I have from time to time visited the various factories, and found them clean and satisfactory, and all the bakehouses whitewashed. So far no accident of any kind has occurred from any of the machinery used in the various factories. Saturday is the day appointed by the Act for the half-holiday. Some of the factories take their half-holiday on Saturday, and others on Wednesday; but those who keep open on Wednesday take very good care not to employ any youths under eighteen years of age; hence the Inspector cannot compel them to close.

As to the Shops and Shop-assistants Act, I beg to report that Wednesday is the day appointed by the Borough Council for the half-holiday, and I am glad to be able to report that it is now carried out without a murmur. Certainly, when the Act first came into operation I had a little difficulty, and I was obliged to summon three Chinamen for a breach of the Act, two of whom were

fined £2 and costs, and the other £1 and costs.

I have, &c.,

E. Tregear, Esq.

JAMES SLATTERY, Inspector of Factories.

PAHIATUA.

Sir,-Pahiatua, 31st March, 1895. I respectfully report that this district has greatly deteriorated as a labour centre during the past eighteen months, and from the following causes, viz.: The almost complete cessation of bushwork and road-formation, backed up by the very bad times that have been experienced generally all over the colony through the ruinously low prices that rule over all our products. This being a purely pastoral district feels the pinch most keenly, and the settlers are having a hard time of it. They cannot afford to employ labour. Were it not for the dairy industry things in this district would be much worse; if that industry does not collapse a lot of the settlers here will manage to pull through that otherwise would not be able to stick to their land. The large amount of Government co-operative works going on in this district greatly relieves the labour market. The placing of the men on these works has been done with great care, the result being that such a thing as a drunken co-operative worker is never seen, while at one time on each pay-day, and for several days after, there would be about the hotels labouring men "knocking down" their cheques. The system of co-operation works well if properly managed, but it is here that the trouble arises: The management is not always what it should be, and hence the trouble. No matter how well this system is worked there is sure to be malcontents. One of the greatest causes of trouble is the formation of the gangs by picking men promiscuously and putting them to work together, with the notion that they will agree. It is a great mistake to suppose that one man is as good as another in a railway-cutting, or in felling and forming a road-line. The man who is a thoroughly able and competent workman, who is perhaps able by hard slogging to make 10s. a day, thinks it very hard to find a man, or perhaps more, in his gang who is not able to make 5s. a day, yet when pay-day comes draws as much pay as he does from the job. Another mistake that is made, I think, is the sending of men into a bush district from towns who, for instance, have been brought up in towns, or have been at sea till well on in life. They have always turned out a failure here: the life they have to lead in the bush is so rough and different to what they have been used to that it is little wonder they throw up the sponge. I have very carefully watched the working of the co-operative system since its inception, and I am fully convinced that, if the men going on the works were allowed to form their own gangs, things would work much more smoothly. The labour Acts are well observed, except the Shops and Shop-assistants Act. This Act causes trouble through allowing some persons to keep their shops open, while it compels others to shut theirs. this Act is amended, so that it will cause every business-man, no matter who he may be, or whatever his business is, to close strictly on the statutory half-holiday, it will not work satisfactorily. It causes people to invent all sorts of devices to evade its provisions, so that they can make sales and keep their shops open while their fellow-tradesmen must close. On the whole, the business people of Pahiatua observe the law very well, one of their reasons for doing so being that they know that if they did not some one of their neighbours would not be long before CHARLES COOPER, Agent, Labour Bureau. they informed on them.

The Secretary, Department of Labour, Wellington.

EKETAHUNA.

Sir,—

I have the honour to submit my labour report, and the Acts affecting it, for the year ending the 31st March, 1895, in my district.

Up to date there are nineteen factories registered, employing ninety-four persons, principally male adults, with about 370 others depending on them. Taking into consideration the infancy of the locality and the roughness of the country the Act is fairly complied with. The owners exhibit every tendency to comply with the provisions of the Act; any suggestions made by me are carried out without a murmur.

The chief industry under this heading is sawmilling. It employs a number of hands both directly and indirectly, and I am much pleased to see that the Government, since it assumed control of the railways, has reduced the freight on timber. Since the reduction I am informed that two more sawmills are about starting, a very good thing for the settler and labourer; it will be a source of revenue for the former and at the same time clear his land, and employ the latter.

The Shops and Shop-assistants Act, with reference to closing, is not compulsory within my district. The owners have all the same half-holiday (Thursday), and close their places as regularly as if they were obliged, and their employes can amuse themselves as they wish.

The building trade was very brisk for the twelve months, carpenters were well employed.