

The Hautapu, Ohutu, and Masterton-Tenui are the most promising ones, the others being more or less handicapped by difficulty of access or the smallness of the holdings.

Most of the settlers so far have been depending for a living on the Government expenditure, in the way of advances on improvements, or in the construction of roads. Many of the original holders have left, but the sections have again readily been taken up. The drawbacks to the success of the settlements in this district are the lack of experience on the part of the settlers themselves, the scarcity of outside employment, the inability of the settlers to procure stock owing to want of capital, their earnings being required to keep themselves and families, and the absence of a convenient market for most of the produce that they do raise.

To be successful, the settlements require specially-selected men, the land must be first-class, and in such a situation that grass will grow all the year round.

At bushfelling for Government advances, the settlers as a rule make low wages. The work on the whole has been well done. The specifications require that everything shall be felled except totaras, maires, and ratas over 2 ft. in diameter. Owing to an exceptionally wet summer the burns have, as a rule, been very poor, in fact several of the settlers have not been able to burn at all. The grass sown last season has in all cases come on well, but has been partially spoilt through the settlers not being able to stock their clearings. The following details show the progress of the various settlements:—

*Horopito Improved Farm, Waimarino District*; size of holdings, 100 acres each.—There are only three settlers on it, the remaining nine sections being withdrawn from sale, because the bush is heavy and suitable for milling. The settlers have worked almost constantly on Government works since May, 1895. They have now 86 acres in grass, but only one settler has yet any stock.

*Rongoiti Improved Farm, Awarua*: size of holdings, 100 acres each.—So far only two settlers have effected any improvements, they having felled and grassed 37 acres between them. There is no dray-road access yet, and the elevation is rather too great, though some of the lower sections contain first-class land.

*Hautapu Improved Farm, Motukawa*; size of holdings, about 100 acres each.—A lot of work has been done here, both by the expenditure of Government money on improvements and roads, and by private enterprise. Eight settlers are now resident; 151 acres of bush have been felled and grassed, seven houses built, three miles and three-quarters of fencing have been done, and four miles and a quarter of road constructed. These sections are now all accessible by bridle-track, and six of them by dray-road. The land here is good and the settlers mostly experienced men, but the elevation of the block and its distance from markets militate against its success. Most of the settlers have worked constantly throughout the year for the Government. In the matter of roads the work done here comprises five miles engineering survey, 175 chains horse-track formation on the Waiparuru Road, 104 chains dray-road formation on the Pongaroa Road, and 250 lineal feet culverts. These roads will all be completed during April.

*Taihape Improved Farm, Awarua*; size of holdings, 12 to 16 acres each.—Only six of the original sixteen selectors are now left, though the forfeited holdings have been all taken up again. The settlers have been constantly employed at bushfelling or road-work, and have effected very few improvements on their sections at their own expense, and they have so far scarcely any stock. The land is good, and close to a rising township. Access by dray-road is now available to every section. If the country behind is cut into large blocks and taken up by selectors with some capital, this farm may yet prove a success. All the interior roads through the farm have now been completed as 10 ft. roads with the exception of that part running through Section 8. The work done during the year comprises 68 chains bushwork and 118 chains formation.

*Taihape Township*.—95 acres of bush has been felled, but very badly burnt. 36 acres has already been sown, and the rest is now in progress.

*Taihape-Paengaroa Road*.—Two contracts for bushwork are in progress. The portions felled last year have been sown. Engineering survey of three miles has been completed.

*Otuarei Improved Farm, Awarua*.—The work only started there last winter, 38 acres of bush being felled. All the original holders except four have forfeited their interests, and new settlers have taken their place. Bushfelling and road-works will be pushed on next winter. This farm will average about 2,500 ft. above sea-level, and is too high and remote from markets to be a success in 100-acre lots, though there are several good settlers on it. It will probably be some years before dray-road access is possible to the farm, though all the sections are already accessible by horse-traffic, most of the country being open. One bushwork contract is in progress on the Kaiangaroa Road, and two miles and a half of engineering survey completed for contracts on the Pukeokahu Road. It is proposed to run this road down to and across the Moawhango till it meets the Torere Road. 335 chains of bush has been felled along this Pukeokahu Road, at a cost of £57, but, owing to the unfavourable season, would not burn.

*Ohutu Improved Farm, Awarua*; in lots from 13 acres to 130 acres.—This promises to be the most successful of all the farms in this district, though still only eighteen months old; several of the sections have been forfeited but have been eagerly taken up again. The land is first-class, though rather high; the settlers are of a good class; the farm is surrounded by free-selection sections, many of the holders of which are in a position to employ labour. There will be a fair market for produce for years to come on the Main Trunk line, which is now in progress close to the farm. The work done comprises 351 acres bushfelling and grassing, and 162 chains of roads. Most of the settlers are now in the block and working on the roads, though not yet actually resident on their sections. Four miles engineering survey has been completed, and two miles more is nearly so. The bridge across the Hautapu River, 83 ft. span, was finished last June. 77 chains bushwork, 101 chains dray-road formation, and 40 lineal feet culverts have been completed on the Torere Road, and 136 chains additional will be finished during April. 37 chains scrubbing has been done on the Gorge Road, and nearly two miles of road-line has been felled and burnt. On this, as on all the other improved farms, only settlers themselves are employed on the road con-