(15.) This ground of complaint is frivolous. The British Resident is not responsible for the not carrying out of laws. The Executive Government and its officials are the authorities to be complained of, if there is ground of complaint; but really what the petitioners complained of is the want of roads, &c., and other matters within the jurisdiction of the local Government of Rarotonga,

and not the Federal Government.

(16.) The hospital question has become, in this little community of about fifty adult Europeans and the native inhabitants of Rarotonga of something under two thousand, one causing much ferment. The community was quiet enough with regard to the hospital matter till the advent of Dr. Craig and his brother. At least three years ago the need of a hospital was considered urgent. The whole proceedings with regard to the establishment of the hospital with a Dr. Caldwell as medical officer in charge were fully reported at the time to your Excellency's predecessors. Dr. Caldwell came to Rarotonga about the time when the necessity for a hospital was first discussed. He holds a diploma from the University of Iowa, and one from a medical school at Chicago. He came as one of a party of Seventh Day Adventist missionaries. His advice was obtained in establishing the hospital. A building was acquired by the Federal Government from Donald and Edenborough. It may be taken for granted that the Federal Government were, in acquiring this building and appointing Dr. Caldwell, acting under the advice and recommendation of Mr. Moss. Dr. G. Craig is a graduate of Edinburgh, and in Great Britain is no doubt duly qualified to practise. Dr. Caldwell, it appears, is also duly qualified to practise in most parts of the United States. Whether Dr. Caldwell is a skilful person or not is quite beside the question. The only ground that can be put forward is that Mr. Moss was guilty of neglect in advising the natives to acquire an unsuitable building and to appoint an unqualified person. There was at the time no other qualified person in Rarotonga—that is, no person holding a medical diploma. On arrival of Dr. Craig Dr. Caldwell retired from the position of medical officer, and Dr. Craig was appointed by the Hospital Board under a peculiar arrangement. The Federal Government provides a subsidy for the hospital payable to the Hospital Board. The arrangement with Dr. Craig was that he should have the whole subsidy, and give free treatment to all outdoor patients that came with an order from the Hospital Board, and all indoor patients that the Board admit, Dr. C. Craig also providing for those indoor patients food, nursing, &c. After the Board had made this contract with Dr. Craig the Board urged Mr. Moss to induce Parliament and the Government to double the subsidy, so as to increase the payment to Dr. Craig—to double the amount he had agreed for. Mr. Moss appears to have declined to advise this, seeing that Dr. Craig had made a contract, and seeing also that the arrangement made by the Board was not, in Mr. Moss's opinion, a reasonably good one for the public. I certainly can see no misconduct on Mr. Moss's part in these hospital transactions. It may be true that he would have done better if, before recommending the appointment of Dr. Caldwell, he had taken advice in New Zealand as to whether an Iowa diploma was a fairly good one. He, perhaps, also should have advised that an attempt should have been first made to get a qualified medical practitioner from New Zealand. As to the building, it seems to me unsuitable; but I can see no reason to doubt that Mr. Moss was right in stating that it was acquired on reasonable terms, though, unfortunately, the vendors were Donald and Edenborough. This complaint, even if otherwise one that could be charged against the British Resident, is a gross exaggeration. The six thousand people in all the islands could not have free treatment; at any rate only those near at hand could have the benefit of the hospital; and the British Resident was justified in declining to advise an extension of the special duty of £1 per cent. on all imports for the purpose of providing, at the expense of all the islands, hospital treatment for the limited number of persons who could have the benefit of the institution. In connection with this ground of complaint was a new complaint made by the Hospital Board against Mr. Moss, who declined to authorise the payment of the subsidy of £180 a year for the year 1897-98, the period for which no Appropriation Act had been passed. Mr. Moss applied to the Board for particulars showing the number of hospital patients under treatment. The Board declined to furnish them to him. In my opinion, the complaint made by the Board on the ground of this refusal was quite unfounded, and Mr. Moss quite justified in requiring the returns demanded by him. At the inquiry before me the information Mr. Moss required was furnished, and Mr. Moss then consented to pass the payment of the subsidy with other items on the estimates.

(17.) The Federal Government has not control of the harbours, but the local Rarotonga Council has. However, with the limited funds at the disposal of the Council, it is unreasonable to expect any large outlay on harbour appliances. The dues payable are no more than sufficient to

pay the pilot.

(18.) No law has yet been passed requiring that masters of vessels should have certificates of competency. Most of the vessels are only manned by natives. It might be well for the local Council or Federal Parliament to require that masters should have some scientific instruction in navigation; but it does not follow that the Native Parliament would accept this view. I see no reason for putting forward this matter as a ground of complaint against the British Resident. If after the local or Federal Parliament had passed a Bill for providing for such certificates the British Resident had refused to approve it, one could understand that there was ground of complaint against the Resident: as it is, it seems to me there is none.

(19.) This was unsupported. The British Resident, as much as any one, is desirous that the natives should give up some of their obsolete customs and laws hampering trade and settlement. But he cannot force alterations on the natives. The reports sent from time to time by the British Resident to your Excellency's predecessors and yourself show that he has been active in efforts for the advancement of trade and settlement; but if Europeans desire to trade with only

partially-civilised people they must expect to meet with peculiar customs and laws.

(20.) This road-tax complaint is frivolous. The tax amounted to a mere trifle. The whole matter is one for the local Council to deal with. The tax, if collected—but it is not—would amount,