

Taxation.

It is thought necessary to place on record the taxation paid and the benefits received by Europeans and Natives in these Islands. The following taxes are imposed :—

License fee for traders : Wholesale license, £10 ; retail license, £5 ; ship's trading license, £10.

Road-tax : Natives (males)—16s. per head per annum, or, in lieu thereof, not more than twenty days' work on roads. Europeans—6d. in the pound on the annual rental value of lands in Rarotonga occupied by Europeans, with a minimum tax of 16s. per annum for each adult male European.

Water-rate : £1 per annum for each house supplied with water, no restriction being placed on amount of water used.

Inspection of fruit : 1d. per box for inspection and fumigation of all fruit exported.

Dog-tax : 5s. per annum per dog.

In addition to the above the ordinary Customs tariff is in force.

From the revenue derived from these sources Europeans and Natives alike are supplied with a hospital, the best medical skill available, and the most expensive drugs, for nothing. Cases of operation and midwifery come under this head, and every other form of medical attendance. In addition, plantations are inspected, and all necessary information and assistance given by the Fruit Inspector at the cost of the Administration, the roads and bridges are kept in good repair, and all public works are provided for.

Live-stock.

During the year it was thought necessary to approach the Agricultural Department in New Zealand with the view of obtaining a supply of the best class of pigs procurable, the object being to infuse new blood on this and the outlying islands. The Administration wishes to thank Mr. C. J. Reakes, Director of the Division of Live-stock, for his courtesy and assistance in the matter. A very valuable Berkshire boar and two sows were sent down, the sows being in pig. Since their arrival they have increased to twenty, the litters being distributed to Natives and Europeans alike free of cost.

As a result of inquiries made by me, the Hon. the Minister of Agriculture was kind enough to present a stallion, through you, to the Administration. The horse "Malachi" duly arrived, and is very greatly appreciated by the Natives and the planters. When it was known that the horse was coming many of the Native and European residents imported mares from New Zealand, and it is hoped that the standard of horses will be very much improved. This is a most important subject, as the planters and Natives have to cart their fruit some ten or fifteen miles to the shipping. It is to be regretted that this work was not undertaken some years ago, for by this time the results would have been apparent.

The pigs have been inbreeding for years and are poor specimens, and the same may be said of the horses. The latter are of Chilian breed, very small, and not capable of hauling heavy loads. It is the intention of the Administration, as time will permit, to send progeny of the Berkshire pigs to the outlying islands.

Fire-arms.

The time has arrived to call for an Ordinance to govern the use and importation of fire-arms. In this island there is nothing to shoot except the flying-fox.

RAROTONGA.

Everything is most prosperous on the island, the Natives being well supplied with food and clothing. It was found necessary, after consultation with the Chief Medical and Health Officer, to frame the Public Health Ordinance, 1910, which was forwarded to you with my despatch No. P3/1911/705, of 8th December, 1910, for the assent of His Excellency the Governor, which was duly obtained on the 20th January, 1911. The Desecration of Graves Ordinance, 1910, which it was also found necessary to pass, was published in my last annual report, and seems to have the desired effect, as no such offences have since been committed.

With the exception of one small culvert, the whole of the streams on the island have been spanned, and the culvert will be undertaken at once. The main road is in excellent order, and has greatly facilitated the shipping of produce.

I am glad to be able to report that the village of Arorangi has been connected with an up-to-date water-supply, which is found to be of very great benefit to the health of the Natives in this locality. The population of this village, according to the census, is 336.

The settlement of Ngatangia will be connected this year with a water-supply, estimated to cost £750. This is a most necessary work.

On 19th March last the death occurred of Makea Daniela, a member of the Rarotonga Island Council. Owing to the general elections of Island Councils taking place in April, it was unnecessary to hold a by-election to elect a successor.

MANGAIA.

I am pleased to say that so far as it has been gone on with the new channel through the reef has proved of great benefit to the Natives. They are now able to take cargo from the shore to the ship without difficulty. Some work yet remains to be done in blasting the crown of the reef off and deepening the channel, and a vote for this important work will be taken this year. The Natives of this Island are the most hard-working of the whole Group, and they are quite prepared to assist themselves if a little encouragement is given by the Administration.

The affairs of the island are going along smoothly and satisfactorily under the Resident Agent, Mr. J. C. Cameron.

AITUTAKI.

Owing to the resignation of Mr. Percy Brown, late Resident Agent at Aitutaki, which took effect from 20th May, 1910, Mr. J. McCulloch was appointed Resident Agent, and the affairs of the island are progressing under his guidance.