11 A.—3A.

mataiapo of Aitutaki -a man with a fair knowledge of English, and in whom all dependence could

be placed.

Your Excellency will observe that they were called upon to pay to Pearse four months' salary—\$320—instead of \$5,000 he had claimed for his abrupt expulsion from his house and business. Donald and Edenborough waived all claim for damages, and asked only the sums they had actually paid as wages to the two persons in charge of their store and goods during the period that the store was compulsorily closed. Their claim was thus reduced from \$2,225 to \$1,040. To Raia I paid \$30, and the whole sum was thus \$1,390.

As the chiefs were still obdurate, it was necessary to make them feel that they had done grievous wrong, and I therefore added a fine (for the outrage of one of Her Majesty's subjects) of \$1,000. At the same time I wrote to them that, if they showed repentance and paid the damage they had done to others, I would take upon myself the responsibility of freeing them from this penalty. I am aware that in doing this I exceeded my powers; but it was necessary that they should be assured on this point, and not be left in doubt as to what might be done hereafter. This,

I trust, will be considered by your Excellency a sufficient justification.

I enclose a copy of the report made by Raia on his return. We had left Rarotonga on the 25th June, but did not get to Mangaia till the 13th July, having to go first to other islands in the "Nassau," a trading schooner, in which he took passage. Raia's report speaks for itself, and I only desire to draw your Excellency's notice to the promise voluntarily and generously made to him by Vaipo that he would take upon himself to pay a share of the fine, although entirely free of blame in the matter. He had, in fact, been expelled from the church, and is still an outcast; and on one occasion had been actually seized and put into handcuffs, when on a visit to Meroa, during the quarrel in which he had endeavoured to protect Pearse to the best of his power. Vaipo has repeated his promise here, but on condition that it be a help to restoring peace to his island and people.

With Raia came up Daniela as a delegate to endeavour to arrange with Donald and Edenborough and Pearse. He is one of the ruling party at Oneroa, and was himself an active participator in the whole affair; in fact, is charged by Vaipo and others with being the most active, and strongly supported by Mr. Harris, the resident missionary, as one in whom he places entire confidence. These statements will all be thoroughly investigated, as I shall probably be ten or twelve days in Mangaia, on the visit which I have informed your Excellency that I propose to make by the first oppor-

tunity.

Vaipo complains that he was debarred himself, and so also was King John, from coming in the "Nassau" by Daniela's party taking away the canoe in which he was to have gone on board. He made his appearance, however, in the arikis' Council on the 17th July, as I have stated in my

despatch No. 11 herewith.

Daniela has been to see me, but I declined to intervene in any way. Having given my judgment, I told him that it now only rested with me to see it paid. All I required was a quittance to him from Donald and Edenborough and Pearse. How he arranged was now entirely his own affair. As Daniela is here, I have requested him to wait and go back to Mangaia with me. His evidence will be important in any inquiry, and if I lose sight of him it may be difficult to find him when required. He has expressed his readiness to wait till I can leave, and I will take care that he does so.

The Mangaian people are now free of Gill's claim, to which I have referred in despatch No. 11. They have only this to meet, and I am informed, and really believe, that they have got off easily. I shall be glad to find this the case, as my chief object—to finally settle these long and bitter internal disputes—will be more securely attained if no bitterness is left behind.

I have, &c.,

FREDERICK J. Moss, British Resident.

His Excellency the Earl of Onslow, G.C.M.G., Governor of New Zealand, &c.

Enclosure No. 1.

PUBLIC NOTIFICATION.

To Ngariu and Turoua, Governors of Tamarua; Rimatu, of Tamarua; Daniela, Pilot of Oneroa; Teao, Miringatangi, Ringi Ringi; Kaupa, of Oneroa. To you who were the leaders in the expulsian of Pearse on the 25th August last and to the Au of Mangaia.

TAKE NOTICE, that you have been adjudged by me to pay the following sums of money for your wrongful acts in expelling Pearse and for the damage done to Donald and Edenborough, who had in no way done you harm, and been established among you in business, with your sanction, for the previous eighteen months. The sums you have to pay are as follows:—

To Donald and Edenborough, for salary	paid by	them to	Pearse fro	m the	
15th July to the 1st September, 18	8 90, aft er	the store	was close	ed	\$120
For the salary to J. Craig, from the 1st					. "
-six months and nine days, at \$70	o [*]			• • • • • • • • • • • • • • • • • • • •	441
For the salary paid to G. Brown, from		h July, 1	.890, to tl	he 9th	
March, 1891—seven months and to					429
To Pearse—four months' salary, at \$80					320
For expenses incurred in reshipping em				on	50
And now for expenses in sending this					
senger			• • • • • • • • • • • • • • • • • • • •		30
					\$1,390
Fine for expelling a British subject					1.000
Fine for expening a Direct subject	• • •	•••	•••		1,000
					\$2,390
					ω_{ω}