

which the cost per head of transporting natives from Beru to Hull or Sydney Island comes to more than £5. There is an estimated maximum total of 640 further settlers to be taken to the Phoenix Islands and, even at £5 per head, this will require £3,200, besides the cost of collecting the settlers at Beru and the numerous extras charged during a voyage.

(f) The possibility of chartering one of the following vessels should be also considered.-

(1) A British Phosphate Commissioner's cargo vessel, to complete the Settlement in one trip.

(2) Either the m.v. "Tiare Taporo" or the m.v. "Tanguna" from the Cook Islands;

(3) The re-conditioned Japanese sampan suggested by the Resident Commissioner of the New Hebrides;

(4) A vessel from Tahiti.

(g) I would suggest that I be authorized to come to the best terms possible with the Companies willing to consider a charter, subject to the proviso that the charter rate may in no case involve an expenditure of more than £5 per head for transport charges from Beru to Hull or Sydney Islands without His Excellency's express sanction.

(h) In any case, if the charter is to be an economic proposition, it will be necessary for the government, as in previous cases, to relax the provisions of the Native Passengers Carrying Ordinance, provided that it is satisfied that there is sufficient life-saving equipment for the number of passengers being carried. Owing to the exceptionally high percentage of children a far greater number of passengers can be carried on any one trip without any question of over-crowding than would normally be the case.

---