The annual report of the governor of Hawaii gives an interesting resume of the labor conditions on the islands and the efforts recently made to induce desirable immigration. The frank admission is made that the sugar interests, which predominate in Hawaii, have pursued a selfish and futile policy toward labor, and it is pointed out that the new policy is supported mainly by contributions from the sugar interests, showing that it is realized at last that the semi-peonage system is a costly failure.

Under the new arrangement efforts have been made to induce laborers to go to Hawaii from Spain and the Azores and Madeira, experience having demonstrated that Portuguese and Spanish laborers in similar climates have proved their worth. The collector of customs at Honolulu was granted a leave of absence of six months, and he proceeded to the Azores and elsewhere as the representative of the Hawaiian board of immigration. He had little difficulty in raising a company of 1.325 persons, who sailed from Funchal in October, 1996, and arrived at Honolulu in due time. There they found many of their countrymen, and offers of work were forthcoming as soon as they left quarantine. The governor's report emphasizes the statement that no restraint or compulsion of any nature was exercised or attempted with the immigrants, who were free to stay or return, as they pleased. Last spring 2,201 immigrants from Malaga, Spain, arrived at Honolulu, and still later 1,106 Portuguese immigrants arrived.

The sugar plantations offered inducements to prospective immigrants, acting on the conclusion that a new system of labor employment was necessary. Most of the plantations offered to give an acre of land, either outright or on a long lease, to the head of each family and to build him a house costing \$400. A form of homestead and farming agreement was drawn up, which embodied the inducements offered and the conditions which immigrants were expected to observe in performing their share of the agreement.

The objection has been made that this is practically an evasion of the contract labor law, but the plan has stood the test of rigid scrutiny by the government, and it seems to work well in practice, without depriving immigrants of any rights. It is an improvement, at any rate, over the old rapacious methods which made laborers the serfs of the sugar planters. The importation of European laborers means, also, a reduction of the relative proportion of Asiatics in Hawaii, which is much to be desired, since Europeans are assimilable and Asiatics are not. Within a few years the Portuguese and the Spaniards who are working out their salvation in Hawaii will be good American citizens. The Japanese and the Chinese will never become Americans.