

No. 165.

SIR,—

Cook and other Islands Administration, Wellington, 11th April, 1905.

I have to acknowledge the receipt of your letter of the 31st January, and am glad to hear that you have arranged for the schooner "Countess of Ranfurly" to carry a cargo of fruit from Mauke to New Zealand. I have no doubt the fruit-growers on the island will greatly appreciate the advantage of a more direct means of shipping their produce to the colony, and I note that in your opinion the fruit can be carried as successfully in the schooner as in the steamer. You have not referred to the suggestion to make Wellington the port of delivery. Please let me know what you think of it.

The Resident Commissioner, Rarotonga.

I have, &c.,

C. H. MILLS.

No. 166.

SIR,—

Rarotonga, Cook Islands, 11th April, 1905.

I have the honour to forward herewith the annual report on the Cook and Northern Islands for the year ending the 31st March, 1905.

I have, &c.,

W. E. GUDGEON,

Resident Commissioner.

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

Enclosure.

REPORT ON THE COOK AND NORTHERN ISLANDS FOR THE YEAR ENDING THE 31ST MARCH, 1905.

ENCLOSURES A and B explain the exports and imports for the year. In the matter of coffee and candlenuts, there has been more or less decrease, due to the fact that the crop of the first-named failed utterly last year, and the candlenut industry depends entirely on the failure of other and more remunerative employment. The exports from the Cook Islands are £4,738 in excess of last year's figures, and the improvement is due to a better market for copra and the rapidly increasing production of bananas.

The exports for the year from the Cook Islands amount to £31,578, and from the Northern Islands £6,670: total, £38,348, as against £34,740 for the previous year.

The imports for the year show a slight falling-off, the value for the present year being £33,399, against £34,886 for the year 1904.

It is a matter for congratulation that the people of this island have devoted themselves to the production of the banana. The increase for the year in this item of export has been 14,000 cases, and this represents a merely ordinary increase, for the real planting has been done within the last six months, and therefore the trees have not borne fruit.

That the Natives of the Islands are prosperous may be inferred from the fact that many new wagons have been imported and paid for. One firm has sold nearly a hundred within the last two years.

The damage done by the hurricane of the 14th January last will undoubtedly affect the copra-crop for 1905-6 probably to the extent of 300 tons, but the damage done will not in any way affect the well-being of the inhabitants. It will simply reduce their spending-power, and within two years all memory of this hurricane will have passed away.

REVENUE AND EXPENDITURE.

From Enclosure C it will be seen that the revenue of the Group during the past year amounted to £8,185 11s., less a sum of £2,610 17s., which is the surplus of the 31st March, 1904. Of the balance, a sum of £2,068 has been received from New Zealand, the money being Customs duties on goods imported into the Islands on which duty has been paid in New Zealand, and has now been paid into the Islands Treasury after adjustment of accounts.

The ordinary expenditure of the local Administration has been £4,656 5s. 4d., which includes an item of £301 11s. 3d., the first payment in liquidation of the amount due on the schooner "Countess," and also expenditure on public works to the amount of £607 15s. 7d.

The payments made to the New Zealand Government on adjustment of accounts—viz., £437 3s. 4d.—are the liabilities of previous years, and cannot properly be charged as expenditure of the past year.

The Treasury balance for the 31st March, 1905, is £3,092 2s. 4d., and to this must be added as an asset the fees due and outstanding of the Survey and Land Court Department, in all £642 19s., which will make the surplus for the past year £3,735 1s. 4d.