

be no difficult matter, by the employment of incomplete information, to compare the activities of any two Administrations with a result favourable to either one or the other at will.

I do not, therefore, propose to follow your line of argument; but there are certain comments which I think I am entitled to make without drawing any invidious comparisons with other territories.

The Kingdom of Tonga is not only a Native country with a Native Government, but its area is small and scattered, and it has little more than half the population of Western Samoa. It is a Group which is periodically visited by hurricanes, and so the finances of the country must be affected by the reserve provision which it is necessary to make against these occurrences.

Fiji, on the other hand, is many times larger than Samoa. Its incidence of taxation is entirely different from that of Samoa in that it has an income-tax, the imposition of which in Samoa would perhaps create a more equitable system of taxation than exists at present. Further, the finances and taxes of Fiji are considerably affected by the fact that its two main towns are separate municipalities with taxing authority.

The revenue and expenditure of the three territories given in the committee's report are inaccurate as regards Samoa, the true revenue or money paid per capita by the people of this Territory being, Samoa—Revenue, £2 16s. 5d.; expenditure, £3 12s. By the committee's report the revenue for Fiji equals £3 5s. and for Tonga £3 3s. per head, so that, while we are spending £3 12s. per head in Samoa, we only ask the people to pay £2 16s. 5d.—i.e., 8s. 7d. less per head than in Fiji.

Expenditure on Public Works.—The Committee refer to expenditure on public works, and ask citizens to compare this with Fiji. The annual expenditure for works in Fiji equals 14 per cent. of the revenue, whereas in Samoa it is just under 20 per cent. of the revenue raised in the Territory.

Expenditure.—The statement that the excess of expenditure per head is not visible in the development of the country is not correct, because the improvement or provision of roads, schools, water-supplies, wireless stations, the healthy and increased population, and increased production of exports are all evidences of the benefits which Samoa has derived from this expenditure, which has certainly been used more for Native development than for Apia. This town ought to be supported by a municipality, and so relieve the Administration of some of its expenditure, in the same way that the municipalities of Suva and Levuka relieve the Government of Fiji, by controlling their own local affairs. But citizens will not accept their responsibility in this matter; they apparently prefer to let the Administration do everything for them. Their attention is perhaps focused more on Apia than on bridges, roads, water-tanks, hospitals, schools, and other needs of the Natives in out-districts. I made the assertion at our interview, and now repeat it, that in the short period of my stay in the Territory I saw as much as, or more, of the real work that is being done in the Group outside Apia, than some of the committee who claim to speak as old residents. I say you do not know what is going on outside Apia.

Loan of £100,000.—This loan was granted in 1921. It was authorized by New Zealand to help Samoa, and to carry out work for the Natives which might well have been done previous to British occupation; also to instal water-supplies for Apia and improve roads and other works which in other countries would have been carried out by the European population through a Municipal Council.

A second loan of £48,000 was also authorized in 1926–27. I append particulars of expenditure of these loan-moneys, as follows:—

First loan, £100,000, plus £25,000 as a free gift from New Zealand Reparation Estates Account. Expended as follows (1921 to 31st March, 1925):—

Productive—				£	s.	d.	£	s.	d.
Apia Hospital	..	..	..	15,810	15	8			
Tuasivi Hospital	..	..	..	3,285	6	4			
Aleipata Hospital	..	..	..	4,687	0	3			
Post-office—additions	..	..	..	996	6	8			
Steam-laundry	..	..	..	6,169	17	7			
Customs building	..	..	..	1,016	14	2			
Public-works plant	..	..	..	2,419	0	2			
Central Hotel—purchase	..	..	..	10,000	0	0			
Apia drainage and water-supply	..	..	..	22,136	4	8			
							66,521	5	6
Partly Productive—									
Central Hotel—equipment and improve-									
ments	..	..	..	3,520	11	8			
Harbour-dredging	..	..	..	377	3	4			
Native water-supplies	..	..	..	9,747	17	10			
							13,645	12	10
Revenue-saving—									
Leper station, Fiji	..	..	..	1,051	19	1			
Electric light, "Vailima"	..	..	..	767	18	0			
Motor-transport	..	..	..	1,945	0	1			
Sea Road-protection	..	..	..	1,486	11	1			
Roads and Bridges	..	..	..	22,182	11	1			
							27,433	19	4
Essential Works—									
Wireless quarters	..	..	..	2,616	11	1			
Renovations—Various quarters	..	..	..	3,945	14	4			
Construction	..	..	..	5,266	0	8			
Police headquarters	..	..	..	400	0	0			
Central Office—alterations	..	..	..	750	14	5			
District schools	..	..	..	4,420	1	10			
							17,399	2	4
							£125,000	0	0