

XX. With regard to the local Councils which exist for each island, the local laws provide, at any rate as to some, that any foreigner who has resided for twelve months in the particular island shall be entitled to vote for members of the Council and be elected a member of the Council. But as to the Federal Parliament, there is no provision whether foreigners may vote or be members. Apparently it was intended that the local Councils were to legislate on this subject. (See section 6 of "The Constitution Act, 1891.") The local Councils have not done so. The result is that the vacancies in the Federal Parliament have been, as I gathered, filled by nomination of the Ariki of the district. The Constitution Act fixed the number of districts as four, and the number of members as twelve in all. It is in consequence of this omission that Mr. Salmon came to act as member in the place of one of the original delegates. Mr. Salmon was, as I understand, nominated by his wife—the Ariki for Arorangi. I have no reason to doubt that the requirement that all legislation should be subject to the approval of the Resident is not a wholesome restriction.

XXI. As to the fitness of the native Judges for the work of the office, I believe some of them, especially Mr. Te Pou, of Rarotonga, fairly well fitted for disposing of native cases of minor importance, but certainly quite unfit to deal with cases where "foreigners" are to be affected, except, perhaps, in minor criminal matters. But, even though not well qualified, what else can be established? There are several islands, at a considerable distance apart, and in all but Rarotonga a very few Europeans: any great increase in the Customs duties or other taxation would hardly be tolerated. How, then, could competent European Magistrates be found for each island?

XXII. The Arikis and chiefs are the landowners. With them is all the power arising from this. The great mass of the people have no fixed rights in the soil. To foreigners the landowners are not unwilling to grant a lease for thirty years, renewable in perpetuity at a moderate rent; but to their own people they will not give such rights. The occupation by their own people is at the will of the Arikis and chiefs. So far as I could gather, the landowners are not harsh to their people; but this tenure, or rather absence of tenure, is quite incompatible with the grant of freedom of electoral or other rights. But the Arikis and chiefs would with difficulty be brought to part with the mana they have as landowners. I only mention this matter as one deserving of consideration in the future.

XXIII. The modes of proceeding of the Federal Parliament and the local Councils might be, and ought to be, much simplified. They seem to me too much based on English and colonial parliamentary procedure.

XXIV. Mr. Moss has, I think, reason to complain that his skilful and earnest efforts to retain for the natives executive and legislative powers have not met with a more grateful return from them. I have perused and reperused more than once Mr. Moss's reports to the Governors of New Zealand, extending over the seven years that he has held office as British Resident. Nothing was brought before me at Rarotonga which raised even a suspicion that Mr. Moss's reports were not full and faithful. Indeed, I was surprised at the fullness and accuracy of these reports.

XXV. It is needless for me to point out that, while on the one hand the circumstance that the legislative and executive powers held by the natives being exercisable only with the concurrence of the British Resident makes a cordial feeling between the natives and the British Resident an absolute essential, on the other hand to encourage natives to withdraw their confidence and trust in any one who for the time being is British Resident without adequate grounds must make the form of Government impossible. Foreigners who desire the maintenance of the British connection should undoubtedly realise the danger there is, by petty attacks on the British Resident, rendering the maintenance of the present British connection so difficult as to give rise to the question whether any efforts should be made to prolong it. I fear that, even with those whose motives may have been good, sight has been lost of the fact that differences of opinion on questions of policy do not with any community justify personal attacks upon those who are authors of objectionable measures; still less excusable are such proceedings amongst a partially-civilised people.

XXVI. In conclusion, I think it right to state that the impression left upon my mind was that Mr. Moss, galled by the attacks of those of the foreign residents of whose conduct he has more than once complained, and by the distrust of the Arikis and chiefs in him created by these persons, there has resulted of late with him a loss of temper and patience in the conduct of affairs with the natives, and a consequent further estrangement. There may be much excuse for Mr. Moss; but is there a probability that the formerly existing good feeling between Mr. Moss and the Arikis can be re-established?

With this letter I transmit:—

- (1.) Letter of his Excellency to me.
- (2.) Complaint by foreigners (Mr. Kohn and others), and papers connected therewith.
- (3.) Complaint by Federal Parliament.
- (4.) Complaint by the Arikis.
- (5.) Collection of Acts, correspondence, &c., relating to the Constitution.
- (6.) Papers relating to the Federal Court Bill.
- (7.) Papers relating to the liquor law.
- (8.) Petition to the Governor for removal of Mr. Moss, by foreigners (Mr. Kohn and others).
- (9.) Petition against the Federal Court Bill.
- (10.) Complaint by Hospital Board.
- (11.) Papers connected with Mr. Moss's Proclamation, and paying without Appropriation Act.
- (12.) Paper by Mr. Moss on the education system.
- (13.) Paper by Rev. Mr. Hutchin on the education system.
- (14.) Paper by Rev. Mr. Hutchin on the liquor question.
- (15.) Notes of evidence taken by Mr. Knight on Friday, the 24th December; Monday, Tuesday, Wednesday, and Thursday, the 27th, 28th, 29th, and 30th December. (As to these notes, I desire to