Floating logs broke off the beacon in the Tairua River. It has since been re-crected.

An additional room has been built on to the Harbourmaster's house at Okarito, and a tender has been accepted for the erection of a boatman's house at Hokianga.

The Harbourmaster's house at Karamea has had to be moved to a new site owing to the encroachment of the river, and 3 acres of land for a site have been taken under the Public Works and Harbours Acts.

A half-yearly port charge of $\frac{1}{2}d$, a ton on vessels over 20 tons register has been fixed at Picton.

The removal of sunken logs from Kaipara Harbour has improved the navigation of the harbour considerably. There is a large number of such logs in Hokianga Harbour which require removal, and tenders for doing this were invited during the year. No suitable tenders were, however, received, and consequently all were declined. The Harbournaster has been instructed to make a careful estimate of the number that should be removed, with the view of inviting fresh tenders. The owners of the logs which can be identified will be required to pay the cost of removal, and those without marks which are marketable will be sold and the remainder will be burnt.

In order to improve the navigation of Tory Channel and Queen Charlotte Sound at night the Wigham light, which was formerly on the beacon at Jackson's Head, has been erected on Dieffenbach Point at the junction of the Channel and the Sound, but it has not proved satisfactory, as it has gone out on several occasions. It has therefore been decided to install an acetone acetylene light in its place, and arrangements are now being made to do this.

For some time past there has been a good deal of trouble in connection with persons taking stone, shingle, and sand from the foreshores owing to the damage which the removal caused to the adjacent land. In order that the matter might be regulated, provision was made in the Harbours Amendment Act, 1910, that every person shall be liable to a fine not exceeding £20 who removes such material without the authority of the Minister of Marine in the case of foreshore vested in the Crown, or of a Harbour Board or local authority in the case of foreshore vested in the Board or authority. A large number of applications for the necessary authority have been received from persons to take shingle and sand from places in the Hauraki Gulf, and these are now being dealt with. In cases where permission is granted a royalty at such a rate as may be deemed reasonable will be charged.

An Act having been passed to merge the Otago Dock Trust into the Otago Harbour Board, the necessary Order in Council providing for the merging to take place on the 21st May, 1910, was issued.

A by-law which was made by the Auckland Harbour Board in regard to ferry-boats was disallowed by the Governor, as it provided for matters which are dealt with by this Department under the Shipping and Seamen Act, and therefore affected certificates issued by the Department.

Prosecutions were instituted by the Department in connection with harbours as follows, viz.: Five boatmen at Tauranga, for obstructing vessels' berths at the wharf and refusing to move when ordered by the Harbourmaster to do so: a fine of 10s. and costs was imposed on each person. For keeping a launch moored at the Collingwood wharf after being ordered by the Harbourmaster to remove it: the case was dismissed on the ground that proper notice of removal had not been given. Against the Auckland Harbour Board, for constructing harbour-works without first getting the plans approved by the Governor in Council: a fine of £5 and costs was imposed.

The sum of £1,860 has been collected for pilotage and port charges at ports under the control of this Department, as compared with £1,262 13s. 5d. during the previous year.

A return of harbour-works approved by the Governor in Council, and of the licenses issued for the occupation of foreshore as sites for wharves and other works, is appended.

Fisheries.—The oyster-beds in the north were kept closed during last season, as there were not sufficient marketable oysters on them to justify picking. Those in the Hauraki Gulf and the Bay of Islands have, however, been opened this season, and it is estimated that between four and five thousand sacks will be available. There is a ready sale for them at 12s. 6d. a sack. Last year the Department planted oysters on some of the beds in the Hauraki Gulf which became depleted when the beds were open for picking by licensed pickers before the Department took over the picking, and it would be advisable to continue the planting so as to increase the supply, as all the indications are that the supply will have to be increased if the demand for oysters is to be met. The leases of oyster-beds in Manukau Harbour which were granted to Messrs. T. Sharp and G. J. Sim have been cancelled for non-payment of rent.

The following is the report of Mr. L. F. Ayson, Chief Inspector of Fisheries, on the industry during the year:—

"In the Wellington District there has been a shortage of fish, and on the whole the market has not been fully supplied throughout the year. This condition has been principally due to the short supplies obtained from the Hawke's Bay trawling-grounds. The catches from these grounds have been exceptionally poor, and while this was no doubt partly due to the 'slime' which made its appearance in the bay in the beginning of November, yet it has to be admitted that during the last few years the supply of fish has been decreasing, and it comes to be a question whether these grounds are not getting worked out by the continual trawling which has been practised there for so many years. The supply of flatfish from the local fishing-grounds has been so poor that a number of the retail dealers have had to get supplies from the Thames. The fish are chilled before packing, and then packed in ice, and, excepting in very hot weather, they arrive