2. The following were appointed to be members of the Committee:—

The Hon. I. McOwan, Acting Colonial Secretary (Chairman).

The Hon. A. Montague, M.B., &c., Chief Medical Officer.

The Hon. Sir J. M. Hedstrom, Senior Elected Member.

The Hon. H. W. Harcourt, Acting Colonial Treasurer.

The Hon. W. Wise, A.M.I.C.E., &c., Commissioner of Works.

The New Zealand Government was asked to appoint a member to the Committee to represent the Dominion of New Zealand, and the Administrations of Western Samoa and the Cook Islands. The Hon. Sir Maui Pomare, K.B.E., C.M.G., was nominated by the New Zealand Government, and, accompanied by Mr. S. J. Smith, of the Dominion Department of External Affairs, arrived in Suva on the 20th instant. The appointment of Sir Maui Pomare as the representative of the New Zealand Government was much appreciated by the local members of the Committee.

- 3. The Committee left Suva for Makogai on the evening of the 22nd instant and returned on the evening of the 24th. The Island of Makogai was inspected on the 23rd, and the Committee, in order to have the benefit of the assistance and advice of Dr. E. A. Neff, M.D., Medical Superintendent, held its first meeting that evening on board H.M.C.S. "Pioneer," Dr. Neff being present.
- 4. It might be of interest if the main features connected with the administration of the island are referred to briefly. The staff at present consists of the Medical Superintendent, a Lay Superintendent, thirteen European nursing sisters, eight Native nursing sisters, a launch-driver and mechanic, eighteen subordinate servants, and three constables. The main leper settlement is at Dalice, where are situated the hospitals, operating-theatre, dressing-rooms, the female patients' quarters, and general administrative offices. All European and half-caste patients are accommodated at Dalice. Extending along the coast on either side of Dalice are the leper villages in which live all male non-European patients who are not required to remain in hospital. The villages are about a quarter of a mile apart, and attached to each other are the village food-plots, which are cultivated by the patients for their own use. The quarters of the nursing sisters are situated at the back of, and at a distance of about 200 yards from, the main settlement at Dalice. The quarters of the Medical Superintendent, the Lay Superintendent, and the subordinate staff are at Nasau, two miles from the nearest village. The time taken in travelling on horseback on the bridle-track between Nasau and Dalice is on an average thirty-five minutes, and by sea in the station launch half an hour. There is a single-line telephone which connects the nursing sisters' quarters, the office at Dalice, and the Medical Superintendent's quarters.
- 5. Annexed hereto are copies of memoranda prepared for the information of the Committee by the Acting Colonial Secretary and the Chief Medical Officer, in which are set out the circumstances which led to the inauguration of the scheme whereby lepers from other Administrations in the Pacific were admitted to Makogai, and which set out in detail the existing financial arrangements with the various Administrations for the maintenance of their lepers.
- 6. The chief aim of the Committee, in discussing the financial arrangements with regard to the Asylum, was to endeavour to reach some agreement which would ensure a fair and equitable distribution of the financial burden between the Administrations interested, and which would be at the same time sufficiently elastic to permit of extension to any other Administrations who might desire later to join the scheme.
- 7. The Administrations at present interested in the Makogai Asylum, the capital which they have contributed, and the number of units under treatment in the Asylum on the 31st December, 1927. are shown in the following table:—

Administration.		,	Capital Contribution.	Units under Treatment on 31st December, 1927.
Fiji Government	 	 	47,675	340
Samoan Administration	 	 	1,448	$32\frac{1}{2}$
Cook Islands Administration	 	 	2,110	5 7 -
Tonga Administration	 	 	591	14
Dominion of New Zealand	 	 	Nil	17
American Samoa	 	 	Nil	2
			£51,824	${462\frac{1}{2}}$

8. After much discussion, it was agreed that the simplest and most practicable method of ensuring an equitable division of the financial burden was to regard the Makogai Asylum as being a partnership concern, a "joint-stock company," to be run on the following lines:—

A separate set of books should be opened in which each party which has contributed capital will be credited with the amount of that contribution. At the end of each year working-expenses will be debited with interest on capital at the rate of 5 per cent. per annum, and that interest will then be credited proportionately to each of the contributors, and in the final adjustment the amount of interest payable to the contributor will be deducted from the amount due by that contributor for maintenance of patients. As an example, Tonga has contributed £591 and on the 31st December,