parties or not, are fined for breaking it. The object of the rawi was to keep the price of coffee as high as possible. The Judges, in fining these people, have acted illegally in their official capacity. In support of this view I would refer to the evidence. By this you will perceive that Meringitangi, Judge of Veitatei, fined the tea-shop and certain people of Taavainga (a district over which Kakerua presides). Meringitangi admits fining people in his own district of Veitatei, but says he did so there as chief of the rawi, not as Judge. He could certainly not be chief of both rawis. Hence he must have acted in his official capacity as Judge in one instance at least. The Judge, Kakerua, you will observe, also says he will continue to punish people for breaking the raui, whether legal or not. Such rauis are damaging. Not only have they been imposed for the purpose of obtaining an impossible price (30 cents per pound), but they are indefinitely prolonged. No care to publish a rawi has been taken, and non-consenting parties have been forced to join. I consider such a state of things very discouraging to the people. It prevents them picking freely, and making the most of their crops. I would suggest that law No. 2, 1891, be so amended as to provide that rauis, when legally imposed, must, for a certain stated time, be properly published, and the produce be offered for sale by public tender. Rauis should not be allowed for indefinite periods, nor for any stated price per pound.

I would suggest that the Au for the future be properly elected, in accordance with provisions

of law No. 2, 1891.

No evidence of tyranny or oppression has been brought under my notice by Messrs. Craig and Ward, or by any other persons, nor do I see any reason outside of the raui to believe that the

Government has either tyrannized over or oppressed any one in the slightest way.

I should wish to call your attention to the fact that unauthorised persons are employed by the Judges as police for detection of offences against morality under the old Maori laws. Although it is stated that they receive no pay, I consider such a practice open to much abuse, and consequently bring it under your notice.

I have the honour to refer you to the evidence for further information. I should add, after making the fullest inquiry, that I do not believe the debts owing by the Mangaia people to the traders there exceed at the utmost £60.

I have, &c., F. G. Moss.

F. J. Moss, Esq., British Resident, Rarotonga.

Notice of Inquiry to Messrs. J. Craig and C. Ward.

GENTLEMEN,-

Mangaia, 9th August, 1897. In pursuance of instructions received by me from the British Resident, I have the honour to notify you that an inquiry will be held into the truth of certain statements contained in a letter published in *Te Torea* newspaper on the 17th July, 1897, and signed by you. inquiry will be held on Wednesday, the 11th instant, at 11 a.m., at the Courthouse, Oneroa.

Trusting you will find it convenient to produce any evidence you may wish to call, at time

and place mentioned.

Messrs. J. Craig and C. J. Ward.

John, Ariki.

I am, &c.,

Evidence taken in connection with Report No. 1. Mangaia, 11th August, 1897.

Meeting at the Ariki John's house.

Present: Messrs. Craig, Ward, Proctor, and Bulkeley, John (Ariki), Meringitangi, Daniel, Kakerua, Ngatama, Kenite, and others.

Mr. F. George Moss assisted the Ariki in the inquiry.

Mr. Moss, addressing the natives present, asked, Is there a tea-shop owned by members of the Government, who have forbidden any one, under a money penalty of \$5, from selling coffee to any store under 30 cents per pound, while they themselves are buying it at 10 to 15 cents per pound;

and are members of the Government shareholders in this or any other tea-shop?

Ngatama: Yes, some of them—Kakerua, Davie, and myself. There are sixty-five other shareholders, who are not members of the Government. The tea-shop is not connected with the Government; it is a company formed for their own benefit. I am the manager of the tea-shop. We have coffee belonging both to members of the company, and also to outsiders. I have bought coffee from outsiders by means of cash and trade.

John (Ariki): There is a raui for 30 cents per pound on coffee. Some of the Government are in favour of the raui, some not.

Daniel: Meringitangi was the first to put the raui on.

Mr. Moss (to Meringitangi): In law No. 2, 1891 (laws of Mangaia), section 7 provides for raui: Can you tell me why this raui was put on, and for what purpose?

Meringitangi: The raui was for the public good. Previously coffee was sold for 15 cents per pound. Then we "rauied" it for 20 cents, and got it. Now, this year, we raui for 30 cents.

Mr. Moss: How was the raui put on, and by whom? Was it by the Au?

Meringitangi: A meeting was held, but it was not put on by the Au. A meeting of the district of Veitatei put the raui on the coffee of that district. I have fined people for breaking the raui. I am Judge of the Veitatei district.

Mr. Moss (to Kakerua): How was the coffee raui in your district of Taavainga?—The people of Taavainga district "rauied" their own coffee. All the people concerned were there, and

consented.