(2) Payments directly on behalf of Natives :—					
Native Affairs Department—					£
Salaries, European staff, Upolu and Sa	vai'i		• •		3,995
Cost printing Native Gazette					377
Fono expenses (Native Parliament)					737
Land and Titles Commission expenses		• •			11
Travelling-expenses					405
Entertainment of Samoans					161
Dog-collars		. • •			18
Flags, badges, &c., for officials					91
District surveys					17
Stationery, &c					657
Clothing, rations, &c., for messengers					182
Malaga expenses to Savai'i					100
Police and Prisons Department—					
Salaries, European staff (part)					1,500
Rations, clothing, utensils, &c					714
Medical Department—					
Salaries, European staff (part)					7,000
Samoan lepers, Fiji—Maintenance					1,295
Rations for Samoan patients					653
Transport and travelling-expenses (par	t)				800
Dental subsidy					180
Drugs, instruments, &c. (say)					2,500
Upkeep trainees at Fiji Medical School					232
Education Department—					
Salaries, European staff (part)					3,500
Food-supplies, &c			• •		225
Vocational classes					292
Travelling and transport expenses					555
Scholarship boys to New Zealand					60
Expenses, Grade II schools					181
Inspector's visit, from New Zealand					130
Vaipouli School, Savai'i—Upkeep					400
$School\ Journal$					81
Public Works Department—					
Hospital $fales$					183
Vaipouli School extensions					148
Sanitary closets for Faipules					41
Native water-supplies					3,248
				$\overline{\mathfrak{L}}$	58,290
				22	

In addition, a considerable amount is paid to Natives for supplies, such as coral for roads, thatches, &c., for *fales*, and charges such as maintenance of roads, bridges, and buildings. Part salaries of other Departments not mentioned above, &c., may be considered as applicable to the Natives. The expenditure of the Agriculture Department is to a large extent for the benefit of the Samoans generally.

PUBLIC WORKS PROGRAMME EX LOAN-MONEY.

The expenditure for 1927-28 was a	as follo	ows:			£	s.	d.
Native water-supplies				 	3,248		8
New wharf at Customs				 	2,927	8	1
New goods-shed at Customs				 	1,686	0	4
New roads, Upolu				 	744	19	10
Bridges and buildings, Upolu				 	532	5	4
Bridges and buildings, Savai'i				 	158	16	10
New telephone system	• •		• •	 	1,938	3	8
					£11,235	16	9

The new Customs shed has still to be completed: this will terminate the loan programme.

The following table gives a comparison between the revenue and the expenditure of the Territory over a period of five years:—

	Year.				Revenue ir Subsidy from I Governs	Zealand	Expenditure, Ordinary (excluding Loan Account).				
						£	s.	d.	£	s.	d.
1923-24						133,917	2	7	143,010	3	7
1924-25						130,914	7	8	135,523	17	4
1925 – 26						150,038	13	1	145,687	17	4
1926-27						133,812	18	9	141,710	4	6
1927-28						126,038	10	1	143,421	18	2