

advanced; and interest on the latter amount, together with rent, has been extremely well paid. Only three selectors are in arrears for the half-year ended 31st December, 1895, the total amount of rent and interest being £4 15s. 6d.

*Special Settlement Associations.*—There are four of these—Dannevirke, Waipawa, Liberal, and Ruahine. The two first-mentioned were taken up in 1886, and will soon be off our books, for out of the fifty-eight selections only six remain, the others having acquired the freehold.

In last year's report reference was made to the partial failure of the Liberal Association, and the reason for it. During the year the Land Board has been compelled to forfeit four more leases, and the present position is that, out of fourteen selections that were made, eleven have been forfeited or surrendered and one transferred, so that within three years from the date of selection but two of the original selectors remain, and neither of them show any disposition to take up their residence on the land, but seem desirous of parting with it. The forfeited sections have been disposed of under the ordinary settlement conditions, and are now being profitably occupied.

Some improvements have been made during the year in the Ruahine Settlement, which is situated on the lower slopes of the range of that name, but not so much as could have been desired. This was probably due to the want of roads, but access that will be given by the works now in progress will no doubt result in more vigour being thrown into it. The members of the association appear to be of a good stamp, being in a large measure the sons of settlers in the locality, and mostly bushmen.

*Small Grazing-runs.*—Forty-nine runs, containing 128,396 acres, are now in occupation, and, so far as improvements are concerned, they are very far in advance of the statutory requirements; but actual residence on the land itself is not general, the ten-mile limit being mostly availed of. Up to last year there were numerous inquiries for this class of tenure; but, though 29,224 acres have been thrown open for selection lately, at rentals averaging about 3d. an acre, none have been selected. The reason, no doubt, has been that the soil is not of the very best quality. The lands are forest-clad, somewhat rough, and access not very good.

*Improvements.*—Improvements throughout the district have been considerable, and the settlers have been favoured with good burns. On the 65,631 acres of holdings inspected, the value of the statutory improvements required is £41,178. On inspection, the improvements effected were found to be of a value of £76,017, and, out of 174 inspections made, only four were found to be short of the requirements.

*Revenue.*—The revenue received during the year was £21,688, of which £10,035, or nearly half, was from perpetual leases made freehold. In addition, £359 rents from endowments has come to hand. In connection with this, the Crown tenants in this district are to be commended for the manner in which they meet their obligations. There are only six in arrear with their rent for the half-year ended 31st December last, representing the small sum of £21 15s. 9d., and I am pleased to report that in no instance has the Land Board been required to have recourse to the Law Courts for recovery of rent.

*Land available for Settlement.*—The extent of land taken up in this district is rapidly decreasing, as will be seen from the following: In 1892–93, 49,064 acres were selected. In 1893–94, 24,355 acres, and during the last year but 16,353 acres. The cause for this is not far to seek, it being due not to a lack of would-be settlers, as applicants have been very numerous whenever a piece of good country has been offered, but to the fact that year by year there is less available Crown land of the class that is inquired after, and unless suitable country is acquired, either from some of the numerous Native blocks of land in their possession, now covered with forest and unproductive, or by purchase under the Land for Settlements Act, new settlement in this district will of necessity cease almost entirely.

Abundant evidence has been supplied of the very general desire to obtain holdings whenever blocks or even isolated sections of fairly good land have been thrown open; for example, when the Waikopiro Block was offered last October, there were 1,042 applications for the forty-nine rural sections, nearly the whole of the applicants being residents of the district.

At the present time there are 47,712 acres open for selection, but the whole of it is second-class forest-clad country, and little sought after, as it is quite unsuitable for persons of small means, for it must of necessity be held in large areas to be profitably occupied, and, being all forest land, would necessitate a considerable outlay and waiting before there would be any return from it. It is spread about in different localities, between Napier and Waipiro, near the East Cape, but all back-lying country.

However, it is a pleasure to report that the extent of country, some 423,111 acres, now held by Crown tenants is rapidly being brought under grass and cultivation, besides other extensive improvements. The settlers, as a whole, are a most industrious and energetic class, and, with a very few exceptions, give the department no trouble.

The 43,010 acres thrown open for selection last year was the best of the remaining Crown land: but only 10,000 acres of it was fit for holdings under 500 acres, and this was a purchase from the Natives that had lately been concluded. The balance was, for the most part, small grazing-runs.

The visible amount of land to be offered for selection in the coming year, suitable for holdings under 640 acres, is 10,000 acres of the Elsthorpe Estate, acquired under the Land for Settlements Act, 460 acres near Hastings, recently purchased under the same Act, and 1,500 acres, the balance of the Waikopiro Native purchase.

Shares have been purchased in some other Native blocks, but apparently they are not sufficiently numerous or advanced for the Crown interests to be cut out just immediately.

I venture to point out the foregoing to show the necessity for the further acquirement of land, if settlement is to advance and the wants of farmers' sons who desire to strike out for themselves, and a large number of other would-be selectors, are to be met.

*Land acquired under the Land for Settlements Act.*—Two purchases have been made, but have not yet been offered for selection. Raureka, formerly known as Southlands, which is 427 acres