C.—5.

interest on the advance. At length we reached Orari, which is eighteen miles from Timaru. place there are eleven settlers, and the blocks are 5 acres each, the rent being 7s. per acre; but the soil is not so good as that of Arowhenua. A few of the holders seem to be doing very well with their land, and amongst other things I was shown a crop of oats which yielded 50 bushels to the acre this year, and had done the same last year. From Orari we proceeded by train to Ashburton, which is 178 miles from from Dunedin and fifty-two miles from Christchurch. Next day I was driven over the various village homestead special settlements in this locality, the first being suburban to and named after the town of Ashburton. In the special settlement suburban to this place there are only half a dozen settlers, and the blocks are 20 acres each. The rent paid is 5s. per acre. I also called at Dromore, Chertsey, and several other small settlements, some under special and some under ordinary conditions. In a number of them the land is inferior and dry, and in some cases the rent is as low as 2s. per acre. The occupiers do not seem to have the advantage of a conveniently adjacent market, and they are not able to do much with their land except to grow wheat and oats. The blocks in this inferior country are larger, some being 40 acres in extent. These are all on the great Canterbury Plains, and the comparative scarcity of water was felt by the occupiers of the newer settlements until the County Council gave a water-supply at a nominal cost, varying from 3d. per acre per annum, by bringing down a number of water-races from the main channels, which are filled by springs and snow waters in the hills. The water is not, however, allowed to be used in the ordinary way for irrigation. The current must not be diverted, but the landholder may dip from the race. The land is in a bleak exposed position, and the wind blows over it sometimes with tremendous force. with tremendous force. To modify the severity of the blasts thick hedges have been grown, and extensive areas have been planted with trees by the County Council. From Orari we drove as far as Rakaia, and having inspected that settlement there, which consists of eight settlers, holding 16 acres each, at a rent of 10s. per acre, I took the train for Christchurch. Arriving there on the 4th of February I was met by Mr. J. H. Baker, Commissioner of Crown Lands for Canterbury, who cordially assisted me in accomplishing the object of my mission. Speaking generally of the system, Mr. Baker said, in a special report which was furnished to the New Zealand Government some time ago, that most of the land set aside for the blocks in the Canterbury District was not sufficiently good for continuous heavy crops; and it might be a question whether the settlers who did not lay down perennial grasses would not leave their holdings when they found the land to be impoverished, the Government consequently getting back the land in a worse state than it had been in before. That was indicated as a possible objection to the leasehold system. Of the lessees, a number were was indicated as a possible objection to the leasehold system. Of the lessees, a number were children who had taken up land adjoining the holdings of their parents, and in their case the residence conditions had been suspended for three years. In one place some of the lessees, where the land was likely to be flooded, had been allowed to live on the neighbouring land. I also found during my inspections that in a few instances applications for the special settlement blocks had been granted to crippled people—men, for instance, having only one arm or leg; but in these cases the family helped the father to develop the block. In other cases the husband had died, and his widow and family continued in occupation, the saving of rent being an important consideration; and the children assisted to cultivate the land, so as to comply with the conditions. Throughout a liberal interpretation has evidently been placed upon the Act in this district, and the same remark applies to some extent in all the others. Summarising the voluminous information supplied in reference to the Canterbury District, which is the centre of the special settlement system in Middle Island, it may be stated that the holdings are not on bushland, and therefore, as no clearing has to be done, the advance to the settlers is limited to £20 for the dwelling-house. Advances have been made in this district in 113 cases. Forty-eight blocks have been forfeited, and twenty-nine of them taken up by other applicants. The interest has been regularly paid, the arrears on the 31st December last being only £102 12s. 3d., which is, moreover, greater than the real sum in arrear, as opportunities had not then been given for the collection of all outstanding amounts, which are either sent to the local offices or given to an official when he calls. As previously stated, in the special settlement system no provision is made for the repayment of the advance, interest upon the principal being required by the Government at 5 per cent. in perpetuity. Some of the Canterbury settlers, however, agreed, in special cases, to repay the amount by instalments of £5 per annum, after four years from the date of the advance; but there is no provision in the law by which the loans could be recovered. The earliest settlement in this district was formed in July, 1886, and the latest in May, 1887. Altogether there are 173 settlers; the largest number in any one settlement under the advance conditions being seventeen; whilst there are two settlements having only four settlers each, and others having only three, two, or one. The blocks vary from 1 acre to 50 acres, the smaller figure applying only to Arowhenua. The largest total area for a village under the special conditions is 790 acres (at Hinds), and the smallest 6 acres (at Arowhenua). Several of the settlement areas are over 500 acres, and a fair number are under 50 acres. The highest price paid for the land is at Arowhenua—viz., £1 10s. per acre, equal to £30 capital value, to which is to be added the interest on the cost of the house. The lowest is 1s. per acre, equal to a capital value of £1 per acre, which is the price fixed at Oxford. In a great many cases the rent is 2s. per acre, and the highest (next to the £1 10s. at Arowhenua, which is quite exceptional) is 10s. The total amount advanced upon the settlements in Canterbury is £2,260, the rent paid to the end of last December amounting to £1,795, and the interest to £279. The total of interest and rent received by the Government was thus £2,075. (A detailed return relative to the operation of the system in this district is embodied in the Appendices.) In company with the Commissioner for Crown Lands for Canterbury (Mr. Baker), I took opportunity before leaving the Christchurch District to visit the Canterbury College and School of Agriculture at Lincoln, about fourteen miles by railway from the city. The road over which we drove between the two points is crossed by numerous water-races, and the College is in a picturesque situa-The institution is under the control of a board of governors, and has a staff of lecturers in agriculture, chemistry (general and physiological), physics, natural science, veterinary science, mathematics, land-surveying, and book-keeping; and of course examiners in agriculture make periodical visits. The institution is supported by endowments of land, students' fees, and the profits