

arrangements made by me with Captain Kells, capable of taking over a four-horse coach. A few chains of side-cutting were requisite to approach the river on each side, which are already completed by the labour of the Wereroa party of Volunteers under Captain Kells. 4. The Whenuakura River, two miles south of Patea (Carlyle) Township, crossed by a punt provided at cost of ferryman. 5. The Patea River, crossed by a punt also provided by the ferryman, with approaches cut by the Volunteers from Wairoa, under Captain Hawes and Lieut. Kenna. These comparatively insignificant works are all that are necessary to be effected between Wanganui and Carlyle. The general surface of the soil, though of the richest quality, is so porous and holds so little water, that for a considerable time at least no metalled road need be made. If in winter it should get a little stiff or dirty in places, the unfenced country alongside will afford sufficient space for the traveller to pick a cleaner track, while the coach and dray will meet with no impediment whatever.

Beyond Carlyle to the north, the facilities appear to be equally great. The work required to be done is so minutely described in a Memorandum which has been obligingly drawn up by Mr. Kelly, M.H.R., that I cannot do better than append that document for reference (Enclosure 4). The greater part of it applies to the country beyond Waingongoro, with which I am not myself personally acquainted. At Waihi I had an interview with Hoani Pihama, a friendly chief from Oeo, accompanied by Ngahini and Hukinui, friendly chiefs formerly of consequence in the rebel district, but now engaged in directing road parties on the line described by Mr. Kelly between Waingongoro and Opunaki. They are working southwards, and in a few weeks will have reached the former river, when I hope they will then be induced to assist in erecting a bridge across it.

In accordance with a wish expressed by several of the Ministers, I have arranged with Messrs. Shepherd and Co. for the establishment of a line of mail coaches between Wanganui and Patea. I found it difficult to arrange satisfactory terms with them for only the current financial year, as it was not worth their while to provide the necessary plant and make the costly arrangements essential to such a line unless for a longer term. I have, therefore, in full confidence that the district will continue to progress, and that every month will lessen the risk of interruption between Wanganui and Taranaki, entered into arrangements for a period of three years. Messrs. Shepherd and Co. agree to run a four-horse coach from Wanganui to Patea twice a week, carrying all mails, for £600 the first year (deducting the proportion which would be due for January, as the work will not commence before February), and £500 for each of the two succeeding years. I also agreed to let them, rent free, a block of 200 acres, adjoining the Ferry at Kaipo, with a purchasing clause at £2 an acre, to be paid at the end of the term, and conditional on the performing their agreement. They will erect stables and make paddocks immediately, and make the place a sort of head-quarters for the establishment. On the whole, I consider the terms favourable to the Government, while it will enable Messrs. Shepherd to establish themselves in a position which will greatly facilitate their operations.

A punt and accommodation-house being required at the Ferry, I arranged with Captain Thomas Kells to establish both, at his own cost, and to undertake to keep them going for seven years, on condition of his receiving a lease, free of rent, with purchasing clause at £2 per acre, of 100 acres adjoining the Ferry. This also I consider a satisfactory arrangement for the Government, though one which will no doubt ultimately be very advantageous to Captain Kells.

On the whole, I had every reason to be satisfied with the progress which had been made towards the resettlement of the West Coast. The foundations of further progress have, I hope, been firmly laid; and when Messrs. Shepherd and Co.'s coaches are running twice a week,* the telegraph wires in operation, the township of Carlyle sold, the blocks of rural land before referred to brought into market, and the colonists who are already there backed by new comers shall have erected their houses—all of which I have reason to hope will be effected before the end of May—I think an amount of peaceful progress will have been made on which the Government may look with satisfaction, as a contrast to the desolation and destruction which a year ago were the only features of the scene. If the work of restoration goes on as well for another year, the district will by that time have attained a much more advanced state of prosperity than it enjoyed before the rebellion.

5. On the 12th January I returned to Wanganui.

Here I was glad to learn that Mr. Field, C.E., who some weeks before had started to explore a route alleged to exist between Wanganui and Taupo, had returned. He had attained his object, and found a perfectly feasible route through a light bush and Koromiko country; commencing at the mouth of the Little Wanganui Stream, about six miles above the town, reaching the Mangawhero, which it follows for several miles, then crossing a low hill to the head waters of the Wangaeahu, and debouching into the open plain at Murimutu. From that point to the spurs of Ruapehu and Tongariro there is absolutely no impediment. From the latter point to Tokano, on the Lake Taupo, I am assured by Dr. Hector and Mr. Crawford, the difficulties are quite inconsiderable. Mr. Field's explorations, however, only extended to Murimutu, a distance of fifty miles from Wanganui, where the Taupo country may be said to commence. After conferring with Mr. Field, and inspecting his report and a careful sketch-tracing, I arranged with him to undertake the construction of a good track for packhorses as far as Murimutu, by means of Native labour. I had previously spoken to Topia and all the Natives at the meetings I had held on the river early in December on the subject, and had found them not only willing, but zealous that the road should be made. I now saw Hare Tauteka and Wirihana, who live at Taupo, and near Murimutu, and are highly connected on the Wanganui River; and by Mr. Buller's assistance a party was immediately formed, tools procured, and by the following Monday the work was commenced. I have since heard of its satisfactory progress from Mr. Field, who finds the route a better one than he even expected.

The terminus of Mr. Field's line, at Murimutu, will meet the terminus of another rough track which already exists between Ranana, on the Wanganui River and Murimutu, and which the Natives on the river are very desirous should be improved and even turned into a dray-track. I need not point out the great change in the Native mind which this proposal exhibits, nor the desirability of the request being acceded to, viewed in a defensive aspect. I have directed Mr. Booth to take an early opportunity of exploring this track, and reporting upon it.

* NOTE.—Since the above was written they have commenced running.