Pusa's residence. More business is probably transacted at the markets, which are held here every

fifth day.

I visited the Pusa, who received me in the most friendly way. We conversed for about two hours on a variety of subjects, and I was surprised to find him well-informed on such matters as the proposed canal through the Isthmus of Panama, the recent events in Egypt, and the importance to

England of the Suez Canal.

The agriculture in this part of Corea is much superior to that of the country about In-chhön or Wonsan, and approaches closely to the Japanese standard. The soil and climate are more favourable to the cultivation of rice, which is the staple article of food in these countries. The climate is a little like that of Nagasaki, with a somewhat lower temperature, both in winter and in summer. 90° to 92° were spoken of as the maximum summer heat at the Japanese Settlement, and there is a little frost in winter, but not enough for skating.

The Japanese Settlement of Pusan is on the mainland, opposite to the Island of Chölyöngdo, from which it is separated by a strait of about 400 yards in width and 2 or 3 fathoms in depth. This part of the harbour is well-sheltered from any sea from without, but it is rather exposed to the strong winds which, in winter, blow from the north-east side of the harbour, a distance of about 3 miles, and raise a sea which would be troublesome to small vessels lying alongside the wharf, were it not that it is protected by a small mole. Inside of this mole there is a depth of water of about 2 fathoms, and while the squadron was at Pusan six schooners of 80 or 90 tons, a large Japanese junk, and five or six Corean junks were lying here. Three or four times as many vessels of this description could be sheltered here, if necessary

The Japanese town has a clean, well-kept appearance. The streets are moderately wide, and paving and scavenging are not neglected. There are several police-stations, occupied by policemen in uniforms of a European pattern. The whole Settlement is under the exclusive control of the Consul, in whose name all police and other regulations are issued. The Consul is assisted by an elective Municipal Council, which, however, can take no important step without his sanction. title-deeds for the lots of land in the Settlement are also issued in the Consul's name, and the Japanese residents pay him ground-rent at the rate of $\frac{6}{10}$, 1, or $1\frac{6}{10}$ sen per annum for each tsubo, so that a good-sized lot, of say, 300 tsubos, costs the occupier, on an average, about 2 Mexican dollars per annum. A head-rent of 60 yen per annum is paid by the Consul to the Corean authorities for the whole Settlement. Several desirable lots are for sale at present, and houses could be readily rented or purchased; but if other foreigners are to become permanent residents in the Japanese Settlement, it is evident that its municipal arrangements would have to be considerably modified. The present Japanese population here is about 2,000, and some time ago was nearly 3,000. The site is only moderately healthy, and fever is rather

Two sites have been suggested for the foreign Settlement at Pusan. One is on the northern side of Deer Island, about three-fourths of a mile-from the Japanese Settlement. There is here a convenient level space of ground, fronting a wellsheltered part of the harbour. The objections to it are the fact of its being on an island, and the strong tide (3 knots) which runs in front of it.

The best site, on the whole, seems to be a spot on the mainland just to the south of the that of Wönsan, but for the six months in ques-

Corean village of Kokwen, and about two-thirds of a mile to the north of the Japanese Settle-There is a level space here of sufficient extent unoccupied by houses, and lying opposite to that part of the harbour which is least affected by the strong tides. The soil is gravelly. There is anchorage here in from 4 to 5 fathoms at onethird to half-a-mile from the shore, and in 6 fathoms at a distance of three-fourths of a mile. I was told by old residents that a heavy sea seldom finds its way in here; and this statement was borne out by the appearance of the beach and of the pine trees along it, which all bend towards the sea. There are facilities for the construction of a pier or camber for the protection of cargo boats. This site is on the main road from the Japanese Settlement to Pusan, Tongnai, and the interior, and by having the Settlement at this point more than half-a-mile of a rocky precipitous path would be avoided. Far the greater part of the import trade finds its way into the interior by land along this road. A Settlement on this site would be more exposed than one on Deer Island in case of any riot or attack by the Corean population.

The following table shows the value of the imports and exports to and from Pusan for the

four years 1878-81 :--

1878—				Paper yen
Imports	•••	•••	•••	205,281
Exports	•••	•••	•••	244,545
Total	•••	•••	••	449,826
1879—				-
Imports	•••	•••	•••	677,062
Exports	•••	•••	•••	566,955
Total	•••	•••	•••	1,244,017
Imports	•••	•••		1,237,792
Exports	•••	•••	•••	730,763
Total	•••	•••	•••	1,968,555
Imports	•••	•••	•••	640,233
Exports	***	•••	•••	572,951
Total			4	1.213 184

Among the imports for 1881 there were European goods to the value of 470,971 yen, of which 250,000 yen represented shirtings alone. American shirtings to the value of 6,000 yen were imported during the year. Goods imported from Wönsan amounted to 39,138 yen. This sum included ox hides to the value of 13,371 yen, which were brought to Pusan in Japanese ships-a practice which is not prohibited by the Japanese Treaty as it is in that negotiated for America by Commodore Schufedt. Japanese schooners sometimes visit the unopened port of Masanpho, but I was told by the Consul that this was only when driven by stress of weather, and not for purposes of trade.

The falling off in the trade of Pusan in 1881 is due to the opening of Wönsan in May of the previous year. The trade of the two ports may now be considered nearly equal, the gross importsand exports for each amounting to about 1,000,000 dollars.

The enclosed table gives details of the import and export trade of Pusan for the six months ended on the 30th June last. It contains no return of shipping, but I learnt that the trade is carried on by the Mitsu Bishi steam-ship "Tsuruga Maru," which visits this port monthly, and by schooners which come here from Nagasaki and Osaka.

The trade of Pusan is, on the whole, similar to