

of his people, come to any arrangement with the Government, but seemed only to desire that they should be placed in a proper position by any change that might take place. From the conversation that he and Major Te Wheoro had with Mr. Ballance, it is clear that the King party have very much modified their views and demands during the last few months. There have been numerous reasons for this, some of which have been already referred to by me; but one of the reasons that has helped to bring about this feeling is the utter barrenness (from a political point of view) as to result of the journey of Tawhiao and the delegates to England. Until they received the despatch from Lord Derby informing them that whatever they wanted they must go to the Parliament of the colony to obtain, they fondly cherished the hope that they would be allowed to govern themselves by the aid of a sort of miniature home rule, which was to have been granted them by the English Government, and which would be independent of the New Zealand Parliament. That idea has now been dispelled, and they have come face to face with the fact that their only chance of doing any good for themselves and to prevent their political ruin is to be on friendly terms with, instead of antagonistic to, the Government. Tawhiao has now modified his proposals to such an extent that all or nearly all he asks for is to be allowed to have a say, in conjunction with the Government, in what is proposed to be done in the locality of Kawhia and Aotea, and that the House shall pass an Act this session empowering a Council of Native Chiefs to be elected (or nominated) to arrange matters for the Native race, the result of their deliberations to be laid before the House of Parliament for its approval. In fact, looking at the House in the light of a committee, this proposed Maori Council of Chiefs would be a sort of sub-committee detailed expressly for the purpose of dealing with matters concerning the Native race, and it would bring up its report to the committee, or, rather, to the House, in the manner of other sub-committees. Both Tawhiao and Major Te Wheoro place great importance upon this proposed Council of Chiefs, and at present it seems to be the only position they are prepared to accept in lieu of that so long held by Tawhiao and his people. I think I am right in saying that if a Bill of that sort should be introduced in the House this session, and had any chance of success, Tawhiao would not hesitate about going to Wellington at once, or even taking a seat in the Upper House, for the purpose of assisting to bring about that result that he so much desires. Unless he can gain an end of this sort, he is chary of compromising himself by going to Wellington. He has, however, despatched a representative in the person of Henare Kaihau, an intelligent and thoroughly-Europeanized young chief of Waiuku, upon whose report will depend whether Tawhiao goes himself to Wellington or not.

*Native Schools.*—I am glad to be able to report that I hope before six months from now has elapsed there will be three schools for Native children within my district, as tenders have already been called for by the Education Department for building them. One is to be at Kopua, near Alexandra, one at Waotu, near Cambridge, and one at Tapapa, near Oxford. It is a matter for congratulation that the Natives have at last seen and acknowledged the importance of education for their children; and I hope that the example set by the Natives of the three settlements above mentioned will speedily be followed by those in other parts of my district where the juvenile Native population is numerous enough to warrant the establishment of schools. To Mr. Arthur Ormsby, of Kopua, is due the credit of bringing about and working up the desire amongst the people for a Native school at Kopua. The Ngatiraukawa chief Arekatera te Wera (of Waotu) has given great assistance in connection with the school that is about to be erected at Waotu; and to Karanama te Whakaheke and others is due the credit for the school at Tapapa.

*Public Works.*—The public works that have been carried on in this district during the past year, and in which the Natives have taken part, have been the formation of the first section of the North Island Trunk Railway (fifteen miles), from Te Awamutu to Otorohanga, and the continuation of the formation of the road from Alexandra to Kawhia. The Natives have proved themselves first-class workmen at earthworks when properly supervised, and, with the exception of the King party, who would not take part in public works on principle, they have gladly availed themselves of the opportunity of earning wages at road- and railway-work.

*Waikato Confiscated Lands.*—Very little has been done during the past year in connection with the settling of ex-rebels on any of the balance of the available confiscated lands. There are several reasons for this, and I have referred to them in previous reports. One of the principal reasons is the extremely poor quality (with here and there an exception) of the land available for occupation; but the main reason of all has been, and is yet, that the King party—amongst whom are most of the ex-rebels who it is desired should occupy these confiscated lands—have not yet arrived at the stage in which they consider it is incumbent upon them to, as they think, humour the Government by breaking up their present political home at Whatiwhatihoe, and splitting themselves up into small bodies for the purpose of taking up isolated positions on land which it is doubtful whether they could get a subsistence from. Since the investigation of the title to the large Maungatautari Block I have doubted very much whether it is necessary for Government to provide any of the at-present-landless ex-rebels with Crown lands to live upon. I find, on referring to the Native Land Court lists of owners of the different subdivisions of Maungatautari, that a number of Natives whom I had looked upon as landless either proved their ownership to certain portions of the block, or else were put in out of compliment by the real owners. Be that as it may, the fact remains that they, with others, were awarded land, and in all probability it was land of as good if not superior quality to that which