Water-supply.—The people rely entirely on rain for their water-supply, and it is very necessary that the reservoirs should be increased considerably. During the year a few additional tanks were erected, and others were maintained in good repair. It is proposed during the coming year to concentrate on building more tanks.

Transport.—The Administration have five trucks and four cars, besides four trailers. The former

were used mainly in connection with the transport of bananas and on road work.

AGRICULTURE.

This department has progressed satisfactorily. Since practically 100 per cent. of the population depend on their plantations, the importance of this department will be appreciated. During the year cattle, pigs, fowls, geese, and pea-fowls were imported. There has been an improvement in the stock

in the villages.

There is very little soil available—only a few inches—the subsoil being very pure carbonate of lime, the rest up-heaved coral rock. These factors make it difficult for the Natives to obtain adequate food-supplies, especially as it has been the practice for very many years to burn all rubbish or anything likely to produce soil. It is considered that this subject is one of the most important in the school curriculum, and one morning in each week the boys of Tufukia School receive practical agricultural instruction at the Administration plantation. It is hoped that as time goes on this procedure will have beneficial results.

HIGH COURT AND NATIVE LAND COURT.

All offences were of a minor nature, indicating that the Niueans are a law-abiding people. During the year 898 cases were dealt with.

ISLAND COUNCIL.

Each village elects a member to the Island Council to assist the Resident Commissioner in his duties.

There are no chiefs in Niue, and the Councillors provide the usual channel of communication between the Resident Commissioner and the people.

LEGISLATION.

No new laws were passed during the year, as those in existence were found to be adequate.

WIRELESS.

One European officer controls this department, assisted by a Niuean boy.

Inward Traffic.—Three hundred and twelve messages, containing 5,117 words, were received, as compared with 329 messages, containing 5,321 words, the previous year.

Outward Traffic.—Three hundred and eighty-three messages, containing 6,228 words, were despatched, as compared with 392 messages, containing 6,746 words, the previous year.

The service has been very satisfactory, the station having been kept in operation without any

breakdowns, despite the fact that the plant is not an up-to-date one.

METEOROLOGICAL.

The total rainfall for the year was 77.42 in., as compared with 53.70 in. for 1937. There has been an average fall of 81·15 in. per annum for the past thirty-three years.

The average maximum thermometer for the whole year was 85.7, the highest ever recorded. The mean average temperature for the whole year was 78-2, also the highest on record.

Shipping.

The New Zealand Government's motor-vessel "Maui Pomare" called each month. This vessel

provided the only regular shipping communication with the outside world. The importance of the service to Niue cannot be overestimated. If it were not available, it would be impossible to ship fruit, and instead of this Island being self-supporting, as it has been over the past few years, it would have required substantial assistance from the Consolidated Fund each year. During the year the ship "Sonora" called and took away copra. The yacht "Ngataki" also visited the Island during its cruise.

VITAL STATISTICS.

The Native population is now 4,276, an increase during the year of 61. There were $15\overline{2}$ births and 89 deaths.

Population Table.

Population at 1st January, 1938.			Births during 1938.			Deaths during 1938.			Arrivals during 1938.			Departures during 1938.			Population at 31st December, 1938.		
м.	F.	Total.	М.	F.	Total.	М.	F.	Total	М.	F.	Total	М.	F.	Total	М.	F.	Total.
2,053	2,162	4,215	83	69	152	37	52	89	64	49	113	65.	50	115	2,098	2,178	4,276