

COOK ISLANDS.

REPORT OF RESIDENT COMMISSIONER.

No. 1.

SIR,—

Rarotonga, 5th June, 1911.

I have the honour to forward to you herewith my annual report for the year ended 31st March, 1911.

FINANCE.

In my first annual report I was able to record a considerable increase in trade and revenue, and I am glad in this, my second report, to be able to say that prosperity has remained and still continues to a considerable extent.

Revenue.—The revenue for the year amounted to £8,267, being an increase of £612 over the revenue for the previous year.

Expenditure.—The expenditure totalled £8,047, being £183 less than was expended in the previous year. Under this head £2,865 was allocated to public works.

A suitable residence for the Chief Medical and Health Officer was erected in the grounds adjoining the hospital, the cost being greater than was anticipated by the Engineer (see his report); a cargo-shed was completed at the Island of Aitutaki, which will greatly facilitate the exportation of fruit, &c., and under much more satisfactory conditions than hitherto; and, in addition, the reef passage at the Island of Mangaia has been so far completed as to allow of cargo being boated from the shore to the ship and *vice versa*; and a water-supply for the district of Arorangi has been completed, at a cost of £640.

The balance of expenditure was devoted to minor public works, salaries, subsidies, &c., leaving a cash balance in hand of £4,657. Of this balance £2,000 has been set aside as an insurance fund, £1,000 being in New Zealand Government 4-per-cent. debentures, and £1,000 on fixed deposit at the Bank of New Zealand. Up to October last this latter sum earned 4 per cent., but, as the rate of interest has now been reduced to 3½ per cent., the question of transferring the amount to New Zealand Government debentures will be considered when the term expires.

IMPORTS AND EXPORTS.

A considerable increase in the volume of imports and exports has to be recorded as compared with last year's figures.

The imports for the year amounted to £83,795, an increase of £16,058 on the previous year's figures.

The exports amounted to £90,749, being an increase of £17,096 over the previous year.

The prediction in my first annual report that, with development, in a comparatively short space of time the imports and exports would reach £100,000, therefore needs, as far as the exports are concerned, an increase of only approximately £9,250 to completely justify such prediction, and in the case of imports an increase of £16,200 will bring the sum up to the amount anticipated.

POST-OFFICE SAVINGS-BANK.

During the year arrangements were made for the establishment at Rarotonga of a branch of the New Zealand Post-Office Savings-Bank, which it is hoped will be of assistance to Europeans and Natives for trading purposes, and also be a means of inducing the latter to refrain from the useless expenditure of their money. Up to the time of writing, safes for the protection of deposits have not arrived. As soon as the necessary additional safe-accommodation is provided the business of the bank will be proceeded with. If found a success, branches will soon be established at Mangaia and Aitutaki.

FRUIT-EXPORT, ETC.

Bananas.—A considerable increase in the output of bananas has been experienced during the year, and good prices have been obtained throughout. This is in a great measure due to the general improvement in packing, growers having adopted the improved methods advocated by means of circulars issued upon this subject, and is also greatly due to the better class of banana now being grown for export on the new grounds opened up, and to the increased amount of planting which has taken place.

Oranges.—There was a slight decrease in the number of oranges exported. Had it not been for the fact that the Natives of Mauke declined to accept the prices offered by traders, the number of oranges exported would have greatly exceeded the previous year. This unfortunate occurrence was mainly due to the want of a European Resident Agent.

The time has arrived when an up-to-date expert in the growing of oranges, with a knowledge of budding and grafting, should be procured from California or Australia, who would proceed to the plantations and instruct the European and Native planters in the pruning and grafting of old trees, and the replenishment of their old groves by such nutriment in the way of manures, &c., as he thinks necessary.