Enclosure 2.

His Excellency the Governor to Mr. Moss.

SIR,-Government House, Auckland, 25th February, 1891. I have the honour to acknowledge the receipt of the reports, made by you at my request,

on your recent visit to the Cook Islands.

Soon after your departure from New Zealand I received from the Secretary of State the necessary authority for appointing you to the office of British Resident in the Cook Islands, to which you had already been nominated by the Government of this colony, and your appointment was accordingly gazetted on the 25th November, 1890.

I have had much pleasure in reading the reports, which are very complete and extremely interesting, and gives evidence of the zeal and ability with which you have entered upon your new duties. I have also to thank the Rev. James Chalmers for the valuable assistance he afforded

you by interpreting.

The reports make it clear that the inhabitants of these islands, and especially the Rarotongans, are much farther advanced in civilisation than is generally supposed. I may instance your statement that "the natives almost universally read and write in the native tongue," and that "the

clothing is European in fabric and style.

It is not easy exactly to define the nature of your position as Resident. You have not the powers of the High Commissioner of the Western Pacific, nor those of Administrator in New Guinea; your position more nearly resembles that of the latter officer, inasmuch as you hold your appointment under the Governor of this colony, who instructs you after consultation with his Advisers; but you have no other European officials associated with you, and it would seem that legislation by way of ordinance is not very suitable to a protectorate, and especially to one in which the natives have been in the habit of framing their own laws. On this account you should be careful, as far as possible, to avoid interfering with the natives in their legislation. Their present laws seem to be founded on Christian principles of morality, and their infringement involves spiritual as well as temporal penalties; and you should endeavour to keep the two classes of punishment distinct, by insisting yourself on the punctual payment of all fines both by natives and foreigners, and leaving the infliction of spiritual punishment to the members of the Church. In the arikis you already have the germ of a representative legislative body, which you should encourage in every way; and of which you should, whenever possible, increase the representative character.

There are two points which require to be settled forthwith: (1) The position of Messrs. Mason

and Pearse, and (2) the regulation or prohibition of the liquor-traffic.

1. On the first point I desire to express my entire approval of the language held by you at Mangaia. Should you find on your return to the islands that the dispute has not been already arranged, you must carry out your undertaking, and hold a meeting to settle the matter. You will point out to the natives that, when Captain Bourke told them that their laws would remain in force, it was not meant that they could change them at will to the injury of Her Majesty's subjects, who had expended money and labour on the strength of them, and in the expectation that they would not be changed without compensation being given for any losses thereby caused. I have every hope that the matter may be settled so as to satisfy Mr. Pearse and Messrs. Donald and Edenborough; but if this is not done you will demand from the natives such compensation as you may deem reasonable for the disturbance of Mr. Pearse, and you will adopt the same course in the case of Mr. Mason, who is entitled to reside in Aitutaki, which is part of Her Majesty's dominions. You will make it clear that, while recognising to the full their right to frame their own laws and to govern themselves, Her Majesty's Government cannot allow agreements to be broken which have been formally entered into between the natives and Her Majesty's subjects; and, while using every effort to persuade the natives to admit European traders on the condition of obeying the laws, you will impress upon the arikis that, if they give Europeans documents authorising them to do certain acts in the islands, Her Majesty's Government will require them to respect those engagements.

2. With regard to the liquor-traffic, I regret that the prohibitory law has been found impracticable. In all similar communities total prohibition has been found to work well, and should be retained in Mangaia and any other island of the group where it is already in existence. The evils arising from the sale of strong drinks, and the failure to secure sobriety under the prohibitory law which you found in existence on your first visit, fully justified you in offering advice to the arikis as to the best means of removing these abuses. As a general principle, Her Majesty's Government desire, in all islands of the Pacific coming under Her Majesty's authority, to maintain the total prohibition of the liquor-traffic with the natives; but a partial departure from the principle may be admitted in this case, in view of the special circumstances (1) that the natives, and specially the arikis, do not favour total prohibition, as appears from the proceedings of the Council on the 22nd and 24th December; (2) that they would consider it an indignity to be prohibited from purchasing strong drink, while no such restriction was placed upon Europeans; (3) that there is no strong public opinion in its favour among the natives themselves which would enable the provisions of such a law to be effectually carried out by them; (4) that there are no European officials who could enforce

the law, and no means of paying them if they were appointed.

The strong belief entertained by you (which Mr. Chalmers indorses) that the law passed by the Council on the 24th December, and now in force in Rarotonga, will secure temperance in the true sense of the word, entitles it at least to a trial; but you will carefully watch its operation, and report to me not only the number of prosecutions for drunkeness which takes place under it, but also the result of your own observations as to the sobriety of the Rarotongans and of the visitors to Rarotonga from other islands. Both the Imperial and the Colonial Governments entertain very strong opinions on this subject, and will not readily tolerate any law short of total prohibition which cannot be shown to secure sobriety among the natives. If this law does not prove effective, you are authorised to announce that some means will have to be devised of raising funds to pay the neces-