

Commission to make inquiries on the subject. I discuss the matter of a gaol later under another head. As to Mr. Reynolds's reference to the manufacture of orange-beer, I propose to refer to it under the head of "Intoxicating Liquors." I may add that I did not think it necessary to submit Mr. Reynolds's statement to the Resident Commissioner for any reply he might have to make. I believe that Mr. Reynolds is an honest man, but lacking somewhat in discretion. Captain Smith has made no charge against him. If an opportunity of employment in New Zealand should occur I do not think that he has done anything to forfeit his right to obtain such employment. I am also of opinion, however, that if a Resident Commissioner has no power to dispense with the services of a person engaged upon monthly notice on either side, it will be difficult to carry out his duties as Resident Commissioner. Further, if Mr. Reynolds desires to leave Rarotonga he should, in my opinion, have his passage paid. This was offered to him some months ago, but he did not then avail himself of the offer.

D. THE DRAINAGE OF THE MAERERENGA LAGOON.

Before Colonel Gudgeon left he put £200 on the estimates for the drainage of this lagoon. At that time no proper survey of the lagoon had been made, and no proper estimate of what the cost of the drainage of the lagoon would be. Afterwards Mr. Connal, who was the engineer, made a report, and stated he thought it might cost £500. The Commissioner was of opinion that it might cost more, and he considered that there were more pressing works requiring attention and did not go on with the work of drainage. It is to be remembered that the Natives in the outlying islands have been complaining of the lack of public works carried out in their islands. Most of the expenditure has been in Rarotonga, which is not even the largest island in the group. Further, the drainage means an improvement of private lands, and it appears from the correspondence that the Honourable Mr. McGowan, when Minister in charge of the Islands, suggested that before the drainage was carried out it might be wise to see if the private land to be benefited could not be acquired. This suggestion could not be carried out. The lagoon has been in existence for generations, and the necessity for its drainage does not seem to me to be so pressing that, in a question of policy of this kind, it should be said that the Commissioner and the Island Council are wrong. It is in any event not a matter calling for investigation and interference by the New Zealand Parliament. What would be thought of a member of the House of Commons who raised a question in the House of Commons as to the Government House drainage in Wellington and demanded a Royal Commission to inquire into the matter? I am sure that the English papers would point out to any member who made such a suggestion that there was such a thing as local government in New Zealand. I do not think that the Commissioner has been injudicious in postponing this question of drainage until he ascertains exactly what the cost is likely to be, and until it is seen that the finances are strong enough to allow the necessary expenditure compatibly with the demands of the Cook Islands generally for public works. He should also ascertain what the owners of the private lands that will be benefited will contribute to the expenditure.

E. APPOINTMENT OF A EUROPEAN MEMBER ON THE COUNCIL.

I have already given the population of Rarotonga. At present the European population does not amount to one twenty-fifth of the Native population. On the local Council there are one European member and eight Native members—that is, the Europeans have one-ninth of the representation. It cannot be said, therefore, that there is no European control of the Islands. On the contrary, it seems to me that the Arikis are justified in saying that very little control has been left to them under the present system of government in the Cook Islands. In Colonel Gudgeon's time the Arikis passed a resolution to the following effect: "That the members of the Council are also of opinion that the time has come when there should be a European member on the Federal Council, who should also be *ex officio* a member of each and every Island Council, and that such European member should be elected by adult male Europeans resident in the Cook and Northern Islands." This might mean that no white resident in Rarotonga might be elected. I understand that the Resident Commissioner thought this would not be suitable, and afterwards the Arikis passed a resolution to the effect that at present they did not wish a white member elected to the Federal Council, and there the matter rests. No doubt the time may come when a white member may be elected to the Federal Council, but this is a matter that, in my opinion, should not be pressed, and should be carried out only with the unanimous consent of the Native people.