by Government in each case is £3 per annum per pupil, with a small supply of books.

With reference to the general question of Native education in Otago, the few (so-called) Natives who remain in the Province are so scattered and mixed up with the Europeans, that excepting at Otago Heads and Ruapuke, the only possible way in which they can be instructed is that pursued by Mr. Watt, viz., by placing them in the European schools which are nearest to their abodes. The probable annual expense may be stated as follows:—

									MACHINE MARKET
	For Books, Maps,	&c.	•••	•••	•••	• • •	584	•••	345 25
	Ruapuke					•••			100
	Brinn's Point		•••	•••					30
	Tipi-Tipi								40
	East Taiari				•••		•••		25
	Otago Heads			•••	•••		•••		£150
~	addudat expense in	wy DO BUWI	MUT MIS YOUT	OWB.					

Having previously been informed by you that the school at Kaiapoi, in the Province of Canterbury had been burnt down, and the rebuilding entrusted to Mr. Tancred and to the Rev. Mr. Stack, I did not proceed to Kaiapoi, but am informed at the Native Office that it was established in April, 1866, and burnt down in 1870. The original cost appears to be variously stated at from £500 to nearly £1,000, but it is being rebuilt at a cost of £330. The Natives have given twenty acres of land as a school site. The greatest number of pupils at any time is stated as twenty-seven; at the time of the fire it was sixteen, and the average cost has been £16 per annum per pupil.

The new school has now been completed, and authority given for the appointment of a master. An application has been lately made by the Commissioner of Native Reserves at Nelson, at the request of the Natives near Whakapuaka, for the establishment of a school in that locality, and I understand that there are small numbers of Natives at Picton, and also in various localities upon the West Coast of the Middle Island, to whom attention should be given so soon as more pressing calls have been attended to; the desire for instruction in the English language being equally strong in the Middle as in the Northern Island.

I have, &c., A. H. RUSSELL.