The Ngatiawa and other sections of the Natives in and about the Whakatane, Rangitaiki, and Matata Rivers are anxious to form themselves into a Committee district. These people are at present included in the Opotiki and Rotorua Committee Districts. These districts are very large, and include several tribes whose interests are not the same; nor can these Committees be expected to have much knowledge of matters affecting the tribes desirous of separation. The members of the present Committees are in no way connected with the locality or people proposed to be included in this new district. As the Chairmen of these Committees no longer receive a salary from the Government, this wish of the Natives could be complied with without any cost. maize-crop in this portion of the district is unusually large this season. In Opotiki alone about two thousand acres have been grown, which probably will yield about seventy or eighty bushels per acre. The Natives own a fair share of this area.

ROTORUA.

There is no alteration in the habits of the Native inhabitants of this portion of the district, who still appear to depend upon the tourists for a part of their subsistence; but, of course, since the eruption which caused the loss of the terraces the amount received from this source has been greatly reduced. Notwithstanding the loss of the terraces, a considerable number of tourists have

visited the thermal districts this year.

The conduct of these people has been quite equal to that of previous years. Very few of them have been punished by the Court. I regret, however, to report that a portion of these people have embraced Te Kooti's form of religion-at present the number of converts is estimated at fifty, chiefly consisting of those living at Awahou and Waikuta. For the first time, when at Rotorua last month I heard the Natives at the Ohinemutu Pa holding a Kooti-ite service; but I am rather inclined to think, as there was an influx of visitors from Maketu and other places owing to a football match which took place there on that occasion, that probably it was the visitors who were holding their evening service at the pa.

These people are not given to growing large crops—they scarcely cultivate sufficient for their

own wants, and as a rule appear more indolent than the generality of Natives.

The Rotorua Native School is now closed, the Native children attending the European school. The schools, however, at Rotoiti and Te Awahou are still being carried on. The rolls at these show the number of scholars to be fifty-nine-namely, thirty-six males and twenty-seven females. The parents of the Awahou school-children are engaged in sawing timber for the bridges in the Mangarewa Gorge, which much interferes with the attendance of the children, as many of them are away with their parents.

TAUPO.

Since last December the Taupo Magisterial District has been handed over to me. I have now,

therefore, some eight or nine thousand Natives under my control.

The Natives in this district appear to be making considerable advance both socially and morally. Several wooden cottages are in existence at their settlements; more are being erected; and a church, also, has been built at Mararoa. A second church is in course of erection at Omarunui. These changes have taken place owing to the residence of two Mormon missionaries in their district. There are several converts to the Mormon faith. The Mormons appear to be doing good work amongst these people. They have established a school at Orakeikoraka, which is largely attended.

At Hatepe there has been an outbreak of typhoid fever. There were fifteen cases, none of

which terminated fatally.

The crops are said to have been fairly good throughout the district. The best appear to be those grown at Tauranga, a settlement at Taupo, where they have large stores of potatoes.

These Natives, like those in other parts, seem to be getting more industrious and self-reliant, but they are just as wasteful as their neighbours. A great consumption of food took place last year owing to the many parties and visitors who came to cry over the death of Te Heuheu Tukino, who died last July. Te Heuheu was probably the greatest chief in this district.

In their habits they seem to have become more sober, and drunkenness has almost entirely ceased. These people sell little or no produce: they have therefore not been burdened with much

money since the land-purchasing was discontinued.

A section of these people—the Ngatiterangiita, a hapu of Ngatituwharetoa, whose chief is Tohau, a quondam leader of Te Kooti's in his former exploits—are adherents of Te Kooti. These people reside at Rotongaio. They are, however, represented as having cooled down a little since Te Kooti's incarceration. The circumstances in connection with that affair seem to have set them thinking as to the danger and risk attaching to Te Kooti-ism. His prestige appears to be on the wane in this district.

The behaviour of these tribes appears to have been exceptionally good, not a single crime being recorded against them during the past twelve months. A slight land-dispute took place between two sections of these people, which ended by one of the parties pulling up some potatoes belonging to the other. This matter is to be arranged as an ordinary case for damages for crops destroyed, a summons having been issued by the owner of the potatoes. The case, by consent of parties, is to be heard in the Resident Magistrate's Court at Rotorua on the next sitting-day of the Court.

Remarks.

The Natives generally appear to labour under considerable disadvantage in the matter of succession to the personal estate of deceased persons, especially where moneys on deposit in banks are part of that estate. Natives frequently subscribe moneys for trading purposes— Natives frequently subscribe moneys for trading purposesgenerally for carrying on a store: the profits are deposited in the bank in the names of two of their number appointed by the subscribers. In the event of one of these dying, the money lies for a long time in the bank without interest, there being no one to renew. It often happens that the Natives