Up to this date, though the expenditure has been heavy, only a portion of it has been immediately reproductive, as, with the exception of the scattered sections in the Patea District sold in October last, most of it has been absorbed by what may be called the debts and liabilities of the Government in

Of these, the greater portion were represented by the Compensation Court awards to Natives, and the land due to the Hawke's Bay Defence Force and military settlers. I have frequently pointed out the serious loss and inconvenience caused by leaving these two questions unsettled; but it was not till the end of last year that the Government saw its way to deal with them. There can be no doubt, however, that a very large saving has been effected by the surveys having been brought up to such a state as to enable the Native Commissioner, Mr. Worgan, to allocate floating Native claims upon the map instead of on the ground. In a similar manner the Chief District Surveyor, Mr. Williams, furnished a selection map of the 2,500 acres of land required for the Hawke's Bay men, within six weeks after receiving his instructions. I am now daily expecting a similar plan of the Whenuakura Block, 8,000 acres, which can then be gazetted for sale.

The following figures will give some idea of the amount of work done by the survey staff since its establishment :-

Amount of Work from 1st January, 1871, to 30th June, 1871.

Marking out boundaries of 60 isolated sections since offered for sale; aggregating 3,200

In connection with the above, the exterior boundaries of 7,000 acres of the Railway Reserve were marked off.

10 miles road and river traverse, Waitotara.

About 45 miles of road, boundary and traverse lines.

Amount of Work for Financial Year ending 30th June, 1872.

Traverse of Patea River and neighbourhood, 10 miles.

Traverse of Whenuakura, 17 miles.

Traverse of Waitotara, 5 miles.

Boundaries and roads through Okotuku Block, containing 17,500 acres.

Amount of above Block subdivided into sections averaging about 70 acres each, 4,500 acres.

Extent of triangulation, 64,000 acres.

Exclusive of the above, fourteen isolated sections have been surveyed, and the Whenuakura Block

traversed and partially subdivided.

The appointment of Mr. Wray, as draughtsman, at a salary of £100 a year, in addition to what he receives as Government Storekeeper, has proved both an economical and satisfactory arrangement. Had it been made nearly a year previously, as I proposed, it would have been still more so. As it is, so great were the arrears of drafting and other Survey Office work, that even with Mr. Wray's assistance, Mr. Williams has been more employed in the office than in the field. So far, too, it has been impossible to prepare any Crown grants in the office, though the contract for those of the Carlyle suburban land, sold in May, 1870, is nearly completed, as that for Carlyle Town was some time since. In the latter case, complaints have been made by the Commissioner of Crown Lands, Taranaki, of the quality of the grants, though, I think, without much reason, considering the price paid; but if these complaints are well founded, it is another proof that the preparation of Crown grants by contract is a bad system. My own opinion is, that so important a document as a conveyance from the Crown should be prepared by an officer of the Government in such a manner as to render the surveyor who actually marked off the land responsible for the correctness of the plan, and the Commissioner himself responsible for the agreement of the grant with the land sold. I have every reason to believe that the surveys now in progress under the control of Mr. Williams are correct, -- that the definition of sections upon maps and Crown grants will present no difficulty whatever, and I am therefore the more anxious that no weak link should be introduced by employing contractors, who may be incompetent or careless, to finish work so carefully begun.

The routine work of my own office is so steadily increasing that I must again urge the claims of Mr. Lomax to an increase of salary, more especially as he has performed much extra clerical work required by the Native Commissioner, Mr. Worgan, as well as that required by myself while acting as Special Commissioner in the cases of Major Kemp, Mr. A. Peyman, and Mr. James Moore. I am also still of opinion that the Chief District Surveyor should also be more highly paid, nor do I think that the argument used by the Hon. the Native Minister, that as Mr. Percy Smith only receives £300 per annum, therefore Mr. Williams ought to be content with the same amount, is at all conclusive, for the simple reason that Mr. Williams occupies an unusually responsible position, and one involving much greater labour than commonly falls to the lot of district surveyors. While on this subject, I may also remark that, from what Mr. Williams tells me, I am inclined to think that if the surveys are to be continued on the present scale, as I strongly recommend, it would be more economical to increase the salaries of all the surveyors now employed, and to put Mr. Carrington, jun., and Mr. Rawson on pay as part of the regular staff, than to engage any temporary assistance, the experiment in Mr. Ford's case not having proved a success. Owing to the configuration of the country, the imperfect nature of the old surveys adjoining the present ones, and other local circumstances, material and social, a surveyor new to the work, however professionally able, must waste time and money. In addition to this, the chances are that the best men are already engaged by other departments or by the Provincial Governments. It is, in short, one of those cases in which it is better to choose the known than the

unknown, even if the former is not so good as the latter might be.

My own work is not of a nature to admit of a quantitative estimate, but I believe it has been as useful to the Government and the country as circumstances would admit of. In addition to my ordinary duties, I have done my utmost to assist Mr. Worgan in settling the Native questions affecting the confiscated lands. As stated by the Native Commissioner, in his report of marginal date, the scheme of selection and locality of Compensation Court awards was carefully debated between us, and

July 19, 1872.