

did not satisfy me that anything was said in the nature of a threat. However, as soon as the estimates were passed, and 30 dollars advanced as usual, away all the members went except two, leaving a sort of power of attorney or appointment of proxy to the two who remained. No Appropriation Act was passed, but Mr. Moss, as your Excellency is aware, took it upon himself to authorise the issue of revenue in payment of such moneys as were voted by the passing of the estimates. The alleged grievance, possibly, is twofold. First, that Mr. Moss, by suggesting to the natives to pass the estimates, led them into the false position of departing for their homes, leaving the two to finish the business; and, further, that Mr. Moss, by getting the estimates passed, enabled himself to carry on the Government and to pay for Ngatipa expenses amongst others. I was not able to get any intelligible explanation of what was meant. At any rate, I could find no evidence of any misconduct in the matter by Mr. Moss. He was, so far as I could see, anxious that the native members should stay and complete the business of the session.

(13) and (19). *Appropriation Act not passed, but Money paid out.*—This has been more than once referred to in the previous part of this report. Mr. Moss reported fully, and I think with substantial accuracy, what it was that induced him to issue the Proclamation and authorise payment for the services in the estimates. Your Excellency took the opinion of the Solicitor-General on the matter, and the Prime Minister seems to have advised you that, in his opinion, Mr. Moss's action was the best under the circumstances. Your Excellency is aware that the Constitution of the Federation is that there is an Executive Government comprised of the Ariki: the head of the Government is the Makea Ariki, but no executive act can be validly done without the approval of the British Resident. There is also a Parliament to pass laws, but no laws come into operation till sanctioned by the British Resident. The Constitution, therefore, does not give the British Resident any other executive or legislative power than that of veto. Outside the written Constitution the British Resident has no executive or legislative powers. If the Queen had annexed the islands, then, by her prerogative, she could herself frame laws for the Government, or, by appointing a Governor or otherwise, could depute the power to frame laws. Mr. Moss's action in issuing the Proclamation and authorising the payment according to the voted estimates, if erroneous, was, it may be thought, done in the interest of the public, and may entitle him to indemnity. For myself, I think, with submission to the opinion of others, that there was no such urgent necessity for action—that it would have been better to let the natives and Europeans see the full folly of their actions; at any rate, that before taking the step he did he should have reported the matter to your Excellency, and asked advice.

(14.) *Not calling for Tenders for Government Work.*—This also is evidently not a native objection. The principal expenditure on Ngatipa was payments to Makea Daniela, already mentioned. He seems to have superintended the work. Tenders were not called for the work. Mr. Kohn, on the hearing of his petition, put forward something of the same sort as a grievance. The matter referred to by him was in connection with the supply of school fittings and desks. Inquiry showed that the desks had been supplied at a lower rate than Mr. Kohn was willing to supply them at. That, of course, is no answer: the point is that the Executive Government (including Mr. Moss) habitually got its work done without calling for tenders. No attempt was made to prove corrupt conduct on the part of Mr. Moss with regard to Government work. At most, all that could be inferred was that some persons were favoured by getting Government work to do (Mr. Nicholas, Makea Daniela, and Donald and Edenborough). I have no further observation to make on this.

(15.) *Ngatipa.*—I have gone fully into this in the previous part of my report.

(16.) This grievance is the sending of verbal messages to Parliament through Mr. Nicholas. I have already expressed my opinion that the sending oral messages on important matters was wrong, and the messenger was not well selected.

(17.) *Taking Education out of the Hands of the London Missionary Society, and the appointing Disreputable Teachers.*—Herewith (marked 12 in red) is a very full paper drawn up by Mr. Moss showing the existing provision for education. There is also herewith a paper by the Rev. Mr. Hutchin, of the London Missionary Society, and the head of the mission at Rarotonga (marked 13 in red). I have already referred somewhat fully to this question. In my opinion, the new departure has not yet had time to show whether it will be successful or not. The appointment of teachers is by the local Government. I could find no ground for concluding that blame attached to Mr. Moss in regard to the appointments. At any rate, they are no longer teachers.

(18.) *Printing-press.*—It appears that Mr. Moss some time ago advised the Parliament to vote a sum of £50 for the purchase of a printing-press. The object was to let the press at a rent to some person who would keep the *Torea* going, and do Government printing. It was a mode of subsidising a paper, and Parliament and the Government adopted the suggestion. I can see no sufficient reason for now blaming Mr. Moss for what seemed good to all when the suggestion was adopted. In consequence of the "troubles" the *Torea* has stopped: the opponents of Mr. Moss withdrew their subscriptions and advertisements as it was said, and thereupon Mr. Nicholas ceased to publish the paper. The printing-press belongs to the Federal Government. The members of Parliament did not know, or pretended not to know, whether the press had been sold to Mr. Nicholas or not. It was explained that no public money had been expended in bringing over a printer from Auckland—that that expense was defrayed by Mr. Nicholas. The natives were not, or pretended not to be, aware whether the Government had to pay Mr. Nicholas for printing Government matter. No doubt it had. The only arrangement was the letting of the printing-press to Mr. Nicholas at a rent.

(19.) *The Proclamation.*—I have very fully gone into this, and expressed my views with regard to it.

(20.) What appears to be meant by this "head" is a rumour, after the rejection of the Federal Court Bill and the non-passing of the Appropriation Act, that Mr. Moss purposed the bringing about