H.--15.

Proceedings have been taken against persons for taking shingle and sand without permits, and for offences in connection with harbours, as follows: W. Larsen, for taking shingle—fined £2 and costs; S. Clare, for taking shingle—fined £4 and costs; T. Brown, for taking shingle—fined £4 and costs; J. Spencer, for taking shingle—fined £2 and costs; W. Hadly, for taking shingle—fined 5s. and costs; and L. Vasta, master of the ketch "Coronation," for depositing ballast in Russell Harbour -fined £5 and costs. H. Hardiman was prosecuted for sending a boy to steal benzene from the Harbourmaster's shed at Hokianga, and was sentenced to one month's imprisonment.

The sum of £1,561 16s. 1d. was collected for pilotage and port charges in respect of harbours under the control of the Department, as compared with £1,440 13s. 4d. during the previous year. A return of the amounts collected at the various ports, and also the amounts collected at ports under the control

of Harbour Boards, is appended.

Fisheries.

On the completion of the examination of the fisheries of the Dominion last year Professor Prince, the Canadian Commissioner of Fisheries, made a preliminary report containing valuable recommendations which are under consideration. His complete report, has not, however, been yet received, but

a letter has recently been received from him stating he has it in hand.

The Department continued to pick rock-oysters in the Hauraki Gulf and the Bay of Islands last season. The beds have improved so much that a greater quantity than was picked could have been taken had there been a greater demand for them. The quantity picked and sold was 8,361 sacks, and the amount realized was £5,752 6s. 6d., and the net profit made was £1,664 18s., part of which has been used to replant depleted areas. I saw some of the beds in December and January last, when they were in first-class condition, and they should this season meet all demands—which is a very different state of things from that which existed when the Department took over the picking in 1908, at which time they were becoming rapidly depleted by the indiscriminate picking which was carried

The price charged is 13s. 6d. a sack at the depot in Auckland, and in addition to disposing of them by the sack the Department is now selling them at the depot in quantities of five dozen for 1s., and a kerosene-tin full, or about eighteen dozen, for 3s. These parcels have met with ready sale, 367 sacks

having been sold in such parcels to persons who do not require so large a quantity as a sack.

The beds in Hokianga Harbour, which were very much depleted by overpicking when the system of private picking was in vogue, having recovered, they were picked last season, and the oysters were sold locally at 10s. a sack. They are being again picked this season and sold in the Hokianga district . at the same price.

Of the oysters, 8,361 sacks, picked last season in the Hauraki Gulf, Bay of Islands, and Hokianga, 7,523 sacks were sold at Auckland, 255 at Russell, 38 at Hokianga, 248 at New Plymouth, 138 at Gisborne, 60 at Napier, 12 at Hokitika, 8 at Greymouth, 19 at Westport, 2 at Patea, 13 at

Wanganui, 43 at Wellington, and 2 at Christchurch.

There are now large quantities of mangrove-oysters growing on the mangrove-trees in the north of Auckland, and as there is no market for these oysters in New Zealand it would be advisable to export them to Australia, which formed a good market for them before the export of rock and mangrove oysters was prohibited.

The oysters taken from the Foveaux Strait beds last season were 24,793 sacks, valued at £12,396 10s., of which 3,285 sacks, containing 302,050 dozen, valued at £2,396, were exported to Australia.

Thirteen Inspectors of Sea Fisheries, of whom eight were members of the Police Force, were

appointed during the year.

Mr. Henry Stephenson, who has been Inspector of Fisheries at the Bay of Islands since the 1st September, 1892, will retire on superannuation at the end of October next. He has been a most

capable and zealous officer, and I regret the age-limit necessitates his retirement.

Toheroa: The toheroa-bearing coast in the Kaipara district has been cut up into reasonable areas for leasing, £5 being fixed as the annual rent for each area. Provision was made in the leasing regulations that if two or more persons apply for the same area the one having a canning-factory in operation is to receive the lease, and if there are two or more applicants who have factories, the one who has had his factory the longest is to receive preference. Tenders were invited for the leases, but only two were received, and as these were for the same area and both tenderers had factories, the preference clause had to be put into operation.

The report of Mr. Ayson, Chief Inspector of Fisheries, is appended, and also the report on the Portobello Marine Fish-hatchery, by Mr. Anderton, the curator.

Inspection of Land Boilers and Machinery.

As it was found that the Inspectors employed by the Department were unable to keep the inspection-work up to date, two new Inspectors have been appointed, one of whom, Mr. D. Rankin, has been stationed at Napier, and the other, Mr. S. N. Johnston, at Wanganui; and in order that the law requiring boilers and machinery to be inspected may be carried out, so as to provide as far as possible for the safety of life and freedom from accident, it will soon be necessary to appoint another Inspector for the Waikato.

As pointed out by the Chief Inspector in his report which is appended hereto, it is advisable that more frequent inspections should be made of passenger and goods lifts; but it is impossible to do this without an increase in the staff. This will, of course, involve an increase in the cost of inspection,

but this should not stand in the way when the safety of life is concerned.

As pointed out in the synopsis of the Inspection of Machinery Amendment Act, which appears in this report, certificates for boilers and machinery are now issued by the Secretary of the Department on the reports of the Inspectors who made the inspections, which saves time and expense. Prior to