G.—3,

it up altogether. The Native idea with regard to sheep appears to have been that there was no more difficulty in breeding them than in breeding pigs, and that all they had to do was to turn them out amongst the grass on the limestone-hills and they would increase naturally; the actual labour being confined to tailing the lambs and clipping the wool from the sheeps' backs. They now find that more labour than that is required, and that unless sheep are well and constantly looked after, and their ailments quickly discovered and means taken to cure them, they will not thrive. It appears, also, that the sheep that most of them got in the first instance were old and diseased, and were of a breed not suitable to this kind of country. The result has been that most of the flocks are suffering more or less from lung-worm and other diseases that sheep are heir to, or easily acquire; consequently the mortality amongst both sheep and lambs during the past year has been very great. One or two of the intelligent half-castes have already given up keeping sheep, and are going in for cattle and the breeding of a superior class of pigs, expecting to get better results from them than from sheep.

The Natives throughout the King-country are not a very industrious class—that is, they do not grow more food than they require for their own consumption. Sometimes small patches of a few acres of wheat, or oats, or maize may be seen which are being grown for sale, but they are

rare.

## Religion.

In my last year's report I referred to the attempt that was being made by the Church of England and Wesleyan religious bodies to revive the religious element in the hearts of the King-country Natives. I am sorry to say, however, that, so far as outward and visible signs are concerned, their efforts have not yet met with much success. The Wesleyan Native preacher who was stationed at Kopua some time ago still remains at his post, but, with that exception, the efforts of the religious bodies that I referred to in my last report seem to have ceased.

## Native Schools.

The Native school at Kopua still remains closed, but the others—viz., those at Otorohanga, Te Waotu, Tapapa, and Kerikeri (Thames), continue to be fairly attended, but not so much so as they should be considering the number of children that reside in the localities of the above-mentioned schools. The want of thought on the part of the parents in not enforcing a better attendance by the children shows that they are careless and indifferent, and that they do not realise the advantage of education, or appreciate the desire for their welfare and advancement that Government has shown in erecting schools and supplying teachers for the present generation of Maori children.

## Proposed Licensed Hotel at Otorohanga.

Considerable public comment has lately been passed on the proposal to grant a license to the Temperance Hotel, at Otorohanga, to sell spirituous liquors, and a very determined effort is being made by the Good Templar or ultra-temperate party in New Zealand to prevent the license being granted, they believing that it will result in harm, both mental and physical, to the Natives. As the King-country, however, is no longer the purely Native district that it was eight years ago, when licenses to sell liquor were prohibited throughout the district at the request of the Natives, and as the action of the Government, the Press, and the public generally has within the last few years been of such a nature as to induce Europeans to flock into the country for the purpose of visiting the Waitomo Caves, to view land for settlement, and to construct railway- and road-works under the Public Works Acts, it follows that the position is different now to what it was then; and that whereas at that time there was only the wants and interests of the Maori race to consider, now there are those of both Maori and European. It is not my place as a Government officer to criticize the action taken by the temperance party in this matter, for whether they are justified or not in what they are doing is merely a matter of opinion; but there can be no doubt, I think, that they are actuated by a desire to protect the Natives from what they believe will result in evil consequences to them. I think, however, I am right in pointing out that in this, as in European communities, it is the wishes of the people of the district or the majority of them, that have to be considered, and in the present case the district, or the majority of them, that have to be considered, and in the present case the Natives have decidedly shown by petition and otherwise that they desire to have the house at Otorohanga licensed. The reason for their action is not far to seek. The house is kept by an intelligent and respectable half-caste—one of their own people—and his wife, and it is the only house in the locality where travellers can obtain accommodation in the shape of board and bedding for themselves and stabling for their horses. The house is used almost exclusively by Europeans, and they, or the majority of them, look upon it as a hardship if they cannot get the same accommodation there as at hotels in other places. The landlord is therefore prevailed upon to supply them with what they want, although he is breaking the law in doing so. There is also the fact that being an unlicensed house makes it a mark for European detectives and policemen, who lay themselves out to entrap the landlord or his wife into selling them a glass of spirits, and numerous and questionable are the devices they adopt to catch their victim. Now, the chiefs in this district note that the people who require the liquor are mostly Europeans, and that the detectives and those whom they make use of to assist them in catching the landlord in breaking the law are also Europeans, whom they make use of to assist them in catching the landlord in breaking the law are also Europeans, and they fail to see why one of their people should be made to suffer solely for the sake of and by the agency of the pakeha. Hence they say, in effect, "Otorohanga is at present the focus of European population in the King-country. These people require, and will have, liquor. Let them therefore have it. License the hotel, so that the landlord can supply the wants of these people without risk to himself, and let it be under the supervision of the police, of which there is a representative resident at Otorohanga; but let this be the only licensed house in the district, because it is there, and only there, that it is said to be wanted." The above is, I think, a fair statement of the case as looked at from a Native point of view, and, although one cannot help sympathizing with the