GENERAL.

The erection of the wireless station is the first important step in our programme of progressive development. The second is the improvement of the shipping service both within the Group and from the outside. That will come after the war. The third necessary step is the reorganization of the fruit trade.

Other works at present in the hands of the Public Works Department are the installation of a cold-storage plant, the extension of the telephone to the outlying settlements, the completion of the telephone exchange, and the alteration and enlargement of the Chief Post-office.

The advantages of cold storage are necessary for the maintenance of the health of the European community in a climate like ours. It is also expected that this provision will encourage our planters to devote more attention to cattle-raising.

The steady growth of public business, the telephone exchange, and the provision of private boxes necessitate alterations to the Post-office, which are to be undertaken as soon as possible.

I desire to thank the London Missionary Society and its representative, the Rev. H. Bond James, for their courtesy in granting to me and to other officers of the Administration passages on the "John Williams" round the Group; and again I have to express my appreciation of the substantial help the society continues to give the Administration in the extension of our education system.

To Mr. J. R. Smith, whose services I have already mentioned, we are much indebted for assistance

and advice in connection with the telephone extension and the building of the cool store.

I beg to forward the reports of the Treasurer, the Chief Medical Officer, and the Registrar of Courts.

I have, &c.,

F. W. Platts, Resident Commissioner.

The Hon. Dr. Pomare, Minister for the Cook Islands, Wellington.

REPORT OF CHIEF MEDICAL OFFICER.

1 beg to present my report upon the health of the Islands for the year ending 31st March, 1918. Rarolonga. There has been no serious outbreak of any epidemic disease during the year, and the general health of the islanders has been good. Eighty-eight patients were admitted to the hospital in the twelve months: the average stay in hospital was twenty-one days. 422 visits were made to Europeans on the island, and there were 380 attendances of Europeans at the hospital. 1,449 visits were paid to Maoris and 4,849 attendances given to them at the hospital.

Outer Islands. The following were visited by me during the year: Mangaia, Aitutaki (twice), Suwarrow, Manihiki (twice), Rakahanga (twice), Penrhyn, and Mitiaro. 2,162 visits and attendances were made in these islands, exclusive of visits to leper settlements. There has been a good deal of dengue in the outer islands. It was found impossible to visit Mauke, Manuae, Atiu, Palmerston, and Pukapuka, owing to difficulties of communication. A Government schooner of 50 tons with an auxiliary engine capable of doing 6 to 8 knots would help to solve this difficulty, or a hydro-aeroplane for the Northern Islands. A white captain and mate with a Maori crew would do for the schooner. A large white staff is not necessary.

Lepers.—One fresh case and two suspects have been isolated at Penrhyn and one fresh case and one suspect at Manihiki. There were no new cases at Rakahanga or Aitutaki. One boy died at Penrhyn and one woman at Manihiki. There was great difficulty in procuring medicine for treatment. It was found necessary, owing to increased price in foodstuffs, to increase the ration allowance. All appear to be comparatively comfortable.

General Remarks. During the absence of Dr. Baldwin and myself the Matron in charge of the hospital Miss Sisley, did very good work among the people in Rarotonga.

I wish to record my appreciation of the kindness and courtesy extended to me by Dr. Baldwin whilst I was acting as Assistant Medical Officer under him. Considerable improvement has been made in regard to the water-supply in several of the islands, but Aitutaki is still in a somewhat unsatisfactory state in this respect; this matter is receiving attention.

Assistance was given to the islanders in Rakahanga and Manihiki to develop the food-supply.

Assistance was given to the islanders in Rakahanga and Manihiki to develop the food-supply. I beg to thank the Resident Commissioner for the great assistance he has given to me in administrative work.

REPORT OF TREASURER.

Sir, -- Rarotonga, Cook Islands, 10th July, 1918.

I have the honour to forward herewith the annual statement of revenue and expenditure for the year ended 31st March, 1918, and the trade returns for the year ended 31st December, 1917.

The revenue for the period under review amounted to £11,068 0s. 2d., being an increase of £1,357 14s. 6d. over the previous year. Stamp-sales increased by £303, Land Court fees £416, High Court fees £431, Liquor Account £173, and Fruit-fumigation Account by £313. The only decreases worth noting are Customs duties, £226, and water rates, £63.

The revenue, £11,068 0s. 2d. plus the cash balance of £2,808 15s., made a total of £13,876 15s. 2d. for financing the Administration.

The balance in hand at the close of the year was £1,262 is. 8d., compared with £2,808 is. the preceding year.