

month the said vessel was permitted to sail for Aitutaki without having duly entered and paid her duties, as provided by law." Clauses 5 and 14 of the Import Duty Act (No. 1) are quoted by you as those contravened. You also say that "We cannot remember that any of us have asked for and received a like favour, but, on the contrary, we may mention the case of the brigantine 'Linda Weber,' which vessel was forced by the Collector to come back to this port for her clearance, though she had on board a part perishable cargo."

2. *Incidence of the Import Duties.*—You say that "the import duty of 5 per cent. comes solely from us, and not from the natives." On this ground you add, "We complain that we have no representation in the Cook Islands Parliament, nor any say whatever as to how the money so collected is to be spent, and we must protest against all the money being spent for the benefit of the natives only." You also say, "We are perfectly willing to submit the books of our respective houses to inspection by any person you may appoint, to prove this assertion."

3. *Harbours and Roads.*—You say, "They are in a very bad condition: the moorings in the harbour put down by private enterprise are worn out." You add, "We consider that all surplus moneys after the actual cost of collecting should in the first place be used in improving the harbours and roads in Rarotonga, and after that to improving the landings and roads in the other islands of the group."

4. *Liquor-tax.*—You say, "The liquor-tax is nearly all obtained from the European and foreign residents, and we consider that any surplus from that source should also be used for the joint benefit of the place."

5. *Ignoring your Interests.*—You say, "We wish to state that we are all most anxious to work with you for the real benefit of the group—that the prosperity of the group is our prosperity;—but we are sorry to say that in the past you have quite ignored either us or our interests." You add to this, in your explanatory letter of the 6th instant, "We mean that you have done nothing whatever for the good of the business community. The harbours are sadly in want of improvement, the roads the same, and no proper Courthouse established for the recovery of debts due by traders to us, and no protection from thieves, &c., which latter we have always enjoyed under the old native laws; and we consider that for the present all surplus moneys from the duties and liquor-licenses should be devoted to furthering the interests of the community, and not spent in model farms or other such things." You add, "We do not complain of your ignoring individual interests, but we certainly say that our interests as the foreign community of the island have not been studied by you. In this district of Avarua we have been forced to pay a vehicle-tax, whereas those residing in the other districts have not paid any; and, though it is some time since we paid the tax, we have not yet seen any improvements made in the settlement. Further, we draw to your attention that our representative, Mr. J. M. Gelling, has never been called at any of the meetings, though elected by us at your suggestion, and we consider that this is the greatest proof of our assertion that our interests have been ignored."

6. *Suggestions.*—You say, "We would further suggest that a portion of the Government moneys should be expended in prizes to the natives for the best-cultivated patches of coffee, cotton, and cocoanuts each year in the several districts, and so encourage them to plant afresh instead of depending on what their forefathers have planted. This latter plan we respectfully think would be to our interest as well as to the interest of the natives."

(Initialled by R. Exham, W. H. de Lisle, W. Taylor, J. O. Muth, and F. Engelke.)

Enclosure No. 3.

MEMORANDUM ON THE COMPLAINTS OF MERCHANTS AND IMPORTERS, at a Meeting held with the British Resident, at his Office in Rarotonga, on Tuesday, 15th December, 1891.

1. *The "Jessie Nicol."*—The "certain passengers and their luggage" landed from this vessel at Ngatangia on Sunday, 22nd November, were a destitute Maori family of nine persons of various ages, brought by the above vessel (charging for their sustenance only, I am informed) at the request of natives in Ngatangia, by whom their expenses from New Zealand were paid. The vessel did not enter the harbour, and the master landed and reported her to the Collector on the following morning (Monday), but, as he did not intend landing cargo till his return from Aitutaki, wished to defer till then the entry of his vessel. The Collector agreed to this, and on her return the vessel was entered accordingly. The "Linda Weber," referred to by the complainants, is not an analogous case. She had entered and discharged at Avarua (Rarotonga), after which she proceeded on a trading voyage round the islands. The owners or charterers (Goodwin and De Lisle) are merchants in Avarua. They informed the Collector that their vessel would not anchor on her return to Avarua, but that cargo was awaiting her which would be sent off to the vessel. The Collector held that if she took cargo on board she must clear for New Zealand in the usual way. She returned on the 19th October, and left on the 21st. Nothing was said of her having on board "a part-perishable cargo;" in fact, so little appears to have been thought of it that eighty cases of oranges, to which this statement refers, were not mentioned in the manifest of outward cargo deposited by Goodwin and De Lisle. The Collector only heard of them some three or four weeks later. He then applied for the information to Goodwin and De Lisle, in order that his statistics might be correct, and their declaration of the cargo on board be amended. There was and is no reason to believe that either Goodwin and De Lisle or the master of the "Jessie Nicol" intended in any way to infringe the regulations or evade paying duty or charges. There is no suspicion even against either. Yet the merchants and importers—Goodwin and De Lisle being with them—formally asked me to advise the Government to prosecute the "Jessie Nicol." This vessel is chartered by a new company, the South Pacific Trading Company, formed in Auckland, and is their first venture. To harass them by a prosecution on such trivial grounds seemed to me wrong, and I