

Mr. COOPER explained that there were two agreements. The first had been challenged as it was said that some of the names had been forged. Then it was that the question of withdrawal from the association arose. There was no penalty provided for withdrawal, and the agreement was not worth the paper it was written on. Then it was that he had told Mr. Hewett that any member could withdraw if he wished. The second agreement provided for withdrawal only on payment of the penalty mentioned by Mr. Hewett. Mr. Hewett had asked if he had advised the Natives with regard to the agreement. Of course he had: he was there to advise them.

*The Island Council.*—Mr. Hewett said that previously the members of the Island Council had been elected; now they were nominated by the Resident Agent. If the Resident Agent wanted to pass a law and any member of the Council objected to it he appointed in his place another man who would pass it.

Mr. COOPER replied that there had been only one vacancy on the Council for some time past, that caused by the death of John Patoki, sen. He had had nothing whatever to do with the new nomination. On the day of his arrival his advice had been asked as to how the vacancy should be filled, and he had called for nominations. No name had been put forward until the visit of Mr. Platts, the Resident Commissioner for the Islands. The late man's son was then nominated by written petition to Mr. Platts, and he was appointed by the Governor.

*Road-tax.*—Mr. Hewett complained that although under the Island Ordinances provision was made whereby a man could pay a fine, called the road-tax, in preference to working on the roads as required by law, the Resident Agent had in several cases refused to accept the fine and thereby relieved the Native of his responsibility. Was this not so?

Mr. COOPER replied that in some cases this was so. The law provided that each Native must render so-much service per annum on the making and improvement of roads on the island, with exemption from such work only on payment of a fine. There was at present much work on hand. The old system had been for the whole of the adult population to turn out for the work *en masse*, with the result that it was impossible to control and direct such a large body of workers at once. A new system had been introduced whereby the available workers were called out in bodies of twenty-five. The names were supplied by the Arikis and posted up in the church. Up to that stage there had been no trouble at all. On the following day one man came into the office and tendered the road-tax for himself and two others. The man's own tax was received, but at the same time the Resident Agent tried to persuade him that he ought to be ashamed of himself for not doing his share of the work. Subsequently the Ariki from this man's village came in and protested against this man having been granted exemption. As the result of Mr. Cooper's action she said everybody in the village wanted to pay the tax and be exempted from work. Who was going to make the roads? She said if he had refused to accept the tax in the first place the man would have gone back satisfied. The man was sent for, and he agreed to work on the road. Then two other men came along. They were told to wait until the Agent could see their Ariki. Later still another man came in to pay the road-tax, and he was told he had better bring the member of his Road Council with him. But instead of bringing the Councillor he returned with a letter from Mr. Hewett. Mr. Cooper told Mr. Hewett he had not definitely refused to accept the tax. Mr. Hewett became so abusive and insulting over the matter that the Agent refused to discuss the question further with him. Mr. Hewett did not trouble to mention at the time that he wanted the man to work for him on his land. Every man on the island was liable for work on the roads. The law as it stood provided for ten days' work each half-year or a fine of 8s.—that was 16s. for the whole year. The European traders were not expected to work; they had their business to attend to. Their employees were exempted on payment of the road-tax, as it was recognized that their services were required by the traders.

In reply to Mr. Earnshaw, Mr. Low denied that the price of 1s. per case had been offered by the traders last year. The lowest price offered was 2s., and last year the prices paid had gone up to 5s., 7s. 6d., and even 15s. per case. He pointed out, however, that owing to the fact that there was no regular steamer between December and April the traders did not have the faintest chance of knowing what prices were obtaining elsewhere. The law stated that the Resident Agent should not act in the capacity of agent for any one, yet he was having shooks, nails, and paper sent to him from Rarotonga.

Mr. COOPER pointed out that he did not collect any money at all. He merely handed the shooks, &c., over to the company. He could not in any case be called an agent, because he got no pecuniary benefit at all from the transaction.

Mr. ISITT asked whether it was not a fact that the traders had agreed amongst themselves as to a certain fixed price.

Mr. Low replied that there had never been any fixed agreement except on one occasion, and within half an hour there was one man giving 3d. a case more than the price agreed upon. Last year the traders had opened with 2s. and the Natives asked for 5s. He knew that the traders account of sales were 4s. and 5s. a case ahead of what the Natives had obtained. The Native association had not yet received their accounts.

In reply to a question by Mr. Luke, Mr. Low said that the traders never charged the Natives even 1 per cent. interest on their outlay in consigning fruit for them.

Mr. LUKE: It is the general opinion in Wellington that the growers have not had a fair deal.

Mr. Low said that that was certainly not the case in Aitutaki.

In reply to Mr. Veitch, Mr. COOPER said that the suggestion to form an association had come from the Natives themselves. Mr. Platts had visited the island in December, 1918, and the movement referred to was not in evidence until the following year. He did not know whether there was a similar movement on the other islands. As far as he was aware the Natives had acted on their own volition entirely without any advice from anywhere else—say, Rarotonga. The matter was originally brought up in the ordinary course of business at the Council.