G.-2.

a canoe on the bar of Mokau River, for which meritorious act he received the bronze medal of the Royal Humane Society.

Industry.

The industry of the Natives in my districts, more especially in the Waikato and King-country, has been of rather a mixed kind during the past year. They have not paid much attention to foodproduction, merely growing enough for their own consumption, and in some cases not even that. There are a few instances where they have grown a little wheat or oats for sale to the local store-keepers, but they are isolated. Those who have had time at their disposal after attending the Land Court and the usual Native meetings have mostly turned their attention to two industries that have lately been introduced amongst them—viz., rabbit-killing and flax-cutting, out of which they have managed to get a rather precarious livelihood. Considerable sums have been paid to them by Government during the past year for rabbit-skins, as will no doubt be shown by the Rabbit Inspector's report. The rate of pay has been threepence per skin; it was reduced for a short time to twopence per skin, but, as the Natives refused to kill rabbits on those terms, it was raised again to threepence.

The great boom that took place a short time ago in flax caused several mills to be erected throughout the Waikato, Kawhia, and Raglan Districts, and also two at Otorohanga, thus giving almost constant employment to some of the Natives, who are adepts at flax-cutting, as well as being

a source of revenue to the owners of flax-lands.

Public Works.

The only public work that has been undertaken in this district during the past year, in which Natives could participate, has been the making of a road from the lately-discovered beautiful limestone caves at Waitomo to Hangatiki, the nearest station to them on the Main Trunk Railway-line. The road is nearly six miles long, and has been laid off by and made under the supervision of Mr. C. W. Hursthouse, Government Engineer. The formation was let by contract in small sections to different parties of Natives, who, from the experience they gained whilst working on the railway-line during its formation in this district, are now very good road-makers. The aptitude and liking they have for this kind of work is almost surprising. They will desert food-cultivation, flax-cutting. or rabbit-killing for it. They take their contract sections at a lump sum previously fixed by the engineer in charge of works, and then go and camp alongside of their work with their wives and families, the women doing the cooking, washing, and getting firewood, whilst the men work early and late at their contract. Road-formation, or "mahi-rori," as the Natives call it, is a kind of labour that they prefer to all others.

THE GOVERNOR'S VISIT.

In the early part of April last the Natives living at Otorohanga were honoured by a visit from His Excellency the Governor and Lady Onslow, who were also accompanied by Sir Frederick Whitaker, the Hon. Mr. Mitchelson (Native Minister), the Mayor of Auckland, and others. His Excellency spent two days in the district, during which a trip was made to the Waitomo Caves. The Natives were extremely pleased to see His Excellency and Lady Onslow, but unfortunately the programme which was intended to be carried out in connection with the ceremonies of welcome, and which it was at first decided should consist of addresses of welcome by the principal chiefs, was slightly marred through a suggestion made at the last moment by some new arrivals who were more used to European customs than the local Natives-viz., that an address of welcome should be written out and signed by the principal chiefs, and then read out in Maori and English, and presented to His Excellency. This was done, but the chiefs who had signed the address got confused, and thought that nothing more was required of them but their presence at the presentation of the address to hear His Excellency's reply; hence their delay at getting up to address him at the public meeting in the Courthouse. When the matter was afterwards explained to them, they were most anxious to put themselves right with His Excellency, and several of the chiefs made personal explanations to him, and during the rest of his stay vied with each other in doing him honour.

After the meeting with His Excellency, the Hon. the Native Minister had a meeting with them, at which a number of matters which more or less affected their welfare were discussed, and they expressed themselves afterwards as highly pleased at the courteous manner and straightforward way in which he had dealt with the subjects laid before him.

NATIVE LAND COURT OPERATIONS.

The Native Land Court sat almost continuously during last year until the middle of December, when it adjourned and did not resume until the 20th of May. Since the commencement of the sitting of the Court for the investigation of title to land within the Rohepotae Block, or King-country, in July, 1886, the total area that has been adjudicated upon has been close upon 1,000,000 acres, represented by 136 separate blocks, with areas ranging from one acre to over 126,000 acres. Unfortunately, most of the blocks are of large area, and consequently the owners thereof are very numerous, amounting in one block of 135,000 acres to the enormous number of 991; another block has 523 owners; four blocks have over 300 owners, six have over 200 owners, eleven have over 150 owners, and fourteen have over 100 owners. Some of these blocks are subdivisions of what were originally much larger blocks, with even larger numbers of owners. The work of subdividing the large blocks is still going on, and it is to be hoped that, looking at the matter from the point of view of settlement of country by Europeans, before long the area and ownership of most of the blocks will be reduced to such dimensions as to make them easily attainable by transfer from the Native owners whenever the latter are willing to part with them.

Another matter that requires to be done before the blocks can be said to be in a state in which the owners can really benefit by the exchanging of the old Maori title for a Crown or a legal one is the defining of the interests of the numerous owners; until that is done, any distribution of money