

The true capacity of these outlying islands can only be estimated by reference to the exports of Rarotonga, and a knowledge of the conditions existing in that island. The ascertained area of Rarotonga is 16,500 acres. Of this about 6,500 may be deducted for steep and wooded mountains, which, though picturesque, add nothing to the economic value of the island; and of the remaining 10,000 acres not less than 7,000 are lying absolutely waste. For it is a fact that the whole produce of Rarotonga is derived from the indifferent management of some 3,000 acres worked by perhaps eight hundred adults of both sexes. I use the words "indifferent management" advisedly, for though the Native methods of gathering and packing fruit have improved during the past five years—and there is reason to believe that the improvement will continue—they have still much to learn, and they will probably never develop the care and foresight of ordinary Europeans.

That the outlying islands of the Cook Group are capable of great improvement will be evident when I point out that Mauke has 3,600 acres, of which one-half is suitable for the most valuable of all crops—the cocoanut—and the remainder is first-class land suitable for any purpose of tropical agriculture. In other words, this island could easily export to the value of £15,000 per annum.

Aitutaki has an area of 3,900 acres, all of which is first-class land, suitable for every purpose but that of growing bananas, the rainfall being hardly sufficient for this industry; but the pineapple and orange grow here better than in most of the islands, and it is the chosen home of the cocoanut. If fairly developed this island should produce rather more than Mauke.

Mitiaro has not yet been surveyed, but it is estimated to contain about 4,000 acres. Of this 2,000 may be deducted for bare coral reef; but there are about 1,200 acres of cocoanut land and 800 acres of the best soil. This island might well export copra to the value of £5,000 per annum.

Atiu contains some 14,000 acres, every acre of which may be planted remuneratively. Ten thousand acres may be said to be cocoanut land, but really one-half the island is available for any purpose. This island has really no land that it would not pay to plant; but the present population have neither the desire nor the ability to develop the resources of the island. There is, however, a prospect of its being leased at no distant date, for the leading people have asked me to hear and decide their boundary disputes, and surveys must be made before this can be done.

Mangaia is perhaps the largest island in this Group; but as a rule the land is poor, and unless the island be fully planted with cocoanut palms we need expect very little more than we now obtain. It is not likely that any European will assist in the development of this island while there is anything to be done elsewhere.

Taking the lowest possible estimate of the area and quality of the lands in these islands, I can see nothing to prevent a fourfold increase in the exports of the Group; but this position cannot be attained by the Native inhabitants. There must be European planters who shall find remunerative work for those men who, though Natives of these islands, are now working for other people at Tahiti, Malden, or Samoa, and others who are wasting their time in New Guinea. It seems to me that the only chance that these islands have of preserving a remnant of the Native race is that they shall be induced to adopt habits of industry, and this can only be done by two means: first, by giving each man a good title to his ancestral lands; and secondly, by encouraging a sufficient number of suitable Europeans to settle in the Group, in order to insure employment for the young people, who must and will have money, and who prefer when young to work for those who will pay them daily wages. To the first of these remedies I have already given attention, as my report on the lands will show. The pity is that the early missionaries did not enforce upon this people the fact that industry and godliness went hand-in-hand. During the first sixty years of their residence in these islands their influence was very great, and at any time during that period they might have called upon the people to plant the whole of the coral-sand zone of the islands with cocoanuts. Had they done so the work would have been done within two years, and the present generation would have been wealthy.

The banana trade of this island is increasing in a very satisfactory manner, and would already have reached very respectable dimensions were it not that we have experienced a very cold winter, followed by a dry spring and early summer, so that many plants of a year's growth are only now bearing fruit. The success of a banana plantation depends on an excessive rainfall for quantity, and on a high temperature for quality. During ordinary years we can depend on these requisites, and therefore planters have no ground of complaint, even though the yield may not quite reach the usual standard.

The orange is still the weak spot in our industrial system. During the year 1905 no less than 76,080 cases of this fruit were exported to New Zealand from the Cook Islands, and at least one-third more might have been shipped had there been any market for it. As matters stand at present the only persons who really benefit by this trade are the New Zealand middleman and the Union Company. The producers, who have to pay for the boxes, pick the fruit, pack it, and bring it a distance of perhaps ten miles to the port, frequently receive a debit note for their trouble.

The necessity of a fruit department at Auckland as a Government measure does not appear to me to be urgent; but if the trade is to continue some measure of this sort may have to be considered. Personally, I am of opinion that it would be in the interest of the whole Group that prices should continue so bad as to discourage the orange trade altogether. These islands are the home of the cocoa palm, and if the Native owners could be brought to see that their interests lay in the systematic planting and culture of these valuable trees they would soon be wealthy men. The market of San Francisco is a good one for copra, and likely to extend its operations. Already we have been benefited by the fact, and the Native owner can now obtain £10 per ton for copra, instead of £8 as of old.

The decision of the Union Company not to send a steamer to these islands during the month of January has caused considerable loss to those growing bananas. Had the ordinary time-table been kept, the "Taviuni" would have left Rarotonga for New Zealand on the 10th January, but she did not leave until the 7th February, and thereby caused a loss of about 400 tons of bananas.