

Regarding accommodation for the teacher and his family, the departure of two trading firms will leave their commodious premises vacant, and as Mr. R. D. Head is about to build, the house at present occupied by him might be obtained if desired. You will have personal knowledge of this latter house. The rent of each of these places is about 10s. per week. Regarding the question of salary, I think £150 per annum might be paid to a teacher, and, say, £20 per annum to his wife for teaching needlework, &c. If the revenue receipts do not seriously diminish, the total salaries to the teacher and his wife might be raised to £200 per annum after a year or two. I am aware that this is a small salary to offer to a married man to live in so isolated a place, but the financial position of this island would not, in my opinion, admit of further expense, in view of the expenditure necessary to maintain regular communication. An approximate estimate of the expense of establishing a married teacher here for the first year would be as follows:—

	£	s.	d.
Salary for male teacher	150	0	0
" his wife	20	0	0
Passage fares, freights, &c.	30	0	0
Desks and fittings for school	15	0	0
Rent of house for one year	26	0	0
	241	0	0

The cost of necessary school stationery would probably amount to, say, £9, so that a total sum of £250 would have to be provided for.

Under the circumstances that have obtained up to recently there would be no difficulty in finding this money, but the collapse of the hat trade and the withdrawal of two trading firms cannot fail to exercise a prejudicial effect upon our revenue.

I am therefore dubious as to whether this Administration would be justified in incurring fresh obligations until the means of meeting them be more assured than they are at present.

If any pecuniary assistance in support of education in Niue is likely to be granted by the Education Department of New Zealand, or if you should consider it within the means of this Administration to do so, I would respectfully recommend that the teacher referred to in your letter be engaged to proceed here by the next direct trip of the "Countess of Ranfurly," probably in April next.

Should you decide that under the circumstances noted it is expedient that this Administration should engage a teacher, I would suggest that a telegram to Auckland might catch the "Countess" before she sails for Niue early in January. Failing this a letter might reach me *via* Rarotonga, as the "Countess" is to call here for labour for Malden Island after her return from Auckland. It is essential that I should make necessary arrangements in readiness for the arrival of the teacher. He should bring with him some household furniture, and sufficient stores for three months.

I have, &c.,

C. F. MAXWELL.

The Hon. C. H. Mills, Minister in Charge
Cook and other Islands, Wellington.

No. 99.

Government Schooner "Countess of Ranfurly,"
Auckland, 15th December, 1905.

SIR,—

I beg to inform you of the arrival of the Government schooner "Countess of Ranfurly" at Auckland, from the Cook Group, with cargo and passengers, all well.

I also wish to draw your attention to the publication of certain reports dealing with the passenger trade engaged in by the "Countess of Ranfurly," and comparing same to the old time labour trade or "blackbirding."

Now, sir, as these reports are wholly misleading and therefore calculated to create an erroneous impression, it is my duty to inform you that they are absolutely groundless. I have no hesitation in saying that those responsible for the preparation and writing-up of such statements have not the slightest knowledge of the matter referred to, and it is to be regretted that instead of seizing the facts (which are within reach) they have so largely drawn upon their imagination.

Sir, I beg to assure you that the "Countess of Ranfurly" is running a legitimate passenger trade which has proved a great boon to the Natives of the Cook Group, and that conditions are fully explained to all Natives prior to the signing of agreements before the Commissioner at such islands as the "Countess" may call at. Under said agreements Natives receive a fair wage of £2 per month, and good substantial food.

I may here state that we have at times the greatest difficulty in preventing Natives from "stowing away," so eager are they to engage, and at all islands I am obliged to have the Native police on board to search for stowaways before sailing.

I have had about ten years' experience in the labour trade, and am qualified to assert that there is no similarity between the old trade and that of to-day.

I have, &c.,

W. CHAMPION, Master.

The Hon. C. H. Mills, Wellington.