

*Lease in Perpetuity.*—This has now become the favourite tenure, owing principally to the rent being lower than any of the other systems. The improvement conditions are fairly well carried out, excepting in the bush districts, where the roads to the land have not yet been formed. In many of these cases fulfilment of the residence condition has not yet taken place.

*Occupation with Right of Purchase.*—The improvement conditions under this tenure are well complied with.

*Village Homestead on Perpetual Lease, and Lease in Perpetuity.*—Under this tenure the conditions are very well complied with, and the selectors generally satisfied with their holdings.

*Small Grazing-runs.*—The conditions under this tenure are well complied with. There are many inquiries after land of this class, and when runs of suitable areas are open they are eagerly taken up.

*Village Special Settlement.*—The selectors under this tenure are doing fairly well, and appear to be well satisfied. The conditions are fairly complied with.

*Swinburn Special Settlement Association.*—This settlement comprises an area of 2,955 acres. It is divided into fifteen sections, averaging 197 acres to each settler. Improvements to the value of £1,862 have been effected, being a small increase as compared with last year. The quality of the soil is good, and fairly well watered. The Otago Central Railway is nearly completed to Ryan's Crossing, and by this means the settlement will shortly be brought into direct communication with Dunedin markets, which will be a great advantage to the settlers. The unprecedented drought throughout the Otago Central districts during the past season has very materially affected the progress of this settlement, but with fair seasons and good prices the prospects of the settlers are good. The improvement conditions are well carried out.

*Pomahaka Downs Estate.*—Good progress is being made on this estate. There are now nineteen selectors, eighteen of whom are residing on the land, and only one non-resident, who selected on the 31st March last. Five sections, containing 1,132 acres, were taken up last year, which, with one section containing 271 acres selected since 31st March last, makes a total of 5,245 acres selected, leaving a balance of 2,005 acres unselected. New homesteads have been formed and a good deal of fencing of a substantial nature has been erected. The oat-crops have yielded remarkably well, the average being much higher than last year. The improved prices will also be a great help to the settlers. A few of the settlers have manured some of their turnip-ground, the yield in consequence being very satisfactory. Turnips on the second furrow are fair, while those on the first furrow are not nearly so good.

*Teamaraki Settlement.*—This settlement comprises an area of 344 acres, situated eight miles from Oamaru. Twenty-four settlers form the settlement, eighteen of whom are residing on the land. Of the non-residents five are single, residing near their sections; one is an old man who resides occasionally. Fairly good progress has been made during the last year. Improvements to the value of £1,022 are now on the ground. The conditions are being fairly well complied with, the improved prices of the present year being of great assistance to the settlers. The settlers are complaining very much about the Canadian thistle, which infests some of the sections. They say they are quite unable to cope with the pest. Some of the sections are very badly infested, and if something is not done this weed is liable to spread over all the settlement.

*Tahawai Settlement.*—Very good progress has been made on this settlement. Of the eight selectors forming the settlement five are now in occupation, and the others will shortly be residing. The improvements are of a very substantial character, the total value of which amounts to £641, as against £453 for last year. All the sections are irrigated by a small water-race, from which very satisfactory results have been obtained. The settlers are all very well satisfied with their holdings.

*Maerewhenua Estate.*—During the past year splendid progress has been made on this estate, the buildings and fencing being of a most substantial character. The improvements effected by the settlers up to the present time amount to £4,876, as against £2,004 for last year. Considerably over 4,000 acres was under cultivation in wheat, oats, and turnips, the yield of wheat and oats being very good, many of the wheat-crops yielding 40 bushels per acre.

Of the seventy-three selectors on the estate forty-five are residing on their sections, five are married persons residing on adjoining land, three have been granted exemption by the Board, two have surrendered, and eight have been forfeited for non-compliance with conditions. Ten have yet to effect residence, and will do so very shortly. The settlers speak in high terms of the quality of the soil, and generally as to their future prospects.

*Ardgowan Estate.*—The land on this estate was offered for selection on the 20th May, 1896, all the sections being readily taken up at that time. Of the sixty-five selectors on the estate thirty-five are now residing on the land, although the time for residence does not expire until the 20th May, 1897. Seven are exempt as persons residing on one-acre sections within one mile in the adjoining Township of Weston; many of the remainder are building, and will complete residence very shortly. Improvements to the value of £1,688 were on the ground at the time of selection. During the last eleven months improvements to the value of £2,659 have been effected by the settlers, most of whom appear to be of the right stamp, and are likely to do well. About 1,466 acres were under cultivation, and the yield was considered very satisfactory, considering the late period at which the ballot was held and the dryness of the season.

*Puketapu Settlement.*—This settlement, containing 496 acres, was selected in March, 1896. Of twelve selectors on the 31st March last, only three were resident and nine non-resident. All the sections have been substantially fenced and otherwise improved, and several buildings are about to be erected. The improvements effected up to the present time amount to £470, as against £86 for last year. A considerable area has been under oats, wheat, and turnips, the yield in most cases being fairly good. Generally good progress has been made on the settlement. Since the 31st March last one settler has been granted exemption as residing on adjoining freehold; one, a youth of nineteen years, has been granted exemption as residing with his mother on adjoining land; two