

TOTAL FUNDS TO CREDIT OF NIUE ISLAND ADMINISTRATION AS ON 31ST DECEMBER, 1904.

	£	s.	d.
On fixed deposit, Bank of New Zealand, Auckland	500	0	0
In Post-Office Savings-Bank	500	0	0
Balance to credit Current Account, Bank of New Zealand	587	3	0
Cash balance in Niue	647	14	8
	£2,234	17	8

Niue, 5th January, 1905.

A. PAUL,
Acting for Resident Commissioner.

No. 124.

SIR,— Cook and other Islands Administration, Wellington, 11th January, 1905.

I have to acknowledge the receipt of your letter of the 13th October, No. 97/04, with reference to the discontinuance of the insurance on the "Countess of Ranfurly."

As the establishment of a sinking fund, as mentioned in my letter of the 22nd September, has been decided upon by Cabinet, I shall be glad if you will give effect to the proposal.

I have, &c.,

The Resident Commissioner, Rarotonga.

C. H. MILLS.

No. 125.

SIR,—

Rarotonga, Cook Islands, 13th January, 1905.

In reply to your letter No. 286, of the 21st November, I have the honour to inform you No. 104. that I have had a meeting of the people of this island, both Europeans and Maoris, and have placed before them the full meaning of your letter.

At Mangaia I also held a meeting of the workers, headed by Daniela, and they have expressed an opinion that they can within twelve months double the output of both bananas and oranges from that island.

The position of Rarotonga differs from that of any other island of the Group. Here we are not limited in the class of land suitable for bananas, and whether a tax be imposed on outside fruit or not our output of bananas will have doubled within the next twelve months. Hundreds of acres of that fruit have been planted within the last two months, and if only moderate returns are the result we can easily supply all New Zealand. The Natives of Rarotonga are thoroughly alive to the value of the banana-crop, and the line they take will be adopted by all other islands.

As for the orange-crop, I would point out for your information that not two-thirds of the oranges have ever been exported, by reason of the fact that to place more fruit in the New Zealand market than the people could consume was simply to depreciate prices.

We do not ask that our oranges shall be protected for every month of the year, but only for those months during which we shall be able to supply in large quantities. On this point, however, I will leave the committee of the fruit producers and shippers of Rarotonga to speak, for they will report very fully for your information.

The conclusions at which I have arrived are that the Cook Islands can supply all the bananas required by New Zealand, provided that a sufficient protection be afforded to provide against actual loss to the shippers, and here there must be protection against the Union Company, who will probably reduce fares from Fiji in order to support that place as against the Cook Islands.

That in the matter of oranges we can for six months of the year, or perhaps more, supply the requirements of New Zealand; and on this point I wish to say that if this fruit is not protected the trade will die out altogether, for no young trees will be planted.

As to the pine-apple, I do not think that we grow sufficient to justify us in asking for protection.

I would further point out that if protection be granted there must be a fortnightly service.

I have, &c.,

W. E. GUDGEON,

Resident Commissioner.

The Hon. C. H. Mills, Minister administering the Islands, Wellington.

No. 126.

SIR,—

Rarotonga, 13th January, 1905

In reply to your letter No. 294, of the 24th November last, I have the honour to forward a return of moneys expended during the last three years on public works. No. 108.