

direction, during the last two years, in what were disaffected districts, we must not despair of a change in the Taranaki district.

At Oeo, the chief, Hone Pihama Te Rei Hanatana, has built a very decent hotel, insured it in the South British Insurance Office, and let it to an European; also good stables and paddocks for the accommodation of travellers. He is also proprietor of Cobb's coach, and has the mail contract between New Plymouth and Hawera, a circumstance which has already had a good effect on the Natives of the district. A year ago there were over 150 Natives living at Oeo (Tangahoe), but last planting season two-thirds of them returned to their old places on the land allotted to them at Taiporohenui and Matangarara.

Titokowaru and Tamati Hone and their following, who have been living at Omuturangi since they returned from the Ngatimaru district, are also gradually returning to their old places south of Kaupokonui; consequently the district between Oeo and Kaupokonui, which is a very fine one, equal, in my estimation, to the Waimate Plain, will soon have but very few Maori occupants; and as a section of those Natives are now offering a block of land next the Waingongoro River, with a prospect of its being acquired, I hope, ere long, to see the district in a fair way of being settled. The Natives of this part have done most of the road work in the district, and although some of them have been troublesome at times, by patience and forbearance their opposition has been overcome. The unpleasantness which has occurred in the district, in reference to cattle of settlers, and other disputes, has been caused by a few of the worst characters, acting upon their own responsibility, and without the sanction of the principal men, who have condemned their rash conduct. It is true, all have been opposed to the settlers' cattle running on the land across the Waingongoro River, but from the scarcity of feed on the settlers' side, and the abundance on the other side, it has no doubt been difficult to prevent it.

The Ahitahi Natives, under the young chief Heke Pakeke, from whom I have recently purchased two blocks of land, have, by their action in supporting the opening of the mountain road and the sale of land, very materially altered the position and condition of the disaffected Natives. The Ahitahi were allies of Titokowaru and also Ngatimaru, and the change produced by the wise policy of the Government, and the judicious administration of the Minister at the head of Native affairs, on Ahitahi and Ngatimaru, will, I trust, have a favourable influence in districts where the same change is desirable.

Heke has built a substantial wooden house on land allotted to him at Ketemarae, close to the bush by the mountain road, and at the last licensing meeting at Patea he applied for a license for the sale of liquors, which was refused; but when it is difficult to prevent the sale of liquors without a license, it is matter for consideration whether it would not be better to grant a license, and legalize the business and obtain control over it, and also thereby secure influence for putting down sly grog shops which are in existence. Heke has since let his house to a very respectable person of Patea, for ten years, who I have no doubt will try to obtain a license, and put some one in charge, and be responsible for the business himself; and from its locality at the edge of the bush by the mountain road, which will be open for traffic in another season, a well-conducted house there will be a necessary accommodation for travellers; and as the young chief has invested his money (obtained from the sale of land in support of the policy of the Government) in building the house, I hope his prospects of a small yearly income will not be disappointed. His habits are too expensive, and I took advantage of an opportunity, when paying him for land last week, to remonstrate with him, and advised him to adopt a more economical course. He has bought a small coach, and drives four horses in it, something beyond the spring-vehicles before referred to: a spirit of emulation carried to excess.

From Waingongoro to Patea the Natives (Tangahoe and Pakakohi) are settled down on land allotted to them out of the confiscation; but one thing that disquiets them is the constant agitation of Europeans to lease their lands so set apart for them, by advancing money to a few, who will agree to lease for the sake of the money so offered to them, whereas the other Natives, who have an undivided interest in the land, are averse to it; and I maintain that a lease obtained from part of the Natives only would be illegal. I am fully sensible of the fact that to forbid the leasing of those lands to Europeans would be very unpopular, but there are other considerations involved besides the popular view of the question. The Natives must have land to live on, and it is very desirable they should not be disturbed while the great problem is being solved of acquiring territory and settling it with immigrants; for if the Natives should be led to feel that in the nature of things they cannot retain and enjoy land that has been set apart for them in a settled district, they will naturally oppose the cession of territory to the Crown. I should not have referred to this but for the fact that the Natives frequently complain to me about it.

The Ngatimaru Tribe, whose country was a few years ago the refuge of the disaffected, are now as friendly as any Natives in this district; but, like most of the other tribes, are divided in opinion in reference to public questions. One section, under the chief Te Amo, is led away by the prevailing influence of Te Whiti, and the other section, under the chief Rangihēkeiho, is exerting itself to get the country transferred to the Government for more profitable occupation. I was at Ngatimaru the week before last, and took with me about twenty of the Puketapu and Pukerangiora Natives to discuss the boundaries and make arrangements in reference to the land now being surveyed and negotiated for—three different blocks. We stopped at Te Amo's kainga, the Kawau, and were treated with great hospitality and kindness.

In reference to the subject of education of Native children, I am unable to make a favourable report. The adult Natives in the district are totally indifferent to the education of their children, and in order that anything satisfactory should be done in this direction, either the parents must be aroused to take an interest in the matter, or proper schools must be provided without their co-operation. In my annual report two years ago, I suggested that perhaps the most hopeful and practical way of making a beginning would be to employ some trustworthy and competent European to visit in rotation the various Native kaingas, endeavouring to excite an interest amongst the adults, and organizing, wherever possible, daily classes. These classes would be taught by some of the Native youths, who are to be found in most kaingas, who have themselves acquired enough education to be able to teach children to read and write their own language, and who would receive occasional instruction