

liquor brought from Tonga by the Natives themselves, and you will find that many Niue people are over in Tonga because they can get liquor there. As to the liquor that has been imported, I challenge anybody to prove that any trader has sold a drop to the Natives. Liquor is prohibited to the Natives, and if we were found selling or giving liquor to them we would have to put up with the consequences. I do not think the traders here should be denied what is given to every white trader in New Zealand. We do not want to import largely, but we want some for ourselves.

Hon. Mr. Mills: The vexed question of prohibition is making rapid strides in New Zealand, but, generally speaking, my own idea is that every one should be moderate in the use of liquor, as in all things. I do not think that any man who knows exactly how to act, and can act accordingly, should be debarred from having what he requires. But there can be no doubt that liquor among Natives has been proved to be a very harmful agent, and while it may not be sold to the Natives it is a question whether they do not get it surreptitiously.

Mr. Rex: They do not get it from the traders.

Hon. Mr. Mills: I am very glad to hear that the traders recognise the necessity for being careful with the Natives. I may say, however, that I have a petition from the Natives of Niue, which has been handed to me by Colonel Gudgeon, in reference to this matter. This will be brought before Cabinet on my return, when we will have to discuss the question not only as affecting Niue, but Rarotonga as well. In Rarotonga it is felt that there should be some provision for the accommodation and comfort of visitors, and if this can be arranged in such a way that we can prevent an increased distribution of liquor among the Natives, that consideration will no doubt weigh a good deal with the Government in dealing with the representations made. But, of course, I cannot say whether the Government may not decide that it is better not to have liquor there at all; but the matter will be laid fully and fairly before them, and I will let you know the decision.

Mr. Head, sen.: Several months ago there was liquor imported into Niue, and this liquor was taken out of bond and sold to the foreign residents in the island without a license. Has a trader authority to sell liquor without a license?

Mr. Rex: I can throw a little light on that. My license receipt will show that I have a wholesale license to trade in the islands, and this enables me to trade wholesale and retail with the whites only.

Hon. Mr. Mills: I understood that traders were allowed to sell only a certain quantity of spirituous liquors to Europeans in a week.

Mr. Rex: Three bottles a week.

Hon. Mr. Mills: The question will have to be considered, as I said just now, in its broader aspect as affecting Rarotonga as well as Niue. Meanwhile I see nothing for it but to go on with your trading until the question has been finally settled.

Traders' Licenses.

Mr. Rex: The next thing is the question of our annual licenses as traders. We have to pay £10 for a wholesale and £5 for a retail license. The traders think that when they are paying duty on their goods and contributing towards the revenue of the country they should be freed from having to pay these licenses. If we wish to open a store and sell retail to the Natives we pay £5 for a license; if we sell wholesale we have to pay £10. Everybody is a wholesale trader here. We may appoint a man to act for us in the back of the island, retailing only to Natives, probably never selling goods to a white man; yet the fact of our opening another place, and supplying from our main store the man who works for us, constitutes us wholesale traders, and we have to pay the £10 license. We think a word from you might put that matter right.

Hon. Mr. Mills: I will see Mr. Maxwell and talk the matter over with him. The point seems to be whether it is really opening a new store or simply, as we say, "packing" goods. In New Zealand our mining laws and regulations meet these cases more than the civil laws. We allow a man to "pack" goods without a license, but when he opens a store he has to pay a license fee.

Mr. Rex: The fact of opening a store in another part of the island makes our main store a wholesale one.

Island Revenue.

This question having been alluded to,—

Hon. Mr. Mills said,—I shall arrange to have the accounts audited the same as the Rarotonga accounts. Particulars of the revenue and expenditure will be published in the *Cook Islands Gazette*, and I will see that copies are sent to you so that you may examine them for yourselves. In saying this I am not casting any reflection on any of our agents, who are all doing their best to put things clearly before the Government; but there is only one way to deal with public accounts, and that is to make them as public as possible.

Mr. Rex: There was a lot of trouble caused here through the report that the money from here goes to Rarotonga.

Hon. Mr. Mills: That is not so.

Roads.

Mr. Rex: We want you, sir, if you can, to have the main road round the island attended to. There is more traffic on that than anywhere else at present. From here to Tuapa the road is in a disgraceful state, and it is the same with the portion to Avatele. If you mention the matter to the Resident Agent he will no doubt see that it is attended to. It would not take long, and the Natives are willing to work, and if the Agent mentions the matter to them we could have a good road right round the island in about six months.

Hon. Mr. Mills: I think the question of roads is one of the most essential. We would like to have gone round this island as we did at Rarotonga, but we are unable to do so. I will talk over