A.—3.

Tonga and elsewhere. I deem it my duty to give you fuller information regarding the subject

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than was possible in the limited time at your disposal.

As I explained to you then, the fee of 4s. charged for registration and pass to each emigrant was imposed by the Niue Council with the concurrence of Mr. Percy Smith. This fee was imposed, not so much for the purpose of augmenting the revenue, as to act as a deterrent against the ablebodied men leaving the island without making proper provision for their wives and families. This practice had attained very serious dimensions. A taste for wandering is inherent in the Niuean, and love of country hardly exists. They are to be found all over the Pacific, and very nearly of them percent return to Niue and descript their families entirely.

many of them never return to Niue, and desert their families entirely.

This exodus became so serious that the Niue Council afterwards decided to increase the fee to 10s. in the case of Tonga, as the people were flocking over there in numbers, though many of them suffered privations after reaching there, through lack of employment. In the majority of cases I can vouch that there was absolutely no special reason why these men should wish to leave, except that Tonga afforded greater attractions and more facilities for obtaining liquor than are to be found on Niue. I find this exodus very inconvenient, as men to whom I could give constant employment at 4s. per day, and who were under no disability whatever, bound themselves to work for twelve months or longer for a wage of £2 per month. Their sole motive is love of change and adventure. As the best men leave on these excursions, I find it difficult to get competent men to do necessary work. I suppose that as free British subjects they have a right to leave when they feel inclined, but it is useless to try to develop the resources of this island unless something is done to restrict emigration.

Out of a population of 1,683 males of fifteen years and over on the 1st June, 1902, no less than 418, or 24.8 per cent., were absent in different islands or at sea. There is no doubt that owing to the rocky nature of the soil strenuous effort is necessary to obtain food. This is intensified in the case of women and children, when their husbands and fathers have left them. There is an ancient law of Niue which precludes women from leaving the island. I think, however, if a man has liberty to leave, and wishes to take his wife, he should not be prevented, and have

accordingly given passes gratis to women wishing to accompany their husbands.

I have, &c., C. F. MAXWELL,

Government Agent, Niue.

The Hon. C. H. Mills, Minister for Trade and Customs, Wellington.

No. 20.

Sir,— Niue, 8th June, 1903.

I have the honour to forward to you herewith for your information a copy of a letter that I have written to the Resident Commissioner, Rarotonga, with reference to "The Traders' License Act, 1898," with a view of having Regulation 6 amended on the lines mentioned by you when here.

I have, &c.,

C. F. MAXWELL,

Government Agent, Niue.

The Hon. the Minister for Trade and Customs, Wellington.

Enclosure.

Niue, 8th June, 1903.

I am directed by the Hon. Mr. Mills to write to you and point out a clause in "The Traders' License Act, 1898," which bears hardly on some of the traders of Niue, with a view of getting the regulation altered as regards this island. I refer to Regulation 6 of the Act, which reads, "Any person or syndicate having more than one store shall obtain a wholesale license for one store and a retail license for each store in addition." There are some small traders here who make no pretence to doing a wholesale trade, yet if they wish to establish a branch store are obliged to pay £15 per annum in terms of the Act. Mr. Mills considered that a retail license only should be required for stores of this description and their branches—that is, £5 per annum for each store. When a firm professes to keep a wholesale establishment the regulation as it stands should apply to them. I assume you will be able to get the regulation altered by the Federal Council.

A letter written by His Excellency Lord Ranfurly to Togia and chiefs of Niue complicates matters somewhat. I furnish an extract from this letter (1098/1902, 29th December, 1902): "No ordinance of the Federal Council of Rarotonga will be allowed to obtain on the Island of Niue. You have your own Council, and pass your own Ordinances for self-governing purposes, and any Ordinance passed by the Rarotonga Council will be disallowed, so far as it affects the Natives of Niue." The immediate consequence of this assurance is that Natives are obtaining goods and establishing petty stores in the villages to the detriment of the trade of those traders who have taken out licenses. In face of His Excellency's letter I cannot enforce the Act against Natives.

It is quite clear that the Governor does not intend the Ordinance to apply to Natives.

I have, &c., C. F. MAXWELL,

Government Agent.

The Resident Commissioner, Rarotonga.

2-A. 3.

I have forwarded a copy of this letter to the Hon, the Commissioner of Trade and Customs for his information.—C. F. M.