

Whilst it was evident that lawless conduct deserving of a severe penalty was proved, and that Mr. Moss imposed these fines as a mark of the graveness of the offence, I feel that there are many circumstances which caused irritation, and, though condemning in every respect the authors of the forcible entry, I consider that the late Resident committed an error in judgment in fining the Arikis, particularly of those Islands other than Rarotonga, in which the offence was committed. Under these circumstances, I have exercised my power of clemency in remitting them all. I have done this in the hope and the firm belief that those implicated will in future see that the law is respected.

I am glad to be able to inaugurate your residence by this decision, and so prevent any of the Islands considering themselves harshly treated.

Lieut.-Colonel Gudgeon, British Resident, Rarotonga.

I have, &c.,

RANFURLY.

No. 33.

His Excellency the GOVERNOR to Lieut.-Colonel GUDGEON.

SIR,—

Government House, Wellington, 27th December, 1898.

In reference to my despatch herewith, I should be obliged if you would let the various No. 32. parties know of my decision.

As regards the award being paid to Mr. Nicholas, as mentioned in your despatch (44/98): as there is no fine to be levied, no sum can be paid under the award to him.

I am of the opinion that Mr. Nicholas should be so informed, and that he should be left to take his own legal course for a remedy, whatever that may be.

From the correspondence, I personally am unable to see that he has suffered any unjustifiable damage.

I have, &c.,

Lieut.-Colonel Gudgeon, British Resident, Rarotonga.

RANFURLY.

No. 34.

Lieut.-Colonel GUDGEON to His Excellency the GOVERNOR.

MY LORD,—

Cook Islands: British Residency, Rarotonga, 27th January, 1899.

With reference to your despatches (426/98 and 426A/98), I have the honour to inform you Nos. 32 and 33. that I have caused a notice to be inserted in the Cook Islands Government *Gazette* informing all of those interested of the nature of the decision arrived at by your Lordship in the matter of the fine imposed on the Chiefs and people of the Cook Islands by the late Resident.

In this notice (copy attached) I have merely stated the fact of reversal, and your Lordship's hope that those concerned will behave more peaceably in the future; but on this point I have said as little as possible, as the Maoris are very sensitive on this question, and hold that they were the persons illtreated.

I have, &c.,

His Excellency the Earl of Ranfurly, K.C.M.G.,
Governor of New Zealand.

W. E. GUDGEON.

Enclosure.

PROCLAMATION.

WHEREAS on or about the 16th day of August, 1898, Mr. F. J. Moss, the then British Resident, imposed a fine of £205 upon the chiefs and people of the Cook Islands: And whereas such fine was made subject to the approval of His Excellency the Governor of New Zealand:

I have now the honour to announce that His Excellency the Earl of Ranfurly, K.C.M.G., the Governor of New Zealand, has, by his despatch No. 426, of the 27th December, 1898, authorised me to make known to all those concerned that he has remitted the said fine of £205, and trusts that in future there will be no occasion for the imposition of penalties of this nature.

This money will now be paid in the manner provided for in the estimates of the year 1897-98. The Residency, 27th January, 1899.

W. E. GUDGEON.

No. 35.

MY LORD,—

Cook Islands: British Residency, Rarotonga, 27th January, 1899.

I have the honour to forward enclosed, for your Excellency's information, the trade report for the Cook Islands for the year ending the 31st December, 1898.

I have, &c.,

W. E. GUDGEON.

His Excellency the Earl of Ranfurly, K.C.M.G., Governor of New Zealand.

Enclosure.

REPORT ON THE TRADE OF THE COOK ISLANDS FOR YEAR ENDING 31st DECEMBER, 1898.

Shipping and Navigation.

TABLE I. contains the report of shipping entered both inwards and outwards at the Port of Rarotonga for the past year, and includes the small craft owned by both Maoris and Europeans, who trade to the small islands outside this group.