become so prevalent. The utmost vigilance should be used to prevent natives from obtaining spirits in Auckland. Great caution should be used in granting Bush Licenses in Native Districts.

87. The Board is not without hope, that the natural good sense of the natives will lead them to see and avoid the danger which threatens them as a race, should they unhappily fall into habits of intemperance. It would appear that there are some among them fully alive to the serious nature of the evil and are determined to use every effort to suppress it.

NATIVE COASTERS-LAX STATE OF SUPERVISION.

- 88. With reference to the following facts communicated to His Excellency by Mr. Fenton, ately appointed to act as native Secretary.
 - 1. That the supervision exercised over the coasting trade is very lax:
 - 2. That the major part of this trade is in the hands of the natives.
 - 3. That they own and sail a great number of the coasting vessels.
 - That it is by this means of transit, the natives living at a distance from Auckland, are supplied with spirits.
 - 4. That it is known it is a frequent habit with these coasting vessels to arrive at this port, and not report their cargoes and take their departure hence without a transire.
- 89. The Board would recommend that the Collector of Customs be instructed to exercise the strictest supervision over the coasting trade, with the view to remedy the evil complained of, and if he has not, at present, means at his disposal for the purpose, that he be furnished with it as soon as possible.

PROHIBITION TO THE SALE OF ARMS AND AMMUNITION.

- 90. With respect to the law prohibiting the sale of Arms and Ammunition to natives, the Board is of opinion that it should be more strictly enforced. Some of the evidence taken on the subject goes to shew that this law is also evaded though not to the same extent as the one relating to spirits. It would also appear that the prohibition is not viewed in the same favorable light by the native tribes, many of whom regard it wholly as a precaution taken against them, with the design of depriving them of the means of defence in the event of hostilities taking place between the races. That such a precaution is perfectly fair and justifiable is, however, fully admitted by them, and while the acts of the Government are such as to keep up a general feeling of confidence in the native mind, no ill effects are likely to result from the carrying out of the law. The existence of deadly feuds between the tribes furnishes a sufficient reason for the continuance of the prohibition, and makes it desirable that the Government should forbid, if it cannot prevent, their being supplied with arms and ammunition to be used for their mutual destruction.
- 91. The Board would, however, recommend that the prohibition should not be so strictly interpreted, as to preclude the chiefs and respectable men of the loyal tribes from purchasing powder and shot in small quantities for sporting purposes upon proper application to the authorities for permission to do so, on the same terms as Europeans.

It is believed that the natives generally do not look upon either of these laws as oppressive or unjust, nor that they are disposed to question the right of the Government to lay such restrictions as it may think desirable upon the English people and upon the commodities brought here by us, but, with this right of control, they also associate a responsibility resting with the Government for whatever consequences may r sult to them from our occupation and colonization of the country.

SCHOOLS.

- 92. The Board is of opinion that the support hitherto given to schools now receiving aid should be continued, as at present, until another system can be brought into operation, and after that time also if the said schools are found to fulfil the specified conditions of the new system.
 - 93. The conditions of the new system which the Board would recommend are as follows.
- 94. That a Board of Education be appointed by the Governor to distribute the entire funds which may from year to year be available for educational purposes.
- 95. That all the existing schools on application to the Board should be assisted in proportion to the number of scholars who are being taught to speak, read, write, and cypher in the English language.