The gospel was brought to Niue in 1846 by Peniamina, a Niuean, who had been for a few years in Samoa. Peniamina soon fell into heathen habits, but he prepared the way for Paulo, a Samoan teacher, in 1849. He lived and worked and fished with the people, and eventually won them over to receive his message. In 1861, when the first missionary landed, there were five good chapels built, the Alofi chapel being one. The people were all, save eight or ten, nominal Christians, waiting to be taught, anxious to be led in the right way. We have now eleven villages, each with its teacher, who is a schoolmaster and pastor and general guide to his people. Good work is being done, yet there is room for vastly more and better work. And we hope the increased security, the improved laws, and the stimulus given by annexation will yield good fruit in abundance.

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Alofi, 30th October, 1900.

F. E. LAWES.

No. 2.

My Lord,— Rarotonga, 24th January, 1901.

I have the honour to forward herewith for your information a report on the trade of the Cook Islands for the year ending the 31st December, 1900.

His Excellency the Earl of Ranfurly, K.C.M.G., Governor of New Zealand. I have, &c., W. E. Gudgeon.

Enclosure.

Report on the Trade and Social Condition of the Cook Islands for Year ending 31st December, 1900.

The past season has been remarkable for the abundance of the orange-crop within the Cook Islands, for not less than 1,500 tons of this fruit has been shipped from Barotonga alone, and at least 500 tons from Aitutaki. It is, however, unfortunate that this large export has not brought a corresponding increase of wealth to the native shippers, for after paying the freight and other charges—which on a 6 in. box amount to about 2s.—very little, if any, margin has been left to the producer, and in the numerous instances where fumigation has been ordered the exporters for the most part have had to meet a complete loss. I have now in my possession some account sales that show charges incidental to fumigation amounting to £2 16s. 8d. on 142 boxes.

To illustrate the miserable condition of the fruit trade during the past season I cannot do better than quote the following actual transactions: A shipment of 95½ tons of oranges made by certain Maoris realised £96 10s. 4d. in the Auckland market; but against this return there were the following charges: Freight, £95 10s. 4d.; cartage, £19 7s.; fumigation, £10 15s. 6d.; storage while waiting fumigation, £1 1s. 6d.; labour, commission, &c., £11 15s. 9d.: total, £138 10s. 1d.—in other words, a loss of £42 on 95½ tons of fruit.

Another shipment of 110 tons realised £154 7s.; but the expenses thereon amounted to £153 19s. 3d. If necessary, it could be shown that these are a fair average of the returns made during the early part of the year; indeed, I know of but one agent who has succeeded in making small uniform profits for his principals throughout the year. After this experience of the Port of Auckland no one need be astonished that the natives of the Cook Islands are anxious to find another outlet for their fruit.

Later shipments have realised better prices; but from inquiries I have made I am convinced that the producers have not received more than £1 per ton—that is, 1s. per 6 in. box—actual profit on the oranges exported by them. That some one has benefited by this condition of affairs may be assumed; but it has not been the producers, nor does it appear that the consumers have profited by the low prices, inasmuch as from Napier southwards oranges have ruled from 1s. to 2s. per dozen during season. As for the Union Company, they cannot have received less than £5,000 in freight on fruit during the past year; but so far they have done nothing to facilitate the transport of perishable cargo to Wellington and the south, and therefore it has happened that oranges shipped to southern ports have on more than one occasion been stored on the Auckland Wharf for from four to six days, with the natural result that much of the fruit arrived in an unsaleable condition.

The merchants of Auckland do not indorse the views held by the fruit-growers of Rarotonga. They contend that the people of Auckland are the largest consumers of fruit in New Zealand, and therefore their town should remain the trade centre. This contention may or may not be in accordance with facts; but, in any case, it has no practical bearing on the merits of the dispute, since it does not disclose any good or sufficient reason why the Cook Islands should continue to supply fruit to the people of Auckland at a loss to themselves. It has never been in contemplation to cease shipping to that port, but experience has taught the people of Rarotonga that they must also export to Wellington and Lyttelton.

Those Europeans who are interested in the fruit trade are now considering what steps ought to be taken to place it on a better footing, and it is proposed to hold a large meeting and point out to the Maoris that they themselves are in a measure responsible for the low prices of last season. It is well nigh impossible to make the ordinary Maori of the Cook Islands understand that care is necessary in selecting and in packing oranges, or that they should be uniform in size and quality. There is no possible reason why a single bad orange should be sent to New Zealand from this group, for our supply usually exceeds the demand; but, none the less, most of them will continue to damage the trade by sending hopelessly unripe fruit mixed up with good saleable oranges; by allowing bruised fruit to be packed, so that by the time it reaches New Zealand the boxes require