

The amount of £2,874 does not by any means show all that has been expended since the upkeep of the buildings, and expenses incidental to the building have not been shown. Properly speaking, a portion of Mr. Connal's salary should be placed as against these works. I was, therefore, well within the mark when I said that £3,000 had been expended in the three years.

The local administration may fairly claim that the expenditure on public works has been on works that for the most part will last for hundreds of years. The cost has been approximately small, and the work done is of the best quality.

The Resident Agent's house at Mangaia is now finished, and has cost £385. This house has a concrete bath-room and concrete-floored verandahs, and it seems to me that no cheaper building could have been erected.

I have, &c.,

W. E. GUDGEON,

Resident Commissioner.

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

COOK AND OTHER ISLANDS ADMINISTRATION.—RETURN showing EXPENDITURE on Account of PUBLIC WORKS. £ s. d.

1901-2.	Final payment on account of purchase of lease of site of Government Offices, Rarotonga	...	...	...	200	0	0
1902-3.	Erection of Government Offices, Rarotonga (including wages of foreman of works)	...	...	...	1,623	12	8
1903-4.	Government offices, Rarotonga—Fittings, &c.	...	£34	5	4		
	Purchase of site, Aitutaki	...	£41	10	0		
	Residence for Collector of Customs, Rarotonga	...	£786	0	3		
	Fencing Government Buildings, and retaining-wall	...	£101	14	3		
					963	9	10
	Total expenditure from general revenue	...	...	...	£2,787	2	6
	Expenditure from Rarotonga Public Works Account—						
1903.	Erection of flagstaff	...	£26	11	4		
	Erection of bridges	...	60	9	8		
					87	1	0
					£2,874	3	6

MEMO.—The above figures do not include money expended on repairs and maintenance of offices, bridges, &c.

Rarotonga, Cook Islands, 12th January, 1905.

T. R. HERD, Treasurer.

No. 127.

Niue, 13th January, 1905.

SIR,—

I have the honour to forward to you herewith the following returns: (1.) Export Return for the year 1904. (2.) Import Return for December quarter, 1904. (3.) Summary of Import values for year 1904.

With regard to the export return, I notice that there has been a large decrease in the quantity of copra exported as compared with 1903, but, on the other hand, the export of hats has increased to a considerable extent, though not sufficient to compensate for the decrease in copra. From information I have received I do not anticipate that the export of copra for 1905 will exceed 250 tons, and there is not likely to be any increase in the quantity of hats exported.

Compared with the corresponding quarter of 1903, the import return for December shows a decrease of £800, and the return for the whole year shows a decrease of £1,300, the imports from New Zealand falling off to the extent of £700, and from New South Wales £500. This decrease is principally in food stuffs, and it is evident that the Natives have been living largely on their own products during the past year. Possibly also the traders had overstocked during 1903.

The Customs revenue has decreased by over £600, though this can be accounted for to a large extent by the reduction of duty on tobacco.

Mr. Maxwell left for Auckland *via* Tonga by the schooner "Ysabel" on the 9th instant, and will probably arrive there about the beginning of February.

I am forwarding this per s.s. "Maori," which has called here this morning on her way to Auckland. I have already forwarded the Niue Island revenue returns and the December quarter export return by the "Ysabel."

I have, &c.,

A. PAUL,

The Hon. C. H. Mills, Minister in Charge,

Acting for Resident Commissioner.

Cook and other Islands Administration, Wellington.