

experience of the Natives at Rarotonga, and a few that have come in from Mangaia and Aitutaki, where the people are in a far less deplorable state than on the other islands.

Dr. Norman has only been here since the 4th December, 1914, but has rendered invaluable service to the health of this island. He has taken a very genuine interest in the Natives, and has spared neither time nor labour in his efforts to ameliorate their conditions in regard to health. During his stay in Rarotonga it was considered expedient to erect an operating-theatre as an adjunct to the pre-existing casualty-room. Dr. Norman has had occasion to perform numerous operations with much success, earning the gratification of the Natives.

With such a keen Medical Officer the health of Rarotonga would soon arrive at a satisfactory condition, but, unfortunately, we lose the services of Dr. Norman in May, and meantime we are doing practically nothing for the other islands, where the conditions are steadily going from bad to worse. By the annexation of these Islands we have made ourselves responsible for the health of their Native inhabitants, and, in my opinion, we are criminally negligent if we do not adopt some more effective measure than has been hitherto taken to endeavour to reduce the enormous mass of contagious and infectious disease now existing. In the interest of our fruit trade, if for no more cogent reason, our medical service must be improved.

ISLAND LAWS.

The so-called Island laws are still in the same unsatisfactory state, and I can only repeat what I said in my last year's report: something ought to be done with as little delay as possible to extricate them from their present chaotic condition.

I fear that in the immediate future there will be very serious trouble and much litigation unless some measure is taken with as little delay as possible to validate the proceedings of the so-called Land Titles Court sitting during the period from the 7th February, 1906, to the 19th August, 1913. During that period there was no properly constituted Court, though a large number of cases were brought forward and adjudicated upon.

I cannot emphasize too strongly the imperative necessity of dealing with this urgent matter as speedily as possible.

APPOINTMENT OF OFFICERS.

With regard to this important question, I can only repeat what I said in my last year's report. I think that all our officers should be appointed from the Public Service of New Zealand, and the terms of their appointments should be such as to attract thoroughly good men. It is imperative that the Administration officers should be the best procurable. They have far more responsibility thrown upon them than officers of the same standing in the Dominion, and require some measure of administrative ability in addition to their other qualifications. If, as I suggest, all Island officers were appointed from the Public Service of the Dominion by the Public Service Commissioners, we should get men whose character and qualifications were known, and who were specially chosen for the position by competent judges. Further, I consider that there should be special privileges to compensate for the many disabilities here. They should be paid at the Island rates, and each year's service here should count as a year and a half towards their retiring period; also (and I regard this point as essential), the appointment should be for a term not exceeding five years, on its expiration the officer returning to the service of the Dominion proper, with his service here to his credit in his own Department. In my opinion, a longer period here has a deteriorating effect. The isolation is too great, and an officer finds it difficult to keep his ideas thoroughly up to date; also, he tends to lose touch with his Department. By a regular rotation of officers we should ensure having always thoroughly modern men, and the Dominion Service would benefit also by more widely experienced officers. As I said last year, the Resident Commissioner will always require special judicial as well as administrative qualifications as long as he continues to act also as Chief Justice of the High Court, the cases coming under his jurisdiction including all those dealt with by a Supreme Court Judge, as well as petty Police Court work.

SHIPPING AND CARRIAGE RATES OF PRODUCE

This is a very serious matter to the inhabitants and traders, and also to the Administration.

Mr. Irvine, Union Steamship Company's agent in Auckland, writing to the local agent here, 21st September last, said, "There is no reason why rates from the Eastern Pacific should not be raised to the level of rates from Fiji to New Zealand." I cannot agree with him, and I would most respectfully suggest that when New Zealand is entering into a contract with the Union Steamship Company these Islands should receive special consideration, for these reasons: We are a part of the Dominion, and all New Zealand produce is imported here duty-free, which is not the case with Fiji and the French islands; there duty is charged. As shown in my last year's report, New Zealand benefited at our expense to the extent of £4,355 in one year for this cause. This year the gain to the Dominion and consequent loss to our revenue amounts to £4,886 (return attached).

The mail-boat has to reserve 750 tons space for produce from Tahiti to San Francisco by contract with the French Government, with the result that our produce is frequently left on the wharf because the space has been all taken up in Sydney and New Zealand—only French space left. We had a very good trade with America for coconuts, and prices were good; now it has been killed under the plea "want of space." Similarly, we frequently have fruit to send to Auckland, and by the time the boat arrives here there is not sufficient space left, and our produce is left to spoil. This is a very serious matter for these Islands.

Seven-tenths of our revenue is derived from Customs. Reduction in the export of produce means a proportionate reduction in the spending-power of the inhabitants—less will be imported, and a big reduction in revenue will follow. The rise in rates that Mr. Irvine speaks of means, according to