

and their chiefs, with their interpreter, a Mr. Goodwin, came on board, expecting to find Sir H. Berkeley, whom it was their intention, on behalf of Makea Ariki, the head of the Government, to invite to accept the hospitality of Makea at a house of hers, which she usually places at the convenience of distinguished visitors. It is the house occupied by the late Governor, Lord Glasgow, when, with his family, he visited the Cook Islands. The same house has also usually been occupied by Deputy Commissioners when sent there by the High Commissioner. I considered that it would be discourteous to decline the invitation, and accordingly accepted it. Mr. Moss, who somewhat tardily came on board, seemed to be of opinion that, as the Ariki had not sent the invitation through him, a slight to his office was intended. He so expressed himself in my presence to the Arikis and chiefs who had come on board. I thought it right to at once state to the Arikis and chiefs that I saw no reason for concurring in Mr. Moss's views on that matter.

II. Immediately on landing I made a formal visit to the British Resident, and immediately thereafter to Makea, the Ariki, and head of the Government. She greeted me; and in returning her salutations I took the opportunity of at once referring to the action of the Parliament in not passing the Bill to establish a Supreme Federal Court with a Judge other than a native, such Court to have exclusive jurisdiction over others than natives in serious cases, informing her at the same time that it was the desire of your Excellency, acting under instructions from the advisers of the Queen of England, that such a Court should be established. Surprise was expressed by the natives, and also by some Europeans who were present, that they had not been informed that the proposed Court was other than an idea of Mr. Moss's, with himself as sole Judge. I explained the necessity for such a Court. It was clear from what took place on this first talk that the natives had no objection to the establishment of such a Court, but had an objection to Mr. Moss being President and sole Judge of the Court, as provided by the Bill that had been introduced. It will be seen from other parts of this report that the objection is not only to Mr. Moss in the capacity proposed by the Bill, but to Mr. Moss as British Resident, or in any official capacity.

III. It was necessary that I should have an interpreter. On Mr. Moss's recommendation, I engaged a Mr. Nicholas at 15s. a day while employed. He was engaged four days, and paid by me £3.

IV. After the salutations were concluded I despatched a letter to Vaikai Moate and the members of the Cook Islands Parliament (draft letter herewith, marked 7 in red). I did not address the letter to Mr. Salmon, whose signature appeared first to the petition of the Parliament to your Excellency for the removal of Mr. Moss, but to the member who signed next after Mr. Salmon. My reason for not addressing my letter to Mr. Salmon was that your Excellency had, as I understood, been advised not to recognise Mr. Salmon as a member, inasmuch as he was not a native, and the intention of the Constitution was that only natives should be members. Incidentally I may mention that the British Resident had never raised the same objection, though Mr. Salmon had been acting as member and President at previous annual meetings of Parliament. I may also incidentally mention that Mr. Salmon is married to Tinomana, an Ariki of influence, and apparently owes his seat in Parliament to her nomination. So far as I could discover from a perusal of the Constitution and subsequent laws it is open to doubt whether the being a native is a necessary qualification. It seemed however to me, from the like perusal, that the Constitution and subsequent laws have not sufficiently provided for the filling of vacancies which may have occurred or may occur after the first establishment of the Federal Parliament. To establish the Federation three delegates from each of the four districts were appointed, and these delegates became the first members of the Federal Parliament—twelve members in all. No provision was made as to when or how these members were to cease to be members. New members were, however, to be elected for each district in the manner provided by the local Parliaments established for each district. It seems probable that Mr. Salmon is not properly a member. This is, as it appears to me, an unimportant matter for the purposes of the present trouble. I could see no ground for supposing that Mr. Salmon's membership had contributed in any essential particular to the troubles which existed between the Parliament and the British Resident. By that letter to the Parliament I informed them of my business, and invited them to let me know as soon as possible what matters of complaint they desired to have inquired into.

V. I addressed a letter to Makea Ariki, the head of the Government, as representing the Arikis who had petitioned your Excellency.

VI. I also wrote to those who had signed the petition by merchants and residents for removal of Mr. Moss, addressing the letter to Mr. Kohn, first signatory. (The draft of the letter is herewith, marked 17, in red.)

VII. I ascertained that in consequence of the expectation of the arrival of Sir H. Berkeley to hold the inquiry there need be no delay. Consequently on Friday, the 24th, at 9 o'clock a.m.; I commenced the inquiry, taking the petition of the European residents first, the Arikis and Parliament desiring time to state their grievances, but the residents being ready to go at once into the matter of their complaints. I was furnished by them with a restatement of the matters in the petition to your Excellency; the restatement is herewith (marked 2 in red), and an additional statement, herewith (marked 2 in red).

VIII. I showed Mr. Moss these statements, and ascertained from him that he was prepared to go into the inquiry at once, without making any written reply or statement; that he was satisfied to rely on the statements he in writing had already made to your Excellency in commenting on the petition of residents when forwarding the same to you.

IX. I was not authorised to engage the services of a shorthand-writer. I observed that several were present taking full notes; some, probably, were correspondents of New Zealand newspapers.

X. Availing myself of the authority conferred by your Excellency's letter of instructions, I arranged with Mr. Kohn, who conducted the case for the residents, and Mr. Moss, that as