

Ngamaru Ariki is very anxious that I should sit at Atiu and survey the tribal boundaries of that island during his lifetime, and I am aware that he has reason for his anxiety, for in the event of his death it would be next to impossible to ascertain the true ownership of the lands of that island; at the same time I wish to finish the Takitumu and Titikaveka districts before I undertake new work.

The Federal Council.

The legislative work of the Council has been confined to the passing of a few Ordinances which were deemed necessary for the well-being of the islands, due regard being paid to the fact that the circumstances of life are so primitive in these islands of the South Seas that only the simplest form of law is required.

Ordinance No. 1 extends the provisions of the Traders' License Act to Penrhyn, in order to place the traders of the Cook Islands on an equal footing with those of Tahiti.

Ordinance No. 2 makes the *tapere* (community) liable for malicious damage to property, or continuous acts of theft, in any instance in which the Court shall have reason to believe that the offenders are being screened by their fellow villagers. This Ordinance is designed to meet one of the worst traits in the Polynesian character, viz., the malicious destruction of the property of those to whom a family may have taken a dislike. Not long since, on the Island of Mauke, rather more than half a ton of copra was stolen from one of the resident foreigners, and as usual the police professed their inability to discover the thieves. When the complaint was brought before the High Court, I could not avoid seeing that so large a quantity of copra could not have been stolen without the knowledge of half the community; I therefore ordered the whole island to pay a fine of £8 unless the thieves were discovered and punished forthwith. Within fourteen days two men had been convicted, and the owner of the copra paid in full for his loss.

Ordinance No. 3.—To prevent the sale of stolen cocoanuts by children, who can now sell nuts in the presence of the police only.

Ordinance No. 4 restricts the size of pearl-shell that shall hereafter be taken and exported from the Penrhyn Lagoon, and generally regulates that trade.

Ordinance No. 5 extends the Traders' License Act to the Island of Niue.

Ordinance No. 6 removes restrictions on the punishment of married women.

Ordinance No. 7 restricts the use of the Chili dollar by providing that all island produce shall be paid for in British coin. The result of this Ordinance has been that the Chili dollar has been driven from the Cook Islands.

Ordinance No. 8 deals with the wandering animals nuisance, and is the most useful Ordinance that has yet been passed. The effect has been to remove the nuisance of wandering horses and pigs, who have for many years prevented all planting.

Ordinance No. 9 gives the Arikis and heads of *taperes* power to call out the whole of their people to erect enclosures in which to run pigs and horses.

Ordinance No. 10 imposes a tax on all dogs, in order to get rid of the numerous curs who for the most part live on the poultry of the Native inhabitants.

In addition to the above, the Island Council of Rarotonga has passed an Ordinance affirming the necessity for an hotel, with the double purpose of preventing the sale of spirits to the natives of the Cook Islands, and also to induce the visits of tourists and others to this Group by providing the usual accommodation for travellers. Previous to the passing of the statute of Rarotonga in 1899, the sale of spirituous liquors to Maoris was not illegal: any Native could obtain three bottles a week on a permit from an Ariki or the representative of an Ariki. Since the date above-mentioned it has however been an offence to sell to a Native; but so long as spirits can be purchased three bottles at a time, and at wholesale prices, so long will the Natives find it easy to obtain liquor of the worst quality, adulterated by Chinamen. It is in the interests of the Native inhabitants that an hotel should be established in Rarotonga, which shall have the sole right to import such liquor as is sold within the island. I do not assert that the hotel will entirely abolish the sale of spirituous liquor to Natives, for that much will not be achieved under any regulation; but, with an hotel, those who are and have been suspected of selling to Natives can be compelled to drink their liquor over the bar, and may be refused the privilege of taking it away in bottles. The hotel, moreover, has too much to lose to venture on any course of trade that would entail the cancellation of the license.

Government Offices.

During the past six months a building containing a Court-room, Post and Customs Office, Bonded Store, Land Office, Survey Office, Printing Office, and an office for the Resident Commissioner has been erected under the supervision of Mr. Connal, C.E. The building is of concrete throughout, and built on a solid platform above the reach of tidal or hurricane waves. From the solid and substantial nature of this structure it has been more expensive than was anticipated; but, as it will practically last for ever, the money has been well spent. The cement used is New Zealand made, and it has given results equal to the best Portland. The labour employed has been exclusively Maori. These men are slow in movement, but have shown remarkable aptitude in learning European methods, and have enabled us to finish the building at a cost considerably below the cost of such a building in New Zealand.

Revenue and Expenditure.

I am fortunately in the position that I am able to report that the revenue of these islands has increased in the most satisfactory manner, and has more than justified the large but necessary expenditure on public buildings already reported.