

MEMORANDUM.

The annual reports of the Resident Commissioners at Rarotonga and Niue for the year 1907–8, together with a selection from the correspondence, are attached hereto.

1. FINANCE.—The revenue of the Cook and Northern Islands for the year 1907–8, including the balance brought forward, amounted to £9,773 6s. 11d., while the expenditure amounted to £6,189 14s. 1d., leaving a balance to carry forward of £3,583 12s. 10d.

The revenue of Niue, including the balance brought forward, amounted to £3,653 1s. 2d., and the expenditure was £1,910 0s. 4d., leaving a balance to carry forward of £1,743 0s. 10d.

Full details of the revenue and expenditure are given in the annual reports of the Resident Commissioners.

2. IMPORTS AND EXPORTS.—The import and export returns of the Cook and Northern Islands continue to be satisfactory, and display a substantial increase for the year ended 31st December, 1907. The returns for the two years are as follow :—

	1907.	1906.
	£	£
Imports	50,756	41,437
Exports	51,578	45,925

The bulk of the trade was done with New Zealand.

The imports and exports of Niue are as follow :—

	1907.	1906.
	£	£
Imports	8,491	*6,707
Exports	7,955	*8,315

* Last year these figures were given for the year ending 31st March, 1907.

3. PUBLIC WORKS.—In the Cook Group the principal works during the year were water-supply, Avarua; creek-wall and bathing-tank, Avarua, concrete tanks, Aitutaki; blasting boat-passage, Mauke; and planting cocoanuts on Takutea Island. No progress has yet been made with the boat-passages at Mangaia, chiefly owing to the difficulty of obtaining a sufficient supply of blasting material. However, a start is to be made on the work this year.

At Niue the construction of reservoirs for storage of water, and roads, has been continued.

4. EDUCATION.—As I stated last year, it is not proposed to make any change in the system of education in the Cook Group at the present time; but the question of training the Native teachers before they are placed in charge of village schools is receiving attention.

At Niue, the want of a school with a European teacher has been much felt. The Island Administration has now agreed to build and maintain a schoolhouse and teacher's residence, and this Government will select a teacher in New Zealand, and pay his salary.

5. MEDICAL ATTENDANCE.—During the year the question of providing further medical attendance for the Natives in the Cook Group has been engaging my attention, and it is hoped that satisfactory arrangements will be made in this direction.

At Niue an endeavour is also being made to secure the services of a medical officer.

6. SERVICE WITH NIUE.—The isolated position of Niue and the want of regular communication with New Zealand is very keenly felt by the Islanders. Last year Parliament voted a sum of £300 as a subsidy for a schooner service, and tenders were invited, but no tender was accepted. Endeavours are now being made to arrange, if possible, for regular communication with the Island.

7. INTER-ISLAND SERVICE.—Last year Parliament voted a sum of £300 as a subsidy for a steam service between the Islands of the Cook Group. Offers were invited for such a service, but none were received.

8. SCHOONER "COUNTESS OF RANFURLY."—As indicated last year, the Government decided to sell the schooner "Countess of Ranfurly," and she was accordingly sold by tender.

9. AID TO NATIVE PLANTERS.—The Resident Commissioner at Rarotonga in his report makes some proposals with regard to granting aid by the local Administration to Natives in the cultivation of their land. These proposals will receive my careful consideration.

10. FRUIT TRADE.—Complaints continue to be made with regard to the fruit trade and the steamer service with the Islands, but so far no satisfactory solution has been arrived at. The question of the inspection of fruit has also been under consideration, and it has been decided to send an officer to inquire and report on matters affecting the fruit industry in the Islands.

JAMES MCGOWAN.