A.—3.

In conclusion, I would draw your attention to the alarming mortality among the people of the The Hon. Mr. Seddon has suggested that the fact is due to the floors of your houses being insufficiently raised above the surface of the ground; but I fear this is only one of the many causes, the chief of which is the habit of the Maoris who call in quacks, both European and Native, to deal with their sick people. It is believed that from this cause no less than twenty people have died in Rarotonga during the past year. For this custom there is no excuse in the Island of Raro-You will therefore be asked to pass a measure for this island, giving power to the Government Medical Officer to hold an inquiry into the circumstances of the death of each person whenever he shall have cause to believe that the death is the result of, or has been accelerated by, ignorant or unscientific treatment. Makea, Ariki,

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Rarotonga, 1st July, 1900.

Chief of the Federal Government.

Samuela Terei thanked the British Resident and Chief of the Federal Government for the welcome to the members, and expressed a wish that they would be able to carry out the views of the Chief of the Government, as laid down in the Opening Address.

Colonel Gudgeon, with the Chief of the Government and Arikis, retired.

The members of Parliament present were: Rarotonga—Te Ariki Tapu Rangi, Arorangi; Tita, Avarua; Samuela Terei, Takitumu. Aitutaki—John Ereazara, Tautu Atiu—Te Aura, Atiu; Tua, Mauke. Aitutaki—John Pakoti, Amuri; Panapa, Nikaupara;

Not represented—Atiu (Mitiaro); Mangaia (Oneroa, Ivirua, Tamerua).

Members then elected Te Ariki Tapu Rangi as their Chairman for the ensuing year.

The Address was handed to the Chairman and re-read to members.

Ordered to be printed.

Meeting adjourned till Friday, the 3rd August, 1900, at 10 a.m.

F. Goodwin,

Clerk to Parliament.

To the Chairman and Members of the Cook Islands Parliament.

I have much pleasure in bringing before your notice the financial condition of the Federation as disclosed by the audited accounts of the past year, as also the Federal prospects for the ensuing year.

On reference to the returns that will be laid before you you will see that the receipts for the year ending 30th June, 1900, amount to £3,165 7s. 10d., and that the expenditure during the same period has been £2,188 9s. 10d., leaving a surplus balance in the hands of the Treasurer of £976 18s. This is a most satisfactory financial position; but I would warn honourable members not to be unduly elated, for it is a necessity of our position that we should have a surplus each year, and that the surplus should be allowed to reach a sum of money equal to the liabilities of a full financial year. There can be no financial stability in the Cook Islands until we have attained to this position, for I need hardly remind you that one hurricane might destroy the producingpower of this group for one if not two seasons. We have, moreover, incurred liabilities that must be met. Of the £1,050 that you have authorised to be paid for the Government Buildings and land, only £350 has yet been disbursed, leaving a balance of £700 which should be liquidated at the earliest possible date. In order to reduce this liability I suggest that £500 be paid without delay to the owners of the buildings—namely, to Messrs. Murray, Roberts, and Co.

And I further recommend that the sum of £300 be placed on the estimates as a subsidy in aid

of the proposed Government schooner. This money may be required inasmuch that I propose to reduce both fares and freight to the lowest amount possible, and hence it is possible that the

schooner may not pay working-expenses for the first year.

In framing the estimates for the present year I have done so with the view of reducing the salaries paid to the level of the services rendered. The Parliament now sitting can easily finish the business they have before them in a week, and will consequently be well paid by an honorarium of £5 each. So, also, certain of the Judges of the Arikis' Courts have either failed to carry out their work satisfactorily, or have so little work to do that it would matter but little to the community if they were removed altogether from their positions. At Arorangi a system of terrorism and robbery has been practised at the expense of a quiet and inoffensive European, and it would seem to me that neither the Judge nor police have attempted to punish the offenders; but that they know them can hardly be doubted. The salary of this Judge has been reduced to £10 for the present financial year as a warning to him to attend to his work.

The Court fees received from the Island of Mitiaro have been £1 4s. 4d., and those from

Mauke have not been much in excess. It is therefore evident that, if these returns are correct, the police, Judges, and Clerks of Court at those islands have nothing to do, and therefore we have been paying £32 per annum for services that would have been well paid by a third of that amount. Under these circumstances, I have brought these salaries into harmony with the work done.

The estimates for the present year disclose an expenditure of £2,683, as against an estimated

revenue of £3,490, made up as follows: Surplus from year ending 30th June, 1900 976 18 By Customs duties 1,500 300 Post Office Shipping-fees ... 20 Trade licenses 200 • • • ... 200 Liquor dues High Court fees and fines 70 Arikis' Courts 180 0 0 Rents 40

3,486 18