Tinomana, ruling Ariki of Arorangi, spoke to the same effect. Strong drink, and that of foreign manufacture, was the only thing that gave them trouble. The sellers were sometimes Europeans and Americans and sometimes Chinamen. They brought it secretly into her district. A Chinaman had just paid his native workmen in spirits, and she had fined him \$15, and each of the men \$5. The Chinamen paid their fines. The Europeans did not in all cases, and when they did pay, it was not in cash. If a native was fined he had to pay or they took his property. Makea's own cousin was fined, and they took his boat, as he had no money. But here was a European (whose name she mentioned), who, when fined, sent one box of matches, one bar of soap, a few sticks of tobacco, and a lot of old cloth eaten by rats. He valued them at the \$15 he had to pay, and she had to take them for it. What else could they do? She was glad there was some prospect of a change, and that when papaas were fined all would have to pay alike, either in cash, or, if they had not cash, in goods to the full value thereof.

Ngamaru said, "Let us drink our own old drink, the kava, like our fathers. No one will trouble us about that, and it will do us no harm. Let the papaas drink their own drink, but let the natives

stick to that of their fathers.

I may observe, to avoid misconception, that Ngamaru was remarkably well dressed in light European costume, and that the Arikis would have been thought well dressed anywhere. Ngamaru

and his people have certainly not adhered to the customs of their fathers in that respect.

The meeting—which was opened with prayer by one of the native teachers—closed with a denunciation of all drink by the native teacher of Ngatangiia. He gave another illustration of the way that the papaas paid their fines. One (whose name he also mentioned) made them take three tins of salmon, one bag of rice that even the pigs would not eat, a few tins of preserved meat, and only \$2 in cash. On my seeking further information, I found that the culprit and the Judge sometimes settled the value of the articles between them; but that in most cases the police had to wait at the door of the trader who had been fined—sometimes for a whole day—and were at last glad to compromise and take what he would give them. What else, they asked me, can we do? The chair, at the request of the Arikis, was then taken by Tepou, the native Judge of Avarua.

I urged them to act systematically in future, and keep clear records of their Council meetings. It was for this purpose that Tepou was put in the chair. The occasion was the first on which such a

formality had been observed, or any chairman appointed at all.

A record of the proceedings was duly made, and the following law passed: "The men who sell foreign drink in this land to any native, be the seller foreigner or native, shall be fined \$150, money down (cash only). The buyer shall be fined \$5 (cash only). The law as to orange and other native beer is as of old, and the man who makes it is to pay \$15, and the natives who drink

"Tepou is hereby appointed by us to give effect to this law from the 24th instant. He is to act

for Avarua, Maovete is to act for Ngatangiia, and Takao for Arorangi."

Makea, Ariki. Karika, Ariki. TINOMANA, ARIKI. KAINUKU, ARIKI.

PA, ARIKI.

Countersigned—Tepou, Director (Chairman) of the Council.

I have just come from Makea's. The proceedings were in Raratongan. The translation for this report was somewhat hastily made while they were going on; but I trust that it will give your Excellency a clear idea of the condition of affairs. It is plain that the system of officials dividing the first condition of affairs. among themselves must be altered, and a regular pay substituted. For this purpose the temporary grant of a few hundreds a year to which I have referred would be invaluable. It would at once change the aspect of affairs. Meanwhile I shall be obliged, I fear, to remain here till the return trip of the "Richmond" in February instead of leaving in December, as it will be necessary to set the Courts as fairly at work as possible. The Europeans are well disposed, and very few are likely to throw any obstacle in the way. If they should do so after I leave, the natives will report the cases for your Excellency's information. I have informed the Europeans that this would be done. I have, &c.,

Frederick J. Moss.

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

P.S.—The "Richmond" having now arrived, the "Torea" will leave this for Mangaia and the other islands on the 24th or 25th instant, and I shall visit them in her.

No. 10.

Mr. F. J. Moss to His Excellency the GOVERNOR, Wellington.

Auckland, 17th January, 1891.

Referring to my Despatch No. 1, of the 22nd November, 1890, I have now the honour to state that, on the 5th December, I began at Mangaia the inquiry into the expulsion of H. W. Pearse from that island, and continued it on the following day

I annex a full report of the proceedings for your Excellency's information, and beg leave to

make the following observations in connection therewith:-

The people of Mangaia are divided into two parties, who have taken opposite sides in the Pearse The suspension from church-membership freely exercised, has tended to embitter the quarrel; and I venture to suggest that the sooner this custom is allowed to drop into disuse, where temporal matters only are concerned, the better it will be for the peace of the church and the