

jurisdiction and authority to govern Samoa as if it were an integral part of New Zealand, subject only to conditions and restrictions that may be expressed in the mandate, and legislation to enable the Government to provide for the peace, order, and good government of Samoa will be placed before Parliament this session.

As soon as the mandate is received the Administration will be empowered to dispose of the land and estates of enemy nationals in the ceded territory. Hitherto the Administration has only been authorized to dispose of businesses. The method of disposal has not yet been decided, but there are three alternatives:—

- (a.) Sale to a company strong enough to purchase and work them ;
- (b.) Subdivision and sale to individuals ;
- (c.) Purchase by the Crown for lease either as a whole or in subdivisions.

Already inquiries have been made on behalf of syndicates in New Zealand, Australia, and the United Kingdom.

The Administrator has reported that certain public utilities and works are urgently required. The Government has been unable to deal with these matters up to the present owing to the uncertainty as to the control of the islands, but now that our future jurisdiction is assured it is intended to proceed forthwith with the most urgent of these works, and authority has been granted for the expenditure of £30,000 on waterworks and sanitary drainage. Immediate provision should be made for these two essential services. The money for this purpose is being provided by the Liquidator from the accumulated profits arising from the administration of enemy estates held by him in Samoa, and is being advanced as a loan at $4\frac{1}{2}$ per cent. interest with 1 per cent. sinking fund.

During the period of occupation the Administration has also allocated an average of £15,000 per annum out of the Revenue Account for capital expenditure on development and other works.

COOK ISLANDS.

His Excellency the Governor-General, accompanied by the Minister for the Cook Islands, recently paid a visit to Samoa and the Cook Islands, and there is no doubt the visit will have beneficial effects.

During the year the wireless installation was completed and opened for public use. The installation has proved of great value, and the returns from business are very satisfactory. A school has been opened at Avarua, and there are now three schools at Rarotonga under the direction of European teachers and one under a Native teacher. A school has also been opened at the Island of Mangaia under a European master.

The influenza epidemic was felt in a comparatively mild form in the Cook Group, and Niue Island was not affected at all.

PUBLIC SERVICE.

Honourable members are aware that last session provision was made for a complete revision of the salaries and wages of public servants. During the recess this important and necessary work has been carefully undertaken. As a result the departmental votes for salaries disclose such substantial increases as to dispense with the necessity of providing for the payment of a special war bonus to meet the increased cost of living. This increase in the pay of public servants is not only in keeping with the general advance in the ruling rates paid for all classes of labour, but is a just recognition of the excellence of the work carried out by all departments and branches of the Public Service during the heavy strain of the past five years ; and I am sure honourable members will be pleased to note that the status of those public servants who went on active service has been carefully preserved, and that in almost every instance the State employee on his return from the front will take up his duties under improved conditions as regards pay.