

Admiralty Compass Department), and other works, and have also enjoyed the great advantage of discussing the whole question very fully with several of the officers of Her Majesty's ships when in port, and I am in hopes that they will be found accurate and at the same time simple and intelligible. Loose copies of the Deviation "Diagram," in the form which I have adopted on account of its simplicity (a copy of which is appended to the Instructions), will be issued to all licensed Adjusters, and they will be required to forward to the Marine Office a filled up diagram for every compass they correct. These will afford me a ready means of ascertaining, almost at a glance, whether the work has been properly done, and, when collected and filed, will form a most valuable and reliable record of the magnetic condition of all the steamers in the Colony.

4. "The Marine Act, 1867," also continues to work well on the whole; and though a few minor improvements might certainly be suggested, it will probably be better to give the Act as it stands a more extended trial—especially as it will in all probability be considered necessary ere long to consolidate all the laws which refer to shipping, and to frame a Mercantile Marine Act, as suggested in my Report for 1867.

5. "The Inquiry into Wrecks Act, 1863," which was simply an adaptation of the provisions of the Imperial "Merchant Shipping Act, 1854," which referred to the same subject, having become incomplete, in so far as it did not include the provisions of more recent Imperial enactments in regard to such investigations, an amended "Inquiry into Wrecks Act" has been drafted, in accordance with the present state of the English law. When this amended Act has become law, the decisions of Courts of Inquiry into the causes of wrecks will be much less liable than they at present are to be informal, and consequently void. As many of these inquiries as now conducted are very incomplete, the evidence taken being insufficient to enable any one to arrive at a satisfactory conclusion as to the true cause of the accident, it has been considered advisable to prepare a set of Instructions for the guidance of officers conducting inquiries into wrecks. These Instructions, which are now under consideration in draft, will lay down general rules for the guidance of Officers of Customs, and explain, so far as practicable, the nature of the important duties devolving on the Nautical Assessor; they are based on the provisions of the Act, and in framing them the clauses of "The Queen's Regulations and the Admiralty Instructions for the Government of Her Majesty's Naval Service," which refer to similar investigations, have been closely followed.

6. The "Harbour and Quarantine Regulations for the Ports of New Zealand," which have been in force since the first of last September, are, I understand, giving satisfaction—especially to shipmasters, as they now, after visiting any one port in this Colony, know what rules they have to conform to at any port they may subsequently visit. The "General Signals," introduced by the Regulations, having necessitated an alteration on long-established local signals at several ports, were naturally at first received with some dissatisfaction; but now that their novelty has to a great extent worn off they are better appreciated, and the convenience of having but one simple code of danger signals for the whole Colony is every day becoming more obvious, and will, I think, be acknowledged to more than counterbalance the temporary annoyance caused by necessary changes on old and well-known systems of conveying information to people on shore.

7. The Lighthouse buildings throughout the Colony have continued in good order throughout the year, and the amount expended on repairs has been almost nominal. The only station where repairs have been required is Godley Head (which would seem to suffer more during gales than any other lighthouse), where a small outhouse has been twice unroofed—the repairs costing in all £10. The work is now, I believe, of a very substantial character (though I have not yet had an opportunity of examining it personally), and there seems little reason to fear that such an accident will again occur. The dwelling-houses at Pencarrow are now much decayed; they may last one or two years longer with trifling repairs, but the time is fast approaching when it will be more truly economical to build new and more substantial houses rather than to attempt to patch up the old ones at a constantly increasing annual cost.

8. There have been no changes in the staff of Lightkeepers during the year, a fact which in itself shows that the service has been conducted in a satisfactory manner. At one station the keepers have not been on the best of terms with each other, and at another one of the keepers has had some disagreement with the officers of another branch of the public service; but I am in hopes that in each of these cases experience will convince all parties that mutual forbearance and a conciliatory disposition is the best policy, and that there will be more harmony in future, as in both instances the men are excellent lightkeepers. I am not aware that any of the lights have been extinguished during the year; and only one complaint, which could not however be sustained, has been made of the non-efficiency of any of them.

9. After considerable though unavoidable delay, tenders were advertised for for the erection of new Lighthouses on Farewell Spit, Cape Campbell, and Nugget Point, and of a Beacon on the Flat Rock, off Kawan. A satisfactory number of tenders were received, which were opened on the 9th of March last, and after due consideration the lowest tenders were accepted, as follows:—

	£	s.	d.
Farewell Spit—Samuel Brown, Wellington	2,496	0	0
Cape Campbell—H. Carter and Co., Wellington	1,960	0	0
Nugget Point—W. P. Pearce, Dunedin	2,577	5	10
Flat Rock Beacon—E. W. Mills, Wellington	390	0	0

All the tenderers for the lighthouse works have made considerable cash deposits, and have (with sureties) executed bonds for the due completion of their several contracts, which they are so far carrying on in an energetic and satisfactory manner; so that there seems good reason to expect that the work will be well done, and completed in good time. The apparatus and lantern for Nugget Point are in store at Dunedin; the lanterns for the other stations have arrived in Wellington, and I expect by next mail to be informed of the shipment of the optical apparatus. All the lights should be ready for permanent exhibition, and the Flat Rock beacon erected, early in 1870; and a preliminary Notice