

## No. 136.

SIR,—

Rarotonga, Cook Islands, 23rd January, 1905.

I have the honour to report that the schooner "Countess of Ranfurly" returned to this port yesterday evening after a visit to the northern islands of the Cook Group.

I regret to say that the schooner met with a rather serious hurricane between Mauke and Atiu, during which the mate, H. Molvig, a native of Norway, fell overboard and was lost. I need hardly say that a great deal of damage has been done by this gale. At Aitutaki the cocoanut-trees have been stripped of their nuts, and there will be but little copra next year. Worse still, the bananas and breadfruit trees of the island have been levelled with the ground, so that there will be great scarcity of food for the next six months.

Atiu would seem to have escaped the full force of the hurricane, but Mauke, Mitiaro, and Manuae have all of them suffered. I am of opinion that there has been more than one hurricane, for on the 30th December we experienced the heaviest sea, both at Rarotonga and Aitutaki, that has been seen for the last fifteen years. At the last-named place the stone jetty was completely covered for hours, and all of the cement floor washed away.

At Aitutaki many houses have been unroofed, but this is but a small matter compared with the loss of food. That the Natives will be hard-up for a short time is certain, but Mr. Cameron reports that they will not require outside assistance.

I have, &amp;c.,

W. E. GUDGEON,

Resident Commissioner.

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

## No. 137.

No. 124.

SIR,—

Rarotonga, Cook Islands, 31st January, 1905.

In reply to your letter No. 2, of the 11th instant, instructing me that a sum equal to the annual insurance premium on £2,500—viz., £315—should be set aside as a sinking fund, as against the schooner "Countess," I have the honour to point out that this arrangement would have the effect of raising the annual charges against the schooner to £818—viz., principal, £323; interest, £180; sinking fund, £315. This being the case I would suggest that it would be better to add the £315 to the principal at once, and get rid of the incubus as soon as possible.

If you should take this view, I would ask you to notify Mr. Maxwell that he must pay one-third of the amount—viz., £272 13s. 4d., at the end of the present financial year.

In the face of the persistent opposition shown by the Union Company, I have no belief that the schooner can be kept on, and I think that another year will prove this.

I have, &amp;c.,

W. E. GUDGEON,

Resident Commissioner.

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

## No. 138.

No. 110.

SIR,—

Rarotonga, Cook Islands, 31st January, 1905.

With reference to your letter No. 303, of the 7th December, I have the honour to report that, during my visit to Mauke in September of last year, Messrs. C. Smith and Buchanan, and the Natives of the island complained of the treatment they were receiving from the Union Company—treatment that was practically killing all of the small traders and Native shippers.

The *modus operandi* was as follows: The steamer would call at Atiu, some forty-five miles west of Mauke, and would load there, but would decline to come on to Mauke, for the reason that Captain Harries, of the "Vaite," would meet the steamer with all the oranges he could get at Mauke, and transfer them to the steamer at Atiu. By this means Captain Harries virtually had a monopoly of the fruit of the former island, and defeated all competition.

This was reported to me as a grievance, and I asked the people at once what they had done to meet the matter. Had they ever employed the "Countess"? They admitted they had not done so, and that they were sorry they had not. On this I pointed out that even if the steamer came to the island she would never be a success, since they had to gather the fruit several days before she arrived, and were always in danger of the steamer leaving without cargo, for if very rough she would not wait for calm weather. I stated also that if they would guarantee me a full cargo for the "Countess" I would make it our business to wait at the island till all of the cargo was properly on board, and would, if required, find boxes for those Natives who wished to ship direct. Both Mr. Smith and the Natives are very much taken with this view, and will, I believe, employ the "Countess" if she is in the Group.

I would point out that the whole of the fruit trade of a few years back was carried out by schooner, and with success, and there is no reason why the "Countess" should not carry the oranges to New Zealand as well as the "Taviuni" can do it.

The steamer will probably return from Malden Island about the 1st September. We could then take a cargo of fruit from Mauke.

I have, &amp;c.,

W. E. GUDGEON,

Resident Commissioner.

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