the project is attractive,
 except that further particulars should
 have been given about the vendors'
 consideration, which is the woodpile
 in which one naturally looks for the
 nigger. On the data given, £50,000—
 even if given in scrip—seems a lot to
 pay for the lease, the survey and 25
 acres of plantation, on which only
 £7,000 has been spent. Promoters of
 such an enterprise are entitled to a
 substantial reward, but the present
 figures suggest a profit to the pro-
 moters of 500 per cent., which seems
 just a little excessive.

As against that, it may be noted
 that the vendors receive no cash con-
 sideration, and they may not sell any
 of their shares for five years.

cent plant, and concerning that, even
 the perspicacious "Smiths" confesses
 itself baffled and awed. So far, Mr.
 Mond has not been faulted. There is
 money about somewhere—one does not
 register hundred million pounds com-
 panies in Sydney for 6d. But it DOES
 look too good to be true.

Anyway, if only a tithe of it comes
 to pass our friends up in Papua may
 turn their money cheerily in their
 pockets and go out and do obeisance
 to the new moon.—R.W.R.

up bonds."
 1, 1931, against loss of capital on paid-
 given for seven years from September
 "a 100 per cent. guarantee is to be
 the first sugar harvest is sold, and that
 annually on all paid-up bonds, until
 cent. interest is to be advanced
 investors. It is announced that 6 per
 65,000 to be offered to Australian in-
 vestic by British investors, leaving
 presented £1,950,000, have been sub-
 (£3,900,000), of which 65,000 bonds, re-
 issue is to be 130,000 bonds of £30 each
 company it is stated that the first bond
 In the booklet issued by the new
 in Fiji have a total acreage of 80,000.
 onial Sugar Refining Co.'s plantations,
 rained when it is stated that the Col-
 tion of the size of the project may be
 thaning was to be 230,000 acres! Some-
 above and that the acreage for sugar-
 to be of the financial dimensions stated
 announced that the new company was
 Ltd. came into being. It was then
 the company when Imperial Sugar Industries
 "selling" proposition, between the time
 Nothing much was heard of the bond-
 North-east Division of Papua.
 Kepnel Point, Collingwood Bay, in the
 miles inland from Wanteke, south of
 "ected" 20,000 acres of sugar-land, four
 would be sold to justify a start—"sel-"
 that a sufficient quantity of bonds
 The company—on the assumption
 ing sugar cane and the manufacture
 natural advantages of Papua for grow-
 as "a company formed to exploit the
 bonds at £30 each. It described itself
 and was offering to the public 40,000
 prary had a nominal capital of £25,000
 and prospectus, however. The com-
 and prospectus, however. The com-
 appear on the directorate in the or-
 paper industry. His name does not
 know, for a time, in the Sydney news-
 of W. J. Beckell—a gentleman well-
 been described as "one of the factors
 formed some little time ago and has
 Papuan Rural Products Ltd. was
 culars of the scheme that interests
 millions are real or simply a madden-
 ing dream, we may give some parti-
 to find out whether Mr. Mond and his
 Meanwhile, while everyone is trying
 with millions.
 of his unusual name and his association
 —it was assumed that he was because
 claimed to be Lord Metchell's relation
 proved that Mr. P. J. Mond ever
 public man and millionaire. It is not
 (formerly Sir Alfred Mond, a London
 only is not related to Lord Metchell
 out about Mr. Mond is that he appar-
 acknowledges that the worst it can find
 of persons—after an "investigation,"
 Weekly—which is certainly no respecter
 are quite satisfactory; and Smith's
 met him declare that his credentials
 the various important people who have
 magnitude of his figures and plans. But
 and Sydney is still gasping under the
 Mr. Mond sounds too good to be true;
 £15,000,000.
 £300,000 and an ultimate bond issue of
 Industries Ltd., with a capital of
 to reorganising it as Imperial Sugar
 Ltd. from the promoters, with a view
 (3) taken over Papuan Rural Products
 Sydney, with a capital of £100,000,000;
 (2) registered the Britannia Bank, in
 Sydney, with a capital of £12,000,000;
 Britannia Insurance Corporation in
 nitude. He has: (1) Registered the
 cial operations of extraordinary mag-
 who is planning commercial and finan-
 gentleman named Mr. Philip J. Mond,
 It appears that there is in Sydney a
 the Territory.
 least, free expenditure of money in
 mean the dawning of an era of, at
 day (September 15) Papua should give
 three hearty British cheers, for it may
 I P there is any truth in a report which
 Imperial Sugar Co.'s Great Plan

**Too Good to be
 True
 Millions for Papua**

