

Auckland), a large number of surrenders appear to have escaped notice. These amount to 142 in number, with a total area of 25,113 acres. These I have had to bring to account this year. The total area of 27,227 acres is absolutely correct. Twenty-six selectors acquired their freeholds during the year, for a total area of 3,103 acres. The selectors in arrears for non-payment of instalments due number eighty-three, and they owe £487 19s. 8d.

*Perpetual Leases.*—The total number of perpetual-lease holders at present actually on the books is 724, holding a total area of 184,508 acres, the revenue received during the year being £3,933. Thirty selectors also acquired the freehold of 8,474 acres during that period, paying in cash £3,935 15s. Again, as in the case of deferred payment, a large number of sections surrendered appear to have been embodied in the totals of each annual return. These number no less than fifty-two, for a total area of 18,925 acres. It is necessary that this should be put straight; the totals now given are correct. The revenue, however, is more by £1,722 than that returned last year. The forfeitures for the year amount to 9,859 acres, representing a rental of £221 15s. 8d. The selectors in arrear number 148, owing £933 1s. 10d.

*Occupation with Right of Purchase.*—The number of selectors show a falling-off from previous years, being only 123, selecting a total area of 22,384 acres, the area surrendered and exchanged for the year being 1,185 acres. The selectors in arrear are 109, with a total liability of £296 2s.

*Lease in Perpetuity* also shows a considerable falling-off in number of selectors and area, as they only number sixty-eight (which includes exchanges from other tenures), for an area of 10,601 acres. In addition to this, the lease-in-perpetuity selectors under the land-for-settlement conditions are forty-seven, for a total area of 9,230 acres, making a total of selectors under this tenure of 115, holding an area of 19,831 acres. The selectors in arrear number fifty-four, owing, in all, £164 13s.

*"The Mining District Lands Occupation Act, 1894."*—The transactions are very small, being only six selectors for a total area of 209 acres. The land within the goldfields area is not generally of good enough quality to encourage the settlement of small areas under these conditions.

*Village-homestead Special Settlements.*—This year there are only 178 selectors left on the books, holding a total area of 7,306 acres. The forfeitures have been twelve, and the surrenders and exchanges eighteen. The selectors in arrear are 152, and they owe for rent £555 12s. 3d., and for interest £900 13s. 3d. The value, however, of their improvements amounts to £20,365. The settlements have made little progress during the past year, the small area of the holdings, the distance from a market, and other causes preventing these settlers from doing little more than holding their own.

*Special Settlements.*—These I briefly summarise in geographical order:—

Auckland Small-farm Association is situated on the main road Opanake to Hokianga. It is not, from various causes, as yet in a very flourishing condition, though the land is good, but is all forest. Out of thirty-three original selectors twenty-eight are still nominally holding, and about half of these are making improvements on the ground. There are sixteen sections, of a total area of 3,000 acres, unselected out of the original area set apart for the association. I have not as yet sent the Ranger to make the inspection, but purpose doing so next month.

Marlborough Association is south of the Auckland settlement, and also upon the main Hokianga-Opanake Road. Of the twenty-five original selectors, only six are residing upon their sections; thirteen others have effected the necessary improvements; leaving six who have as yet done nothing. The situation of the settlement being at a high altitude (1,400 ft.) makes it more or less damp, and, in consequence, the burns have been bad. There is no doubt that when the forest has been got rid of the land will carry good permanent pasture.

Avoca Special Settlement, situated about ten miles from Dargaville, up the Tangowahine Stream, is also nearly all forest. Of the twenty-four selectors, only three are as yet residing on their sections. Of the remaining twenty-one selectors, fourteen have effected the necessary improvements, but are non-resident. The heavy rains of February and early March have spoiled the chances of any good burns this season, and this, as in the Auckland and Marlborough settlements, has militated against their success.

Gordon Special Settlement is near Te Aroha. It is probably over its initial troubles, and is likely to be fairly successful. All the sections are occupied, and the recent completion of a bridge over the Waihou River will give the settlers access to a creamery and a market for their dairy produce, as the land is well adapted for this class of farming.

Tuakau Special Settlement, in the Raglan County, between Mercer and Waikato Heads, is a most flourishing settlement, and all the settlers have done well, the land being exceptionally good. Nearly all the deferred-payment sections have now, however, become freeholds.

Papamoa Nos. 1 and 2 Special Settlements are between Tauranga and Te Puke, Bay of Plenty. It is scarcely fair as yet to judge of the progress of either of these two. Very few families are as yet resident upon their sections. The land generally, though of good quality, is broken, and only suitable for pasture.

The North Island Land Association, near Whakatane, is practically defunct, owing to the almost utter impossibility of draining the large swamp area held, though many of the members manfully made the attempt at great cost. The volcanic ash from Tarawera has so elevated the bed of the Rangitaiki River as to practically abolish all fall or drainage by its means.

*Improvement Conditions.*—The total number of inspections by Rangers has been 746 in number, over an area of 110,820 acres. The Rangers report generally that fair progress, though nothing exceptional, has been done. The principal and most noticeable advance of settlement has been in the Counties of Raglan, Kawhia, and portions of Otamatea and Manukau, where the increase of area under grass is very apparent. A good breadth of country has also been laid down in grass in Hobson and Rodney Counties. Whakatane County has not made quite so much progress as last