

March last a sum of £5,070 has been spent in drainage and other works, with most satisfactory results, about 29½ miles of drains having been cut up to date. On the 31st March a staff of 156 men were employed upon the works, and it is hoped to make very marked progress during the ensuing year, when an expenditure of probably £13,000 to £14,000 will be involved, which will include the purchase of two Priestman dredges manufactured to order and the necessary pontoons for them. Mr. Breakell's report is also an appendix to this report, and I may add that the experience gained up to the present date points to the fact that the Crown will recoup twice over any expenditure incurred in reclaiming the area. Both the Right Hon. the Prime Minister (Sir J. G. Ward), the Hon. Mr. McGowan, and yourself have visited the works, and recognise the immense benefit to the State derived from a drainage of the plains. Personally—and I understand you concur in the view—I am of opinion that special legislation is needed to enable a proper control to be kept over the expenditure on and revenue from these lands.

SOUTH ISLAND LANDLESS NATIVES.

The necessary surveys are in some cases incomplete, but schedules for considerable areas in Southland and Westland have been checked, and are ready for gazetting in the *Kahiti* as soon as proofs have been returned from Messrs. S. Percy Smith and J. Mackay, the former Commissioners. I trust, however, within nine months from now that the whole of the titles will be able to be issued.

“THE WORKERS’ DWELLINGS ACT, 1905.”

Since the publication of last year's report the remaining workers' dwellings—nineteen in number—have all been let, and additional dwellings—four—off Coromandel Street, Wellington City, have been constructed, whilst six more are almost ready for selection. These, together with additional houses at Sydenham, Christchurch, and Petone, near Wellington, are being erected under directions from the Hon. Minister of Labour, and the Department of Labour employ their own architect (Mr. Temple) in constructing them, the buildings being handed over to the respective Land Boards to deal with as soon as they are completed. Mr. J. E. March, who has acted as Inspector for this Department in connection with the Act, is now retiring upon superannuation, and his active co-operation will be much missed by both the Labour and Lands Departments.

DOMAINS.

On the 31st December, 1907, the total number of domains was 440. Every Domain Board is required by “The Domain Boards Act, 1904,” to furnish an annual statement of its operations, and a synopsis of these statements is published in a separate report. The various Boards are actively co-operating with the Department in endeavouring to obtain the best results for the public benefit.

CEMETERIES.

Twelve areas, comprising 55 acres, have been gazetted during the year as cemetery reserves. The applications for assistance in clearing and fencing new cemeteries continue to increase, and without small subsidies it is difficult for the settlers to put the reserves in order.

DEPARTMENTAL AND GENERAL.

It is with great regret the Department has to chronicle the loss by death of Mr. John Hay, Commissioner of Crown Lands and Chief Surveyor of the Southland District, which occurred on the 1st August, 1907. Mr. Hay literally died in harness, after a short but painful illness. He was a man of the most sterling character, who took the greatest interest in his work, and, being always cheerful and optimistic, he was a loss not only to his own Department but to the public at large. Mr. Hay has been in the Government service since the 1st May, 1867, less an absence of eighteen months in 1872–3, and successively filled the positions of District Surveyor in Southland; Chief Surveyor of Otago, from January, 1897, to January, 1901; taking charge of the Southland District as Commissioner of Crown Lands and Chief Surveyor on the latter date. His death was the more sad as it was followed only a few months afterwards by the enforced retirement, occasioned by a severe and dangerous illness, of his brother, Mr. James Hay, Chief Draughtsman of the Napier office, who, like Mr. John Hay, was a licensed surveyor of New Zealand, and had formerly carried out extensive and difficult surveys for the Department. Mr. James Hay's *charāo*.