Had full freights of bananas been maintained after alterations and improvements had been made to the vessel the New Zealand taxpayer would have had no grounds for condemnation of the service. The Government, upon reviewing all the circumstances, has decided to maintain the vessel in the Samoa-Niue-New Zealand service, but has transferred the management thereof to the Samoan Administration. It has also found it advisable to detach Niue (which is geographically much nearer to Samoa than to any of the Cook Islands) from the Cook Islands Administration and to attach it to Western Samoa under the Department of External Affairs. The "Maui Pomare" has never served any other of the Cook Islands.

TRADE BETWEEN COOK ISLANDS (INCLUDING NIUE) AND NEW ZEALAND.

If the figures of commerce are to be taken as the criteria of successful colonization, the following, which shows the trade in the ten years ended 31st December, 1931, may be of interest:—

Year.		Niue.			Rarotonga.			Total.	
		Imports.	Exports.	Total.	Imports.	Exports.	Total.	Imports.	Exports.
		£	£	£	£	£	£	£	£
1922		13,188	14,938	28,126	93,386	102,906	196,292	106,574	117,844
1923		14,737	12,960	27,697	93,756	91,128	184,884	108,493	104,088
1924		14,169	14,603	28,772	101,727	108,352	210,079	115,896	122,95
1925		14,953	17,320	32,273	91,504	95,362	186,868	106,459	112,682
1926		14,105	17,655	31,760	95,531	101,752	197,283	109,636	119,407
1927		10,896	14,290	25,186	87,773	99,106	186,879	98,669	113,396
1928		14,403	16,347	30,750	81,511	96,470	177,981	95,914	112,817
1929		14,688	13,449	28,137	73,565	93,066	166,631	88,253	106,515
1930		14,863	13,323	28,186	69,976	85,956	155,932	84.839	99,279
1931		8,958	5,186	14,144	49,223	66,932	116,155	58,181	72,118
Total		134,960	140,071	275,031	837,954	941,030	1,778,984	972,914	1,081,101

These figures reveal the effects of the depression in inward and outward trade. The inhabitants of the islands cannot purchase more of the foodstuffs or clothing and other articles that New Zealand can supply unless they can pay for the same with the bananas, tomatoes, and oranges they grow, or with the copra they ship to the other end of the world. In regard to citrus fruits, they have been very considerably displaced in the New Zealand market by importations from Australia and California, as the following figures show:—

·		1928.	1929.	1930.	1931.							
Australia (including Norfolk Island) United States of America Cook Islands	••	1b. 5,101,900 2,409,666 7,881,699	1b. 3,376,113 4,162,990 6,376,273	lb. 6,405,305 2,798,658 7,696,066	1b. 11,156,620 2,490,466 3,336,439							

There may be another road to economy through proper exploitation of the abundant resources of islands, only a few days' steam away from New Zealand—islands forming part of the Dominion of New Zealand for the welfare of which she is responsible, and to the service of the inhabitants of which she makes annual contributions. To the extent that these resources and trades are developed and safeguarded, so will island revenues appreciate and island treasuries assume more and more of the responsibilities and costs of administration and public services.

A. T. NGATA, Minister for the Cook Islands.