E.—2.

and 1 in Standard II. The Native school at St. Stephen's is now an excellent institution. The Trustees have lately done a great deal in the way of perfecting the arrangements. Great improvements have been made in the buildings and especially in the dormitories; a singing master has been appointed; in short, everything connected with the place is now very satisfactory. The literary work, too, is good. The results of the last examination showed that throughout the school the knowledge possessed by the boys was very sound and accurate. Thirty-two pupils are paid for by the Government. The passes obtained at the examination were—Standard IV., 4; Standard III., 5; Standard II., 9; Standard I., 8.

The Hot Lakes District.—There are six schools in this district, if Te Teko and Fort Galatea be in this limit of the latest the standard IV., 4 is the latest the school of the latest the latest the latest the school of the latest the school of the latest the school of the latest the latest the latest the latest the latest the la

included in it. The schools at Te Wairoa and Rotoiti are very good. Ohinemutu and Te Awahou suffer from irregular attendance, and are likely to do so. The schoolhouse and residence at the latter place are quite unsuitable; they have long been eyesores too. Visitors to the Lakes, on being told that these wretched hovels were a Native school, would, on the ex pede Herculem principle, receive a very unfavourable impression of the efforts of the Government to educate the Maoris. More suitable provision is about to be made for the wants of this district. The new school at Te Teko, and that recently

reopened at Fort Galatea, are doing good work.

The Bay of Plenty.—This district contains eight schools. H. W. Brabant, Esq., R.M., acts as District Superintendent. R. S. Bush, Esq., R.M., Opotiki, kindly takes special oversight of the eastern part of the district. I note very great improvement in the Bay of Plenty schools. The three schools at Matata, Torere, and Whakatane are particularly good, and reflect great credit on their respective teachers. At Maketu the attendance is very irregular, but very fair progress has been made by the more regular attendants. Waiotahi and Omaio are both very fair. The new school at Maungatapu, near Tauranga, is achieving very remarkable success. The existence of a very orderly and respectable Native kainga in the immediate neighbourhood of a considerable town shows that it is quite possible for Maoris to live and thrive in close contact with a European population. Undoubtedly proper buildings should be erected at Maungatapu. There is no reason to doubt that a good school may be maintained there permanently. The school at Te Kaha, while showing excellence in one or two points, broke down in the standard examination. There is, however, reason to hope that it will do much better next year. In this district, and in the preceding, there is a "religious difficulty" that has a prejudical effect upon the attendance. Te Kooti has founded a religious sect, of which he is the high priest and, if I mistake not, the prophet. He denounces our schools, because he fears that the religious principles of the children of his followers may be injuriously affected if these children come into contact with pakeha masters and pakeha children. I hear also that he has declared that physical evils, such as disease and death, will overtake the children whose parents disobey his commands on this point. However this may be, Te Kooti's interference injuriously affects the attendance at many of the schools. The boarding-house at Tauranga is about to be closed. The system of boarding boys from the Native districts and sending them to the Board school at Tauranga is no longer successful. It answered well enough while it was considered necessary to select the sons of chiefs and give them advantages superior to those that could be obtained by the children of ordinary Maoris, but now that literary attainment alone is regarded as a qualification for admission to the school it is found that the plan does not work well. Some years must elapse before a sufficient number of advanced scholars could be obtained to keep the cost per head within reasonable limits. It is proposed, then, to send such boys as may be found qualified to St. Stephen's, Auckland, where they would get quite as good an education as they could obtain at Tauranga, and at a far lower cost.

East Coast.—Captain Preece, R.M., acts as Superintendent of this district. One or two of the schools in this part of New Zealand are good, but the feeblest of all our schools are to be found here. It would be very difficult to find more unsatisfactory schools anywhere than those at Waihirere, on the Wairoa, and at Uawa, Tolago Bay. There are very many children that could attend at the latter place, but the schoolhouse is on the wrong side of the river; local jealousy is called into play, and the result is that the attendance is very small and extremely irregular. It might be worth while to try the experiment of removing the school to the south side of the river. The alternative is, I fear, to close it altogether. It would, however, be a matter of regret if a populous district like this were entirely without a school. At Waihirere the schoolbuilding is in the wrong place, and is, besides, altogether unfit for the purpose for which it is used; the attainments of the children are hardly worth mentioning; but little is known, and that little is not known well. I think the master may be expected to produce much better results when he is removed to the new school at Ruataniwha. He will then have a fair chance: he has never had this at Waihirere. Waiomatatini is very good. Akuaku has a new master: it will probably be in good order after a little time. Tokomaru, formerly unsatisfactory, is very greatly impossible to the control of the capability of proved, but the Natives are extremely apathetic. The school at Pakowhai, near Hastings, which has been lately reopened, was doing very well indeed when I last visited it. One of the principal causes of the weakness of the schools in this district is the removal of children from the neighbourhood of the schools to the boarding-schools at Napier. These boarding-schools could easily be filled with children from districts where there are no village schools. There are literally scores of small kaingas along the East Coast and inland, the children from which could not possibly attend the village schools. These children could, if a little trouble were taken, be easily induced to go to the boarding-schools. Perhaps the Government would do well to decline to pay a subsidy to any institution that receives new pupils from any kainga within five miles of a Native school, unless such pupils are actually orphans, or are sent to them as scholars by the Government. It seems to me that it is unwise to subsidize institutions that do very much in certain districts to render of little avail the efforts that are being made to diffuse education amongst the Maoris generally. In the Napier district there are four boarding-schools, at which much excellent work is being done. In my last report the question of the relative value of boarding- and village-schools was treated of pretty fully; there is therefore no need to do more than say a few words about each of the four Napier schools. At St. Mary's, Meanee (R.C.), eighteen boys are boarded and taught at the Government expense. The school is worked on the monitorial system: it is good of its kind. The discipling and constitution are admirable. good of its kind. The discipline and organization are admirable. The passes obtained at the last examination were—Standard III., 1; Standard, II., 6; Standard, I., 8. St. Joseph's Providence, Napier, is managed by the Sisters of Our Lady of the Missions. The domestic arrangements are excellent;