

matters well worthy of special mention, as for instance *limestone*, which exists at the headland of Jackson's Bay, extending from the Promontary to near Smooth Water Bay on the south, and to the east boundary of the township of Arawata (Jackson's Bay) on the east. Somewhere near this east boundary the formation of Jackson's range changes into slate, and has been proved to be of an auriferous nature up to what is called the forks of the Arawata. *Sandstone* of superior quality is to be found in Smooth Water Bay, Hominy Cove, and several of the other bays to the south of Jackson's. This also will one day prove a source of wealth, seeing the distance from Smooth Water Bay to Jackson's—which is undoubtedly the best harbour on our coast—is only two miles, and the engineering difficulties of connecting the two bays by road or tramway are apparently few and slight. *Coal*.—Detached pieces have been found in a creek between Smooth Water Bay and Hominy Cove, indicating the presence of seams somewhere in that range. *Clay*, for brickmaking, &c.—Clay of very superior quality exists on the flat land south of the Arawata, and within only a mile and a half from the landing-place in Jackson's Bay. This is a desideratum of the greatest importance, seeing that many thousands of pounds are yearly spent in importing bricks from Melbourne, Lyttelton, and other East Coast ports to Hokitika and Greymouth. There is positively no clay about Hokitika fit for producing good bricks, and Greymouth, though better off in that respect than Hokitika, has not the proper material, certainly not clay to equal that found near the Arawata.

*Fishing Ground*.—Report speaks of Jackson's Bay in the highest terms as a good fishing-ground. I have had no opportunity of personally testing that question, but the testimony of those who did agree, and is loud in the praise of Jackson's Bay as a suitable place for a fishing station. It is difficult to say to what extent this industry may be developed in the hands of an enterprising man. If fish-curing is once established at Jackson's, it will give employment to a great number of men, seeing the market for these commodities is great. Up to the present all the smoked and salted fish consumed on this coast has been imported from Great Britain, America, or the sister colonies.

The survey of the special settlement blocks, as well as the survey of the town of Arawata, at Jackson's Bay, is now in hand. Mr. Browning, one of the most experienced surveyors on the Coast, is in charge of the party, which consists of two assistants and the requisite number of men. One party is employed at the survey of the town of Arawata; the other, at the survey of the land between Jackson's and the Arawata River; and Mr. Browning himself at the survey of the road from the port to proposed site for bridge across the Arawata River, a distance of about six miles. The sections in the town of Arawata are surveyed quarter-acre sections, and the land between Jackson's and the Arawata River is being "cut up" into ten-acre suburban sections. I am very much pleased your Honor decided upon making the land south of the Arawata River suburban land, more especially as the settlers are thereby enabled to remove to their respective allotments at once, and still be within easy distance of the works it is proposed they should be employed at. Moreover, while located on their ten-acre suburban allotments, they live near to each other, are close to the port, and in every way more comfortable than they would have been if scattered over a five times larger area, and located on a fifty-acre rural section between Arawata and Waitoto Rivers. The occupation of the ten-acre allotment will be, to the new immigrants, the passing through a sort of an apprenticeship in cultivating New Zealand bush country; and having the advantage of learning from the old colonists located among them, they will the better be prepared to face the work awaiting them on the fifty-acre farm.

If the settlement proves a success, and I cannot see how, under ordinarily careful management, it can fail to do so, these suburban sections will be of very great value. The area of land suitable for town allotments at the port is very circumscribed, owing to the hilly nature of the country between Jackson's Bay and Smooth Water. This being the case, building allotments in the port will be very valuable, and it will be found that ultimately the town will consist of nothing else but houses of business, and that the business people themselves will secure land for residences in the country. The land nearest to the port, and suitable for such a purpose, is the land north of the Arawata, and proposed to be given to the immigrants in ten-acre suburban lots; and they are certain, in that case, to command town-section prices for their suburban allotments. In connection with the survey of this two thousand-acre block of suburban land, I beg to suggest to your Honor the advisability of reserving every tenth section for educational purposes, and so provide the means for making full provision for educating the youth of Jackson's Bay district. The survey of the town of Arawata is peculiar, and unlike most of the surveys of other towns, owing to the hilly nature of the ground which the town reserve covers. The position of the streets will to a great extent be regulated by the contours of the hillsides, and the town allotments and reserves must be made to "fall in" as best they can.

In all probability the general appearance of the map of the town will be very irregular; but it is better to waive good appearance in that particular than incur heavy expense thereafter in the construction of the streets, as has been the case in some of our New Zealand towns. After the above surveys are completed, I propose taking the subdivision of the rural land between Arawata and Waitoto in hand. There is a town reserve of 100 acres at the mouth of the Arawata east bank, and another one of 160 acres at the mouth of the Okuru, north bank of northern branch, both of which I propose not to touch until a demand for town sections there is known to exist, and the necessity for surveying them arises. Along the coast, from the Haast to the west boundary of special settlement block (Jackson's Bay), I shall make a reserve for gold workings of five chains in depth, to cover any black sand gold leads which may be opened hereafter. The several streaks or belts of high timber which run through the special settlement block will be carefully fixed on map, so as to facilitate the location of timber reserves for saw-mill purposes, and the usual Provincial and General Government reserves will be made as required. The surveys in Jackson's Bay District will have to be carried on independently of the surveys in the northern districts, but will be connected with the trigonometrical station Lieutenant Woods erected on top of Jackson's Head when surveying the coast line, and with such other auxiliary stations as it may be found necessary to construct.

In regard to the connection of the settlement with the port, I beg strongly to recommend the construction of a tramway with light iron rails, in preference to the construction of a road. It appears to me, that the establishment of saw-mills on special settlement block is a matter on which, to a certain extent, the success of the scheme depends; at all events, the working of these mills necessi-