

track Whompoa for the present. This railway of eighty miles, trestled across swampy country, will end at Kowloon, the British settlement on the mainland, from which Hong-Kong Island lies one mile distant. With railways coming through from Calcutta, Mandalay, Bangkok and Hanoi, centering at Yunnan, and thence turning to Canton, and with rails from Han-kau and Amoy, Hong-Kong is dreaming of the time when she may be the largest trans-shipping port in the world. Land is at steep prices, and living more costly than in New York City. Tenure is based on crown rentals, the same as the Chinese system.

This wonderful island, which is distant seven thousand miles from San Francisco, supplies the Pacific coast of America with half of its refined sugar. The raw material comes principally from Java, but also from the Philippines and Chinese Swatow. The largest cane refinery in the world is the noted Taikoo at Quarry Bay, owned by Butterfield and Swire. There is also the China Sugar Refinery at Wong Nei Chong, owned by the historic house of Jardine, Matheson and Company. Chinese labor refines two hundred thousand tons a year at three and one-half cents a pound. The coal is brought from Moji, Japan. It will before long come over the Han-kau-Canton Railway from Fa-Yuen and elsewhere in the heart of plethoric China. Up to the present these two refineries have supplied China and Japan. Japan has now put up a tariff wall of six-tenths cent a pound, and is manufacturing her own sugar. She subsidizes steamers to bring the raw product, and threatens to subsidize ships to carry the manufactured article to China. Hong-Kong, with cheap labor and a nearer location to the raw product, is holding the fort so far against subsidy, and