

at cost price. The work of clearing the Jackson's Bay Road, which runs through the suburban block, is being proceeded with rapidly, 28 ten-chain sections having been let, at an average price of 35s. per chain, clearing one chain wide.

The amount of *reliable* information I have been able to obtain, as bearing upon the resources of the district, is, as yet, limited; but where I have had an opportunity of ascertaining by personal inspection, or through the medium of the Survey Department, of the value of the various products of the place, I am glad to be able to report favourably. Independent of the agricultural and grazing capabilities of the settlement, the following synopsis of our ascertained products will give a certain amount of reliable data to go upon—viz., a large area of first-class timber on the north of the Arawata; extensive deposits of brick and pottery clays on and near the suburban sections; and in the immediate neighbourhood of the town immense deposits of limestone, with marked indications of the presence of coal. The fisheries also in the bay, from the great number and variety of fish found, will yet become an important industry. The development of the mineral resources of the district has not as yet received the attention which their importance merits, there being only one party of three men prospecting for gold on the head waters of the Cascade River. This party were forwarded with their stores and appliances by boat to Bain Bay, being unable to enter the Cascade River. They left Jackson's Bay on the 25th April, and calculated on being away at least two months. Other valuable minerals are said to exist in the neighbourhood, but in the absence of positive facts we must wait for further developments.

I am pleased to be able to report that the majority of the settlers are going into the business of settling with considerable spirit, and I anticipate that by next harvest we shall be able to show good returns. Of course it is a less difficult manner in some respects for men such as we have here now, the majority of whom have been thoroughly colonized, to get along than it will be for those coming direct from Home, to whom the rough and ready shifts of colonial life are unknown. But if they are not above being shown and taught a little, and can be induced to abandon some of their old-world notions of the fitness of things, and above all if they come possessed of plenty of muscular power and the will to use it, it does not so much matter whether they have been town or country-bred, British or foreign. Given the will and ability to work, and there can be no doubt of their success as colonists.

Before concluding my report, I would respectfully call your attention to one or two matters in connection with the settlement, a due regard to which will materially promote the interest of the place. The first relates to communication with the port, and the second the overland track to the East Coast *via* the Haast Valley.

The principal industries available at present, in which capitalists are likely to invest, will be the erection of saw-mills for the manufacture of timber, the establishment of brick and pottery works, and the manufacture of lime for export and home consumption; and as the cost of haulage in connection with the industries indicated will be the principal consideration in the estimate of the paying nature of such concerns, it will be advisable to reduce it to its minimum by the construction of a light railway, even if it should prove in some degree more expensive primarily than an ordinary road. This, together with the erection of a suitable jetty, would give facilities for the export of our products, and induce employers of labour to settle amongst us, thereby relieving the Government, and at the same time making the settlement self-supporting. With reference to the overland communication with the East Coast, it is of the utmost importance that the construction of a track through the Haast Valley should be pushed ahead with increased vigour by increasing the number of men at work, as it is by this route only the majority of settlers look to obtain stock at such prices as they can afford to pay. I would therefore urge upon you the necessity that exists for having it opened for traffic as soon as possible.

The only other matter that calls for comment is in connection with Jackson's Bay as a harbour, and I am glad to be able, from personal observations carefully noted during the prevalence of heavy weather outside, and especially with the wind at north-east and east, to indorse the valuable report laid before you by the Chief Harbour Master of Westland, Captain Turnbull, as to its suitability and safety as a harbour in all weathers.

I have, &c.,

D. MACFARLANE,

Resident Agent.

The Hon. J. A. Bonar, Superintendent, Westland.

SCHEDULE A.

WORK DONE in the TOWN of ARAWATA, from 19th January to 31st May, 1875.

Bush-clearing	...	...	...	...	42 square chains.
Footpaths, formed and metalled, average width 8 feet	...	...	...	...	15 chains.
Filling and levelling	...	...	...	...	91 cubic yards.
Ditches	...	...	...	...	26 chains.
Excavated from ditches	...	...	...	...	763 cubic yards.
Excavated for cottage and forge sites	...	...	...	...	98 cubic yards.
Buildings erected:					
Store and offices.					
Twenty two-roomed cottages.					
Blacksmith's and carpenter's shops.					
Tool-house.					
Stock-yard.					
Large lifeboat repaired.					