

No. 15.

SIR,—

British Residency, Rarotonga, 30th June, 1902.

I have the honour to report, for the information of the Government, that the accounts of the "Countess of Ranfurly" for the nine months ended 31st March, 1902, have been as follows:—

	£	s.	d.
Total cost	1,492	3	0
Freight received	234	10	1
	<hr/>		
Debit balance	£1,257	12	11
	<hr/>		
The items of cost are as follows:—			
	£	s.	d.
Outfit and repairs	607	16	3
Provisions	344	16	11
Wages	438	14	5
Miscellaneous	100	15	5
	<hr/>		
	£1,492	3	0
	<hr/>		

In explanation of these accounts, I may point out that last year the schooner had no chance of taking her share in the trade of the islands for the reason that she did not arrive in Rarotonga until September, and had then to take Mr. Smith to Niue, and on her return was ordered to take me round the northern islands. This last trip ended in the month of November, after which date there is no carrying trade by reason of the fact that the hurricane season commences in December and ends late in March. It will therefore be seen that the "Countess of Ranfurly" could not compete in last year's trade. The item of £607 16s. 3d. is not likely to recur, though renewals and repairs may amount to £200 per annum.

I have never supposed that this schooner will pay her way, for the reason that the competition of the Union Company is now unremitting, and there are still a few schooners taking part in the trade on behalf of certain firms. But it is well known that, prior to our schooner coming on the scene, the Union Company's boats would only call at the outlying islands on a £50 guarantee. Now those islands have the same trade opportunities as Rarotonga, and this fact has done much to improve the circumstances of the said islands and benefit the public.

As I have pointed out, the schooner cannot be expected to pay, but indirectly she is invaluable, for the reason that the government of the northern islands cannot be carried on effectively without a schooner of this type, and the Cook Island Government can well afford to pay £1,000 per annum for a boat that reduces the price of freight and passages, gives prompt and certain communication between all the islands, and retains money in the group that would otherwise go into the pockets of foreign firms.

Until lately, the Cook Islands Trading Company have been the agents of the schooner, they having consistently employed her; but, on the representation of other firms that they might be prejudiced by the said company, knowing what trade they are sending away, I have made the agency a Department of the local Government under Mr. Blaine.

The prospects of the Government boat improve daily. At the present moment we have our Maori boat and the oil-engine schooner "Vaiti" competing against us, but neither of these boats can pay, and before the end of the year I anticipate that the schooner "Countess" will have all the trade in her hands, and this means not only low freights, but a boat open to all merchants on equal terms.

I may point out that the freight on material required for Post-office and Customhouse, Rarotonga, would, by the Union Company, amount to £180. The schooner will save this sum.

I have, &c.,

W. E. GUDGEON,
Resident Commissioner.

The Right Hon. the Premier, New Zealand.

No. 16.

SIR,—

Premier's Office, Wellington, 7th July, 1902.

No. 1.

Referring to your letters Nos. 26 and 15, of the 28th November, 1901, and 7th March, 1902, I have now the honour to forward fifty copies of an Order in Council establishing the Cook and other Islands Land Titles Court. Also the appointments of yourself as Chief Judge, and Pa, Ariki, as Judge of the Court; the appointment of Mr. Blaine as Registrar, and Mr. Savage as Interpreter.

I also forward the forms of title asked for in your letter of the 18th November, and copies of the rules of the Native Land Court.

For convenience, it would be well if Mr. Maxwell and one of the Natives of Niue were appointed Judges to carry out the Order in Council there. If, therefore, you will nominate some one to act with him, His Excellency the Governor will be advised to appoint them.

I have, &c.,

J. CARROLL,

The Resident Commissioner, Rarotonga.

For the Premier.