ginally designed for the purpose. It was necessary to make some slight alterations to the building to secure the privacy of the residential quarters, and these have been carried out with very satisfactory results at a total cost of £16 14s. 9d. The change has proved very popular both with the white people and the Natives, and it is now possible to conduct business much more expeditiously and with due regard to privacy. The annual rent of £13 paid for the old office will now be saved.

The Residency.

On taking over control of the island I found the Residency building in a very dilapidated state. The building was erected in 1902 by the Natives, who gave their labour and material free of cost; but, as no practical builder or carpenter superintended the construction, much of the work is of a very faulty character, and repairs are constantly required. I have had some of the more necessary repairs and alterations carried out, and, as opportunity offers, I propose to put the building in thorough repair.

Emigration and Immigration.

One hundred and forty persons left Niue for other islands during the year, and 148 persons returned during the same period, the net gain being eight. Following are the particulars of the departures and arrivals:—

Place of Departure to, or Arrival from.						Departures.		Arrivals.
New Zealand	• • •					3	2	
\mathbf{Tonga}	•••	• • •					66	67
\mathbf{Samoa}		• • •					31	34
. Malden Island		• • • •					40	37
Rarotonga			•••	•••	• • •	• • •		. 8
		•		. '				-
							140	148

Niue Island Council, Native Magistrates, and Police.

Owing to dissatisfaction expressed by the Niue Island Council with respect to the small salaries paid to Councillors, Magistrates, and police, it was deemed expedient to raise their respective salaries from £3 per annum to £5 per annum, all extra allowances to cease from the date of the increases. These matters were given effect to by Ordinances entitled "The Niue Island Council Constitution Ordinance 1902 Amendment Ordinance, 1907," and "The Niue Island Native Magistrates and Police Ordinance 1904 Amendment Ordinance, 1907," which were duly passed by the Council on the 16th December, 1907, and have been forwarded to His Excellency the Governor for the assent of the Crown.

The increases will result in an addition to the permanent charges of about £49 per annum, but I am fully satisfied that they will be the means of obtaining better work from the Native officials.

Contemplated Works.

The building of the public school, schoolmaster's residence, &c., will probably be commenced in June if the necessary material comes to hand from New Zealand. After the school-buildings have been completed I propose to extend the present concrete jetty a further 20 ft., widen the existing portion by about 3 ft., and erect a new derrick and suitable winch. As the jetty stands at present it is not possible to get a lighter alongside without endangering the boat and cargo, but with the proposed extension, landing and shipping cargo will be made comparatively easy, as it will then be possible to work the boats with a minimum of risk. Small concrete landing-platforms are also required on the reefs at Avatele and Tuapa, and it is proposed to blow out the obstructions in the boat-channel at Avatele.

When all the villages are provided with concrete reservoirs I propose to devote some attention to the matter of providing fresh water in the interior of the island, where the food plantations are located. There is absolutely no water fit for drinking purposes in the interior, and the Natives, who are constantly working on the plantations, have perforce to pick large quantities of young cocoanuts for drinking purposes. While it is a debatable question as to whether the excessive drinking of green nuts is detrimental to health, it is certain that the practice has a marked effect on the output of copra, and, with a view to preventing the wastage from this cause as far as possible, I propose to erect, at convenient points, galvanised-iron tanks and place them under corrugated-iron structures of sufficient catchment-area to keep them well supplied with rainwater. When the installation of these tanks is completed it is expected that there will be a considerable increase in the copra crop, which is hardly possible under existing conditions.

There are still about fifteen miles of roads remaining to be dealt with as soon as circumstances will permit—viz., Lakepa to Alofi Road, 5½ miles; Alofi to Liku, 3 miles (6 miles already completed), and Liku to Hakupu, 6½ miles—but there is no immediate hurry for these works, as all the more important roads are now in first-class condition. The road over the hill between Tuapa and Mutalau requires regrading, as it is impossible to take loaded vehicles over the present severe grade. I propose to give precedence to this work, as it is a serious obstacle to traffic on the most important road.

H. CORNWALL,
Resident Commissioner.

Niue, 5th April, 1908.