

A good bridle track has been made by Native labour from the township at Wairoa to Onepoto, on Waikaremoana Lake, and a road is also in progress from Wairoa inland towards Poverty Bay. An improvement in the general condition of the Wairoa Natives, I am glad to say, is beginning to show in the habits of the people, and it is to be hoped that ere long they will commence again to cultivate the large tracts of rich lands around their pas. Although a few years back these people were owners of three sailing vessels navigated by themselves, and exported large quantities of wheat and other produce, at the present time they grow barely sufficient potatoes for themselves.

A school is about to be erected here, towards which the Maoris have subscribed £70, and have arranged to pay the usual portion towards the teacher's salary, by setting aside a fixed sum, to be deducted yearly out of rents accruing from leased inalienable lands. Dr. Ormond, Resident Magistrate, Chairman of the School Committee, who takes great interest in the question, is anxious to get the school erected without delay.

The establishing of a redoubt at Onepoto, on Waikaremoana Lake, and the formation of the road to it, keeping up a constant communication with Uriwera Tribes, give a feeling of security to the Wairoa settlers, and tends to encourage them to stock the back country, and to make permanent improvements to their property.

Poverty Bay.

Great progress is going on in this fertile district, and the back country is becoming rapidly taken up, and the Natives are settled quietly to agricultural pursuits. The Poverty Bay Commission has concluded the object for which it was appointed, so that "The East Coast Lands Titles Investigation Act, 1866-67," and "The East Coast Act, 1868," could be repealed. One of the troubles likely to have arisen was from the complicated state of the titles of those Europeans who have either leased or bought from the Maori the lands that passed the Commission, no provision having been made for sub-divisional shares in grants, but this flaw is provided for by "The Land Act, 1873;" there being some fifty or more grantees in a block, with no defined rights, some of whom have sold, others mortgaged, others leased, others again retaining their shares; and all these transactions, perhaps, have taken place with different parties.

The Patutahi Block is about being surveyed for farms, &c. Captain Porter, I am informed, has settled the questions in reference to this block with the Natives. As a portion of this land is low lying, great care will be required in marking it off. It would be better if the main drain were made through it prior to marking off the farms, &c.

A good dray road has been formed from Gisborne to Ormond, and a track cut through by Motu to Opotiki and Ohiwa, in the Bay of Plenty.

It is of essential importance for the advancement of the district, and in a strategical point of view, that this road to Opotiki be made passable for drays, and that the road to the oil springs, which are about to be worked, be carried on to the Waiapu Valley, thus opening up for settlement a large extent of country now lying waste in the centre of the East Cape peninsula. The telegraph, which is expected to reach Gisborne in a few months, will be a great boon to this country. There are two schools erected for the Maori children here. Dr. Nesbitt, Resident Magistrate, is unceasing in his endeavours to encourage these and any other objects that have in view the good of the Natives and the district.

Waiapu.

The Ngatiporou, the numerous tribe residing along the coast from Mawhai Point to Cape Runaway, have taken steps during the past year to open up their country by roads, and are very anxious to get their lands leased to Europeans. Several leases have been already taken up, and surveys commenced, preparatory to their passing the Lands Court.

One of the great impediments to the settlement of this part of the coast, and which is likely to lead to a considerable loss to the settlers, is the fact of some 15,000 or 20,000 scabby sheep, owned by Maoris, pasturing in and about Waiapu and East Cape. Some attention is urgently required, or the disease will spread rapidly, on account of the increase of the flocks along the coast and the unavoidable intermixture, besides the chances of shearers carrying the disease from flock to flock.

Whether, with all checks put upon promiscuous dealing with Native lands, by "The Native Lands Act, 1873," there is any necessity for the Proclamation prohibiting the passing of lands through the Court, to the north of the line drawn from Mawhai to Kaha Point, is a matter for the consideration of the Government. Should this Proclamation be withdrawn, it will be necessary that proper reserves, and of sufficient extent, be set apart, and excluded from sale, lease, or mortgage.

A road through the Waiapu Valley to the Waipaoa River, Poverty Bay, above the oil springs, to join the Poverty Bay-Opotiki Road, would open up a large and good tract of country.

Schools for the Maori children have been opened in this district, and the Natives generally are anxious to have their children taught; but so long as there are so few resident Europeans in the district, it is doubtful whether they will retain their knowledge of the English language any length of time after leaving school. Mr. Campbell, Resident Magistrate, like Drs. Ormond and Nesbitt, takes great interest in the advancement of this desire on the part of the Natives to educate their children.

Taupo.

The Natives of this district continue in the same peaceful state as mentioned in my reports of 1871-72; since which period that portion of the tribe residing on the west shore of the lake, referred to in those reports as having come in, have settled down, principally in the neighbourhood of Tokaanu. The poverty of the greater part of the soil at the North end of the lake prevents those improvements in agriculture one would wish to see, although marked progress is apparent, a sign of which is that, since the country has been opened up for dray traffic, the Natives have purchased drays and farm implements, and taken them into the district. Those of the Ngatituwharetoa or Taupo tribe living