15 D.—6.

believe, the Tauranga Small-Farm Association, which has made several applications to the Waste Lands Board for parts of this block; and, in drawing up the specification for survey in July last, provision was made to have 3,000 acres in Block II., Maketu, specially subdivided into small farms to meet their wants. I would respectfully submit to the Government whether this Association has not a real claim to the consideration of the Government in view of the fact that they are bond fide settlers, that they have been waiting a very long time for these lands to be opened, and that a partial promise by the Waste Lands Board has been made that they should receive lands in this neighbourhood.

Should the Government deal with the lands as proposed, I would recommend that they retain in their own hands the village sites (400 acres) at Kahikatea, which should eventually be extended to Renaua, and that the broken land in Block XII., Otaniwainuku, be also reserved for

timber purposes.

Although Rangiuru is not yet proclaimed waste land, I believe I am correct in saying that the block has been awarded to Her Majesty by the Native Land Court now sitting at Tauranga. I have not full particulars with respect to this block, but my personal knowledge of the lands to the north-east leads me to believe that it is much the same as Te Puke, but perhaps somewhat inferior. Should you wish it I will visit the place, and report, on my projected journey to Tauranga in January

I have, &c.,

S. Percy Smith, Chief Surveyor.

The Surveyor-General, Wellington.

Enclosure 2 in No. 39.

The CHIEF SURVEYOR, Auckland, to the SURVEYOR-GENERAL.

Referring to the subject of the proposed sale of Te Puke to Mr. Vesey Stewart, I would suggest for your consideration that our block system should be carried out in the survey of the lands for the immigrants whom it is doubtless intended to settle on the lands. The country is well suited for it; and every detail for this and other survey matters was provided for in the specification prepared when we were about to survey the lands for Government in July last. I am presuming, of course, that the same arrangements will be made with Mr. Stewart in this case as in that of the other two special settlements initiated by him—namely, that the Crown grants issue to the individual owners as purchased from him, and that the surveys are made at his cost by surveyors appointed by him. I think that something more specific as to surveys should be embodied in the agreement with Mr. Stewart than was done in the last case.

I am quite unaware as to what has been done with respect to progress and character of the surveys of the second Katikati settlement any further than that I have heard complaints as to the great delay in their completion (they have been twenty months in progress); but, seeing that the Government have to issue the Crown grants, I intend shortly to send the Field Inspector down to inspect the work. I am somewhat apprehensive that sufficient care will not be exercised in laying out the roads if these matters are left to the discretion of surveyors employed by private parties. In the case of Te Puke, I think the Government should undertake the necessary minor triangulation, and possibly lay out the main road. Should you wish to refer to the specification for Te Puke survey, you will find a copy in your office. I took considerable trouble about it, and think you will find it embodies many points which should be considered in dealing with Mr. Stewart.

I have, &c.,

The Surveyor-General, Wellington.

S. Percy Smith, Chief Surveyor.

No. 40.

The Secretary for Crown Lands to Mr. George Vesey Stewart.

Sir,—

Referring to your letter of 17th December last, in which you propose to treat for a special-settlement block of 50,000 acres, to be selected in the Bay of Plenty District from 228,544 acres of Native blocks fronting the coast-line to the south-east of Tauranga, and, further, to your interview with the Hon. the Minister of Lands yesterday, I am instructed by him to state that, of the blocks enumerated by you in the letter of 17th December, Te Puke, 25,972 acres, is the only one that has as yet been declared Crown lands, and, therefore, the only one the Government is in a position to dispose of.

This area is subject to the deduction of two Native reserves, a village site, timber reserves, and 3,000 acres to be selected on south side of track (Tauranga to Opotiki) for deferred-payment settlers. The block will therefore stand thus: Total area, 25,972 acres: two Native reserves, 1,580 acres; village reserve, 400 acres; timber reserves, 2,240 acres; deferred-payment block, 3,000 acres—7,220 acres: leaving for proposed special settlements, 18,752 acres. The valuation of this is as under: 7,852 acres open land at £2 per acre, £15,704; 6,300 acres swamp land at 10s. per acre, £3,150; 4,600 acres forest land at £1 per acre, £4,600: total, £23,454. Deduct 2s. 6d. per acre for subdivisional survey expenses, £2,344: total present value, £21,110.