

I have also given orders that the planters must give a full ration to their Chinese labourers, and that if I am unable to supply the rice to enable them to do so they must supply the equivalent in native cereals or fruits. The Chinese, however, do not appreciate this alternative diet.

Chinese.—The short ration has already caused trouble with the Chinese, and two days after my arrival I was compelled to send a platoon of Infantry and a hastily raised half-troop of Mounted Rifles to assist the Native police in the suppression of a somewhat ugly rising of about 120 Chinese on a plantation some seven miles from here—a German planter having been surprised and surrounded in his house.

I have found it necessary to allow the German planters to retain their arms for self-protection, considering it better that we should run some risk in this direction rather than that a European family should be placed at the mercy of the Chinese.

I am convinced that on the food question depends the behaviour of the Chinese, who, in my opinion, are a menace to the European population unless very carefully handled.

The Samoan Native chiefs have already approached me in reference to the danger of intermixture of Samoan and Chinese blood, and have asked whether some steps cannot be taken towards the repatriation of the Chinese. While I feel that the danger apprehended by the chiefs is a very real one, I have replied that the matter must stand over for consideration at a later date.

Troops of the Garrison.—With reference to the section of D Battery now on board Transport No. 2, if that vessel proceed to New Zealand I have to ask that this section be ordered to rejoin its headquarters in Apia. With regard to the escort on board Transport No. 2, I have to ask that these be discharged in New Zealand, with the exception of Lieutenant D. A. Kenny, the Officer Commanding, who would rejoin his regiment here.

I propose to return to New Zealand, as opportunity offers, all men who may prove medically unsuitable. I also propose to discharge, when opportunity to return them to Fiji offers, those men of the 3rd Auckland Regiment who were attested in Samoa as already mentioned.

I hope to be permitted to retain the remainder of the Force so long as German cruisers remain in the Pacific, but when these have been disposed of I see no reason why the garrison should remain at its present strength, as I anticipate no trouble whatever from the Samoan Natives.

On the whole, the discipline of the troops has been good, and has improved considerably since the expedition started.

Finance.—When making arrangements in Suva to take with us the Samoans already referred to I had to make arrangements for the support of their families during their absence. I arranged with the Suva branch of the Bank of New Zealand to pay £1 per week to the relatives of each of these men—the relatives being identified to the manager's satisfaction by Father Fox. To establish the necessary credit I drew on the Quartermaster-General, Wellington, for the sum of £100, which amount has been placed to my credit at the Bank of New Zealand, Suva, to cover the payments referred to. When I no longer require the services of these Samoans I will advise the manager, and the account will be closed by paying any balance in the hands of the Bank of New Zealand into the Public Account at Wellington.

I have not yet had time to inquire into the financial position of Samoa, but, judging from the large number of State officials and the number of Natives said to be receiving Government pay, and taking into consideration the small exporting capacity of the island, I am of opinion that the government of Samoa must entail financial loss. At the earliest possible moment I will go thoroughly into the question of revenue and expenditure, and I have to ask that a highly qualified official of the Audit Department be instructed to proceed to Samoa to go into the question. In the meantime, I have given orders that a balance-sheet to the date of our occupation be taken out by each department, and a fresh set of books opened from that point.

Savaii.—I have appointed Mr. Williams to be Deputy Administrator of the Island of Savaii, and he left yesterday to take over his duties. Attached hereto is a copy of the letter of authority which I have handed to Mr. Williams [sub-enclosure 4].

Mr. Williams has been in the islands for over forty years, and from the inception of German rule in Samoa until the declaration of war acted in the capacity of Deputy Administrator of Savaii, under the German Government. On the declaration of war he was given the option of resigning his British citizenship or being relieved of his office, and he chose the latter alternative, although this entailed the loss of his pension.

I shall take the earliest possible opportunity of personally visiting Savaii, and formally hoisting the British flag there.

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I enclose herewith, for Your Excellency's perusal, a letter which I have received from the American Consul at Apia, which letter I have formally acknowledged.

I have, &c.,

ROBERT LOGAN, Colonel,
Administrator of Samoa.

To His Excellency the Right Hon. the Earl of Liverpool, G.C.M.G., M.V.O., Governor of New Zealand.

Sub-enclosure 1 to Despatch No. 1.

Apia, Samoa, 29th August, 1914.

We, the undersigned residents of Samoa, subjects of Great Britain, France, and Belgium, now at war with Germany and Austria, fully appreciate the kindness shown to us by Dr. Schultz and the German officials and residents in Samoa since the war was announced on the 4th instant, and hope that in the event of a change of flags His Excellency Dr. Schultz and the German residents will meet with the same consideration that we have received.

(Signed by THOMAS TROOD and 92 others.)