

A return showing the harbour-works approved by the Governor in Council and the licenses granted for the occupation of sites for wharves and other works is appended.

The sum of £1,770 17s. 6d. has been collected for pilotage and port charges in respect of harbours under the control of the Department, as compared with £2,143 11s. 4d. collected during the previous year.

*Fisheries.*—Reference was made in last year's report to the decision that this Department should pick and sell North Island rock-oysters. This was done during last open season, with very satisfactory results. A depot was established in Auckland to which the oysters were sent for sale, and they were forwarded from there to purchasers in any part of the Dominion. The sale price at the depot was 12s. 6d. a sack, and at Russell and on the beds 11s. 6d. a sack, and the purchasers paid freight and charges from the depot. A few sacks which were not in good condition were sold at lower prices. Purchasers could either forward their orders with the money for what they wanted direct to the depot, or could order and pay for the oysters at any Customhouse, the orders being sent on to the depot by the Collector of Customs either by post or telegraph as required. The oysters were obtained from Waiheke, Ponui, and Sandspit Islands, in the Hauraki Gulf, from Great Barrier Island, and from the Bay of Islands. Eleven thousand and five sacks of oysters were sold, realising, with refund of cartage, wharfage, &c., £6,938 10s. 6d. The cost of picking and sale was £5,705 6s. 3d., which includes £160 for salaries of two Inspectors for six months, £35 15s. for depreciation at 5 per cent. on cost of launches, £17 17s. 6d., being six months' interest at 5 per cent. on the cost of launches, and £65 paid as gratuities for services rendered, so that a profit of £1,233 4s. 3d. was made. There is no doubt that the new system conduces to the preservation of the oyster-beds, as oysters of marketable size only are taken off the rocks, and sufficient are left to enable the beds to be picked each year. Some of the beds have not yet recovered from the depletion which took place when they were open for licensed pickers under the old system in 1907 and previous years. As the old system of picking resulted in the total depletion of the rocks in many places, it is advisable that the Department should plant oysters in these places.

The building used for the depot in Auckland last season was only obtained for that season, and arrangements have been made with the Auckland Harbour Board to lease a site from it near the Railway Wharf on which a suitable building is now being erected.

The oysters left on Waiheke and Ponui after last year's picking have spawned well, and the beds are in a very healthy condition, and will be fit for picking during the coming season.

The beds in the Northern Subdivision are looking well, and it is proposed this season to pick those between Ti Point, in the Bay of Islands, and Whangaruru.

The oyster-beds in Kaipara Harbour are in good condition, but most of the oysters are of small size.

The only oyster-beds worked in Manukau Harbour were those which are leased, and the demand for the oysters was not very large.

There is a marked improvement in the oyster-beds in Hokianga Harbour. Rock-oysters are still scarce, but mangroves are plentiful.

The question as to establishing fish-markets, which was referred to in my last year's report, has been brought under the notice of the municipal authorities at Auckland, Wellington, Christchurch, and Dunedin, with a request that the City Councils would take the matter into consideration; but so far markets have not been established. The Christchurch City Council replied that if power was given to compel all fish sold or exposed for sale within a borough to be sold only in a market provided by the Council, the Christchurch Council would no doubt endeavour to establish markets. It would require an alteration of the law to give such power.

A better marketing system in the chief centres, and better facilities for sending fish inland by train, would undoubtedly result in an increased demand for fresh fish.

A return showing the number of sea-fishing boats registered and licensed at the various ports on the 31st December last is appended. This shows that the number registered was 1,299, and licensed 1,246. In the previous year the number registered was 1,189, and licensed 1,175. It is impossible, in the absence of a proper system of collecting fishing statistics, to give anything like a correct estimate of the fish taken, or to trace the progress made in the industry from year to year. "The Fisheries Act, 1908," provides that the owners of licensed fishing-boats, and fish-curers, shall make returns to the Department in such form and at such periods as may be prescribed by the Governor in Council of all fish caught or cured by them, but, as no action has been taken by the Governor in Council, the provision has so far been inoperative. The information that would be obtained from such returns would be valuable, and I recommend that the necessary forms and periods for making them be prescribed.

Considerable attention to whaling in the Dominion is now being given by Messrs. Cook and Co., who have been engaged in the industry for some years at Whangamumu, and also by some foreign firms. The Chief Inspector, who has been looking into the matter, is of opinion that whaling on modern lines—i.e., from whale factories—would mean establishing a very important industry, as a large amount of capital would be invested in buildings and plant, and a large number of persons would be employed in manufacturing the various products obtained from the whale. Mr. Ayson considers that, from the fact that whales have been very little disturbed during the last thirty years, from his own observations and from information received from officers of steamers, they are plentiful round the coasts and south of New Zealand, and he is strongly of opinion that every encouragement should be given to any one who may wish to engage in the whaling industry with factories on shore. Killing whales for the oil alone is now considered by Canadian, American, and Norwegian whalers to be simply waste, as the carcass when treated at a properly equipped whale factory can be made to yield other products of considerably more value.