

*Buildings.*

One cottage, one office, and nine workmen's dwellings have been erected; and, as there was no accommodation available at Waitakaruru, no stores or conveniences, a cook-house is now being constructed there, as it was difficult without such accommodation to get men for the work required there; but the Department will not in any way have anything to do in the matter of food-supplies to the men.

*Artesian Wells.*

Since my last annual report nothing further has been done as to this matter. I informed you that I had tried driving, and with what result. The appliances at my disposal did not permit of boring, and as fresh-water supply will be absolutely necessary when the land is taken up for settlement, I must ask your consideration of the advisableness of obtaining the services of a water-diviner, and then boring.

Some considerable amount of fresh water will flow down the drains, being the waters tapped by the intersection of the original creeks, but not sufficient for the quantity of settlers and their stock who will be located on the plains possibly within the next twelve months.

*Telephone and Postal Communication.*

I informed you last year that a telephone had been laid from Kerepehi to Turua, thus giving communication with Thames. This has been a very serviceable undertaking, but to make it more so it is necessary that there should be direct communication with Thames, as there is so much work between Turua and Kopu and the Thames that it is often difficult to communicate without considerable delay. It is very desirable that we should have telephone-communication with Waitakaruru, or, rather, with the site of the proposed township, near the mouth of the canal. One of the houses erected for the workmen can easily be fixed up temporarily for that purpose. The more especially do I recommend this, as I apprehend in a very short time that a post-office will be required for the use of the settlers.

As to Kerepehi, there is only one mail-service a week. This is not sufficient, and I hope some better facilities will be afforded.

*Labour.*

There are now employed on the works about 145 men, but the average number for the month of March would not exceed 100. The average number for the year working contract or piecework being from sixty to seventy, and day-labour in all capacities, including dredge hands, about thirty.

*Fires.*

During the year we have suffered practically no damage from fires.

*Other Improvements, Clearing and Grassing.*

I hope to sow about 400 acres this season, and seed has been ordered through you for that purpose. The grass sown last year shows a good result, but still it suffered considerably through not having stock on before it could seed.

*Flax-seed.*

The seed sown last year has not resulted as I anticipated. However, I am trying again this season, and I hope for a more successful issue. I have planted a considerable area with flax plants, some of which were obtained from the Makerua Swamp, near Shannon. The latter are of two varieties not general, and, in fact, unseen by me in this district. The whole of the planting has been successful.

*Flax.*

It has been a great disappointment that the flax market dropped so much. There are considerable areas of first-class flax land, and I had hoped this year to obtain a considerable revenue from the raw material grown on this property.

*Land.*

In my last annual report I stated that it was possible, if certain lands were acquired, to have 15,000 acres ready for settlement within a year of their acquisition. By the plan herewith you will notice that I have drawn up a scheme of roads; also, said plan shows the Government lands tinted pink. Further, it indicates by the darker colour land that will be fit for settlement as soon as the roads can be surveyed and constructed and subdivisions made. If the roads were made to the extent of affording frontage to the blocks coloured dark-red, then the Government could easily offer for selection at least 20,000 acres. The land is sufficiently drained to be suitable for a location, each settler having an outlet, and being in the position of forming what further drainage he may require. Small drains made along the boundaries of proposed subdivisions would meet nearly every requirement when the drains along the proposed roads are completed. The land which twelve months ago was almost impassable and more or less suffering from pools of stagnant water is now practically dry—fit to carry cattle—the stagnant water being taken off by the drains already made, which also immediately relieve the ground of a heavy downfall of rain. Of the 20,000 acres above referred to, half that area can, if authority be given for the necessary expenditure, and the surveyors have time for pegging out the necessary subdivisions and preparing the plans thereof, be ready for settlement within six months. The balance—say, 10,000 acres—could be ready three months later, subject to the above conditions; and, within a year from now, it is quite practicable also under the same conditions to have a further 10,000 acres in a similar condition. It is proposed to lay out a township at Waitakaruru.