

tions removed. The horses were a constant source of trouble. The matter had been placed before the Resident Commissioner.

Water-supply.—The Council requested that the island water-supply should be placed on a more satisfactory basis.

Mr. COOPER said the question was really one of expenditure. It was receiving careful attention. The only really dependable supply on the island was the spring immediately behind the Courthouse where the meeting was being held. The estimate for making a reservoir was £1,300, and when the work was completed it would serve the immediate vicinity and the southern end of the island. The material was available, and the work would be gone on with as soon as possible. A second reservoir would also be erected at one of the other villages. There were several tanks which were out of repair—these would be attended to in due course; and there were two pumps which were to be repaired and made usable again as soon as the work could be put in hand.

The Hon. Sir JAMES ALLEN, in reply, thanked the Council for their words of welcome, and extended greetings also to them from the members of the Parliamentary Party. With regard to the question of payment for the services of the nurse, the islanders must remember there was a difference between Aitutaki and Rarotonga. There were more people at the latter place, the revenue was larger, and they were therefore more able to meet the expenses for medical services. But if the Aitutakians received great benefit from having a nurse among them it was surely fair that they should bear some portion of the cost. The Government would examine into the matter and inquire whether the allocation was fair, and if it were not, then they would try and make some other provision. They should represent their case to the Commissioner, to be sent on to the Governor-General for consideration. At the same time he wished to make it perfectly clear that they could not carry on without taxation of some kind. New Zealand already contributed some £8,000 per year towards the cost of the Cook Islands Administration, and it was not desirable to increase this burden unless there were some very good reason for it. The position with regard to the horse-tax and the water-supply had been explained by Mr. Cooper.

MEETING WITH THE TRADERS.

Present: Hon. Sir James Allen (Minister of External Affairs) and members of the Parliamentary Party; Mr. W. S. Cooper (Resident Agent); Traders—Mr. John Low (manager for A. B. Donald), A. H. Browne, R. S. Shepherd (manager for C.I.T.A.), W. T. Hewett, Maka (manager for Jagger and Harvey).

The Hon. Sir JAMES ALLEN asked the deputation to represent to himself and the members of Parliament present any matters they wished.

Mr. BROWNE said it had been the custom of the Cook Islands Administration during the last twelve months to import fruit-cases into Aitutaki consigned to the Resident Agent for delivery to the Natives for shipping fruit of any kind to New Zealand. These cases were delivered by the Resident Agent to a certain number of people called a "committee." This committee had resolved themselves into a body corporate under the Act, and insisted, under penalty of a fine, on their cases being filled before those of the Europeans or any other Natives. These compulsorily filled cases were to be sent to only one agent in Auckland. At the same time the European traders had on the island a number of cases which they were quite willing to sell to the Natives and to ship anywhere they wanted. The Administration had set up a competition against the traders and imported its own cases. It affected the traders inasmuch as if they had known the Administration was going to import cases they would not have done so. Their own cases were of no use, for the Administration had seized the whole of the oranges of the island. As the importers of the island the traders filled the steamer on her inward voyage, but on her return journey the Native company got preference over the space available as against the traders.

Mr. Low stated it had been said that the traders had not given the Natives a fair deal in the past in the fruit trade and in copra. During his nine years' experience on the island this had not been so. There were five traders on Aitutaki, and during the past nine years, at all events, such a thing as a combination had been unknown: their own competition prevented combination. It was a case of each trader for his own firm. The Natives had ten different options with regard to the disposal: they could either sell it to any of the five traders or consign and ship it themselves through any one of the traders. The cases, nails, and paper were provided at cost price of landing. The trader also advanced the cost of wharfage, loading, and other expenses. When the account of sales came back from New Zealand they were entered in the trader's books and then handed over to the Native shipper so that he might know exactly how he stood. If a bad market was met with the whole thing fell upon the shoulders of the traders, for it meant that they had a debit account against the Native in their stores. The copra and fruit trades were a gamble. The trader practically kept the Native alive during the time between the despatch of the fruit and the receipt of the accounts of sale and payment. The traders had thousands of pounds invested in the island; they earned their money there and spent their money there. The Native was paid spot cash for his fruit whether he was owing any money or not. If he was honest he paid his debts; if he was not he did not. From April to June he had never known of any of the traders making a penny on fruit, and yet the Administration backed these people up, and the traders were faced with a note that at the opening of the season oranges would be 5s. per case. The traders used to buy them at 1s. 6d. per case. Prices had gone up in all directions since the war, and yet this combination forced the prices up. Was it not to the advantage of the traders themselves to raise the prices as high as they could? But what were they going to do if the Government put up false and misleading statements on the notice-board about the price of fruit and copra? Notice had been put up that copra was £25 per ton. What did that mean—f.o.b., or what? Last year the traders had paid £18 per ton for it on the scales. And it must be remembered that the