At the opening ceremony on the 5th March the following radiogram from His Excellency the

Governor-General of New Zealand was read, and highly appreciated:

On the interesting and historical occasion of the first meeting of the recently constituted Legislative Council of Western Samoa, I desire to convey to you and to members of the Council my warmest congratulations. It must inevitably be a matter of satisfaction and pride to the people of Western Samoa that so noteworthy a step forward towards representative government as the institution of a Legislative Council, which is partly elective and partly nominative, should have been made in a period of a little in excess of three years. It is in the confident belief that the Administration will be supported and strengthened under changed conditions that I express, on behalf of the Government of New Zealand, the satisfaction with which the new departure is viewed and our heartiest good wishes for the future. "Jellicoe."

V. PUBLIC WORKS.

In 1922 a loan of £100,000 was granted by New Zealand for carrying out certain public works in This loan has been expended on roads, hospital extensions, schools, and water-supply for Apia. Only a small amount was expended in out-districts, where many Native villages are in urgent need of good water-supplies. It has therefore been decided to concentrate our efforts, as far as possible, on the latter, before considering any new developmental works.

If no unforeseen emergencies arise it is hoped that in the interests of economy we shall be able to meet our normal public-works requirements out of revenue, and be able to avoid raising any further loans for some time to come, except for absolutely essential services which will be revenue-producing, such as the proposed new wharf for Apia Harbour.

The two urgent needs which have been provided for on this year's estimates are—(1) A retaining-

wall along the Apia sea-front; (2) water-supplies in Native villages.

New roads are being continually asked for by the Natives, but these cannot, for financial reasons, be constructed entirely by the Government, and I am glad to say that this fact is being appreciated by the Natives themselves, as the Faipules have agreed to use Native labour and make new roads where required at approximately 1s. per foot.

Recently the Natives have constructed an excellent road, 800 yards long, in the vicinity of Apia. This road was properly formed, metalled, and drained for £190. The same work in a European country would probably cost more than £3,000 per mile. This in itself shows the attitude of the Natives in their desire to help the Government, and has had a far-reaching effect throughout Samoa in showing them how they can help themselves.

VI. CROWN ESTATES.

The decision of the Government given in December of last year to lease the Crown Estates is being gradually given effect to. At the time of writing practically all the cacao plantations have been leased, and numerous inquiries are being made by applicants to lease the large copra plantations. I anticipate before the end of the present year all Crown estates—the property of New Zealand—will have been leased to private enterprise.

As the Government has already generously agreed that revenues received from these estates shall be made available to the Samoan Administration, our local revenue will in future be increased by their leasehold value; but this has not been taken into consideration in the estimates for this year, as it is not known what expenses will have to be met in the closing of the accounts and transactions

involved in the change over.

VII. EUROPEAN COMMUNITY.

I wish to gratefully acknowledge the help received by the Administration during the past year from individuals and organized bodies of the European community of Apia. Various committees have been set up from time to time to investigate and report on local problems for the guidance of the Administration, and I have had no difficulty in getting citizens to come forward and give their advice and assistance in any matter for the promotion of the interests of Samoa. The Welfare League has also willingly co-operated with the Administration whenever called upon. Under these conditions the Administration and citizens have worked harmoniously together to further the prosperity of this Territory.

VIII. ADMINISTRATION.

I am indebted to a very efficient staff of Administrative officials, who, in most cases, are required to work harder than is generally realized, and under far more trying conditions than in New Zealand.

Owing to climatic conditions, and the consequent necessity for maintaining efficiency where the staff is depleted through sickness, also the essential provision for long leave of officials at the end of three years' service, the Administration cannot be run as economically as it would otherwise be possible to do.

Owing to the diminished revenue it has been found necessary to reduce the costs of administration, and in order to do this I have had the unpleasant duty of dispensing with the services of officials in some Departments, and also curtailing Governmental activities where this could safely be done without prejudice to the interests of the community.

I regret that a number of the officials employed in Samoa are only recognized as "temporary" under the New Zealand regulations, and therefore cannot contribute to the New Zealand Superannua