During the year all the islands were visited by me with the exception of Takutea, which is uninhabited. Dr. Matheson visited Aitutaki, and Dr. Moore paid visits to Mangaia, Atiu, Mauke, and Aitutaki. The Resident Nurse at Aitutaki, Miss la Fontaine, appears to be doing good work on the island. There was no special outbreak of sickness on any of the outer islands.

As a whole the Island settlements were found to be comparatively clean with the exception of those at Atiu, where some of the houses and their surroundings left considerable room for improvement in the matter of cleanliness.

Encouragement is being given to the people to live more upon their plantations and less in the settlements, and many are doing so with markedly good results from a health point of view. Many cases of incipient phthisis under this plan have done well. There is less tendency, too, for the spread of numerous contagious diseases in this method of living, as there is not so much indiscriminate visiting as in the settlements. The chief drawback to plantation life, in the northern islands particularly, is the difficulty of getting a good potable water, but so far as water for drinking purposes is concerned this does not much matter, as the people mostly drink the water of nuts. The water-supply in Atiu needs to be supplemented, as does that in Aitutaki. In most of the other islands the drinking-water supply is now satisfactory, except during lengthened periods of drought. Much improvement in the domestic supply in several of the islands could be effected were the people taught how to build tanks with material ready to hand supplemented by the addition of small quantities of cement and alum, as not every one can afford to buy iron tanks.

A much healthier class of house is being built in the northern islands than has been the fashion in former years. This should help to mitigate the ravages of tuberculosis.

It was found impossible to make any lengthy stay on any of the outer islands with the exception of Pukapuka, owing to the difficulties experienced in arranging connections with the schooners. This is inevitable to a great extent so long as Government is dependent upon ordinary trading-vessels for the transport of its officers. It is to be hoped that with three schooners trading amongst the islands next year journeys may be so arranged that greater facilities for longer stays at particular islands may be afforded to the Medical Officers.

It seems advisable that the Chief Medical Officer, whilst visiting islands which it is impossible for the Resident Commissioner or the Land Court Judge to visit, should be invested with the powers of a Deputy Commissioner to facilitate the transaction of public business.

Efforts have been made, with success, to increase the Native food-supply in the northern islands, and more work of this nature is to be attempted in the coming year.

During the year 1,475 visits and attendances were made in the outer islands.

In the interests of the health of the islanders it was found advisable to curtail the movements of the passengers and crews of vessels trading in these islands. This involved a considerable amount of work as regards the inspection of vessels coming to or leaving the Port of Rarotonga. All vessels were inspected.

Hospital.—The in-patients treated at the Hospital during the year numbered seventy-seven, with an average stay of twenty-one days in the Hospital. There were four deaths. The cost of drugs and appliances was a heavy item of expenditure, and many drugs and appliances were unprocurable.

Leprosy.—There has been no spread of this disease during the year. One case is isolated locally, as none of the trading-vessels can be induced to transport it to one of the segregation areas.

I am indebted to the Resident Commissioner, the Land Court Judge, the Treasurer, and other officials for help in various administrative matters. Their courtesy and willingness to help were all that could be desired.

I have, &c.,

ROBERT S. TROTTER, C.M., M.D., D.Hy., &c., Chief Medical Officer.

REPORT OF TREASURER.

The revenue for the period under review amounted to £13,846 17s. 9d., being an increase of £2,778 17s. 7d. over the previous year. Customs duties show an increase of £1,218, stamp-sales £842, and Liquor Account £245. A new item of income—export duty on copra—produced revenue to the extent of £1,380. High Court fees and fines decreased by £412, Land Court £384, and Fruit-fumigation Account by £266.

The postal business is steadily increasing. Money-orders to the number of 948, value £18,273, were issued, and 586, value £8,119, were cashed, the commission earned being £78 11s. 3d. Postal notes to the value of £298 were issued. In the Savings-bank the deposits amounted to £1,837 and the withdrawals £197.

Soldiers' allotment warrants to the value of £8,852 were cashed, and in addition £5,757 as soldiers' pay was distributed on behalf of the Defence Department.