5 G.—1.

was subdivided by the Committee and ourselves into six districts, extending from Otorohanga on the north to Taumarunui (on the bank of the Wanganui River) on the south, the ocean on the west, and the Rangitoto, Maraeroa, and Tuhua Ranges on the east. The Europeans were divided into parties of two for each district, and with each two Europeans went two Native guides or companions, and on the 16th January last they started for their respective districts. I regret, however, to have to say that all efforts so far to find payable gold have proved unsuccessful. Some of the parties, after working two or three months without success, have given it up and returned to their homes. There are, however, still two men who are persevering with the hope that their efforts may yet be successful. The reports of some of those who have returned are of a very disheartening nature, especially that of Mr. O'Sullivan and companions of No. 4 party, who prospected the Tuhua country. They speak of it as composed principally of "pumice, marl, and limestone," and that they did not see either "quartz reefs, leaders, or stringers, or any prospect of gold." Some of the other parties were a little more successful, as in one or two cases they did get the "colour" here and there, but nothing to warrant their remaining in the district. There are, however, a party of Wanganui prospectors who have been prospecting in the Tuhua district for some months, and they say that the prospects they have met with are such as to warrant their continuing the search.

The next matter of importance that occurred in this district was the obstruction to a portion of the Kawhia-Aotea road by some of the King Natives who reside near the Aotea Harbour. The locality where the obstruction took place is a very boggy place in the Aotea Harbour, near to where the road crosses Te Maari Creek. It had been fascined and repaired some months previously; but had got into a bad state again. The first time it was repaired the Natives did not make any objection, as at that time a considerable force of the Armed Constabulary was stationed at Kawhia (about five miles off), and the King Natives in the locality thought it good policy to be on their best behaviour with regard to obstructing Government works. Since then, however, the garrison at Kawhia has been reduced from a hundred to about twenty men, and the moral support of the latter is therefore reduced to a minimum. The King party since then have also instituted the system of Committees, of which Aotea at that time boasted one; and the policy that these Committees seem to have been instructed to carry out in every district in which I have come across them has been to stop, if possible, all Government works that are being carried out on Native land that has not yet passed the Native Land Court; and whenever they think they can safely do so without running the risk of being punished for their action they do it, they looking upon it as a duty they owe to Tawhiao and the tikanga or King movement to stop everything that is being done on Native land unless it has first been sanctioned by Tawhiao himself. They have been told to do this in order to show the Europeans here and in England that they acknowledge Tawhiao as King, or head of the Maori race. But I have remarked that their zeal in carrying out that annoying kind of policy is in proportion to the power that there is in the locality to punish them or keep them down. If the force of police or Armed Constabulary in the district is such as to lead the Natives to think that action of that sort will not be allowed, but will be nipped in the bud, and possibly the perpetrators punished, they do not attempt it. If, on the other hand, they think they can carry on for a time, at least, with impunity, they take advantage of the situation, and attempt to show themselves a power by obstructing public works with a zeal and alacrity which it is a pity is not diverted into some more praiseworthy direction. The obstructors at Aotea stopped the contractor, drove him off, and took possession of his tools, which they took into Kawhia and handed over to the commanding officer, with instructions that he (the contractor) was not to return. I went to see them; with the result, after a great deal of talk and a desire on their part to postpone the settlement of the question until they could see Tawhiao, who was then at the Thames, that they modified their attitude into promising to do the work themselves if allowed to please themselves when they did it. This I could not agree to, as the road was used a good deal by Europeans and others who travel between Kawhia, Raglan, and Hamilton, and it was necessary that it should be repaired at once. I, however, told them that they would be allowed to do what was wanted if they set about it without delay, and did the work to the satisfaction of the Road Inspector. If, however, they did not go at the work without any delay, then Europeans would be sent to do it, and steps would be taken to punish any one who obstructed them. They would not openly agree to this, but asked to be let alone and they would do the work at their own time. After the meeting they evidently discussed the matter amongst themselves, for within a day or two from the day of the meeting they were busy cutting tea-tree for fascines, and taking it in canoes to where it was required; and that part of the road has since been completed by them.

Another case of road-obstruction occurred subsequently at Whatiwhatihoe, but was not of a very serious nature. In fact, in this case the Natives had both law and justice on their side, as, through some mistake, the contractor for putting culverts in the road near to Whatiwhatihoe settlement was preparing to put in a culvert within the boundary-fences of some Native cultivations, which he is prohibited by law from doing.

Shortly after this an incident occurred at a settlement called Pitoritori, near Kihikihi, which, although it was not a matter in which Europeans were concerned, caused some excitement amongst the Natives at the time of its occurrence. It was a case of incendiarism of a very pronounced type, but was devoid of that villanous and miscreant nature that usually accompanies acts of that