

soil is rather poor, and the block is, in my opinion, not suitable for 200-acre sections. The road is very bad, and will be almost impassable in the winter. I was told the pack-men refuse to take their pack-horses in here in the winter, and the settlers have to carry stores, &c., in on their backs.

"Marton No. 3: Only five settlers have done any improvements, and, from what I could gather from conversation with people here, I do not think the others are at all likely to go on with their sections. There are no roads in the block.

"Marton No. 4: Only two settlers have done any work on their sections, and no one is residing. I do not think there is any probability of the other settlers doing anything with their sections. No roads have been made, and I think the land should be offered in larger areas. I am sorry to say that the progress of the Waimarino district, as a whole, during this year does not come up to my expectations: the settlers made such a good start the first year that I expected to find far more improvements done than there are now. I am told there is every probability of a butter-factory starting at Raetihi before long, and this will be a great help to the settlers; the only drawback will be the steamer charges.

"It will be a great boon to the settlers when the Parapara Road is completed; then they can reach Wanganui in a day from Raetihi, and will be able to bring their produce to a market with their own teams and in their own time, thus saving an outlay in ready cash, which is a most important item to these people.

"I have also lately inspected the Hunterville No. 1 Association. Here I find that six original settlers have made improvements, but only two are residing. I am not surprised at so few on this block, as there are no roads whatever made, and, in consequence, they have to pay very heavily for bushfelling, and it is with difficulty they can get provisions in. I strongly recommend that the roads in this block be pushed on.

"I am happy to say that the trafficking in sections has been put a stop to now, and, as far as I know, all sections are taken up in a *bona fide* manner.

"Deferred Payment and Perpetual Lease: I have inspected thirty-five holdings under these systems. That the improvements conditions have been well carried out is best shown by the fact that 2,872 acres and other improvements to the value of £4,906 have been effected over and above the requirements of the Act, and there are only three defaulters.

"Special Settlements, Deferred Payment: The settlers in these settlements are all doing well. I have only had occasion to inspect a few holdings, as all inspections required by law have already been done; but as I ride through these settlements from year to year I notice that the holdings are constantly being improved, and that they present a general look of prosperity that is very pleasant to see, especially when one remembers that this country was standing bush only a few years ago. Good metal roads, constructed through the settlers' own efforts, and nice cottages and gardens are now to be seen where a couple of years ago everything had to be packed in on horses to the settlers' slab whares.

"Small Grazing-runs: I find the lessees of these runs are complying with the improvement and residential conditions. Several of them find their runs too large, and have applied to subdivide. I think this is rather a good thing, as we get more people on the land and the additional lessees are, as far as I know, *bona fide* settlers.

"Lease in Perpetuity: I have inspected thirty-two holdings under this system. Improvements to the value of £1,124 over and above the requirements have been effected, and there are only three defaulters. I think this shows a very good result, considering these are mostly new blocks, where the roads are far from being in an advanced state.

"Occupation with Right of Purchase: This seems the favourite tenure, possibly because it is more negotiable. I have inspected fifty holdings. Improvements to the value of £1,739 over and above the requirements have been effected. There are thirteen defaulters. You will notice that the surplus here is not as large proportionally as that under lease-in-perpetuity tenure. This, I think, is due to the fact that more land is taken up for speculative purposes under this tenure than under lease in perpetuity when the rent is lower, this being an item taken into consideration by *bona fide* settlers.

"Village Settlements: Except where the settlements are near a populous centre and a good market the settlers have a hard struggle, especially as there are such a number of improved farms, the holders of which receive considerable assistance from the Government. Wherever a settlement is near a market, or in a settled district where the selectors can get work, they are doing well.

"General: There has not been a large area of bush felled this season, and, unfortunately, of this area only a small portion has been burnt, on account of unfavourable weather."

The Crown Lands Ranger for the Wairarapa district reports:—

"Deferred Payments and Perpetual Lease: The conditions, on the whole, have been well complied with.

"Village Homesteads: Improvement conditions have been complied with in all cases. There are a few instances where selectors are not residing or have sublet their sections.

"Occupation with Right of Purchase: Improvements effected very satisfactory.

"Small Grazing-runs: Only a few selections in this district. Improvement conditions well complied with.

"Farm-homestead Settlements: A number of selectors are residing on their sections, although residence is not yet due on all the settlements. The improvements completed are, in many cases, far in excess of requirements, and, taken as a whole, are highly satisfactory.

"Village Settlements on Lease in Perpetuity: At Pongaroa dwellings are being erected rapidly; a new school will shortly be opened, and the mail-service is now bi-weekly. At Rakaunui the recent action of the department in increasing the area by grouping adjoining sections has had a good effect, and should be continued. A school has been opened and a bi-weekly mail established. Improvements have been complied with."