

No. 126.

SIR,—

Rarotonga, Cook Islands, 25th January, 1906.

I have the honour to forward enclosed a letter from the Chairman of the Fruit Committee of these islands on the subject of coffee.

Mr. Sharpe takes much the same view as that contained in my letter No. 4, of the 22nd instant. I am aware that the subject is one of some difficulty, and that the middlemen will endeavour to raise public opinion against any attempt to diminish their profits. The coffee industry is not a large or increasing concern, but the value of the crop would be from £1,000 to £2,000 per annum, according as the season was favourable or not, and the loss of such a sum of money in these small islands must be regarded with concern.

I do not wish to see these islands depend on cocoanuts alone, as that would amount to a cessation of all trade with New Zealand, the market of San Francisco being superior to either Sydney or Auckland; but it seems to me that the tendency of our commerce is in that direction.

I have, &c.,

W. E. GUDGEON,

Resident Commissioner

The Hon. the Minister administering the Islands, Wellington.

Enclosure.

SIR,—

Rarotonga, 24th January, 1906.

I have the honour to bring under your notice once more (with a view to impressing the matter upon the Hon. the Minister in Charge of Cook Islands) the serious hardship likely to be inflicted upon the Natives of this Group during the coming season in consequence of the unremunerative price of coffee. There is a good crop this year, but at the present price in New Zealand it is certain that a very small percentage of the crop will be harvested. A large number of coffee-plants have already been destroyed in the islands in consequence of the low price, and unless a better market can be insured the probability is that the bulk of the present plants will be destroyed. This, as you are aware, means a very considerable set-back to the islands, and the loss of what should be a profitable industry.

If the New Zealand Government would give any assurance that they would reimpose the old duty of 3d. per pound on coffee, business people might be prepared to buy the green produce at a price which would make it worth while for the Native to harvest his crop.

As the crop will be available in the months of April and May, I feel, sir, that no apology is needed from me for bringing the matter under your consideration thus early.

In conclusion, I may reiterate the statement made by the Fruit Committee that the margin between the price our coffee realises and the price at which the article is retailed is such that the imposition of a threepenny duty should not in any way affect the consumer.

I have, &c.,

J. W. SHARPE,

Chairman of Fruit Committee

Lieut.-Colonel Gudgeon, C.M.G., Resident Commissioner.

No. 127.

SIR,—

Cook and other Islands Administration, Wellington, 25th January, 1906.

I have to acknowledge the receipt of your letter No. 150, of the 27th December, informing me of your proposals as to the erection of a gaol in Alofi, and have to say that I approve the steps taken to secure a site, and authorise the expenditure necessary for erecting the building.

I have, &c.,

C. H. MILLS.

The Resident Commissioner, Niue.

No. 128.

SIR,—

Rarotonga, Cook Islands, 28th January, 1906.

I have the honour to inform you that the freezing-plant established by the firm of Donald and Edenborough at Rarotonga is now in working-order. The expenses have, however, exceeded the estimate, and Mr. Matthews, the manager of the firm, waited on me to-day in order to represent that the present subsidy would not pay interest on the outlay, and that the working-expenses would not be covered by profits of sales.

That this is the case is very clear to me, and I told Mr. Matthews that I would recommend that the subsidy should be increased to £75 per annum. I have therefore the honour to request your approval.

I submit for your consideration that without this freezing-plant it would never pay to raise cattle, for by reason of the climate all meat killed must be eaten the same day, and this means that about 150 lb. could be disposed of and the rest thrown away.