SOUTHLAND.

Five settlements are in operation in this district—viz., Heathfield, Waikawa, Haldane, Moturimu, and Papatotara.

Mr. Falkiner, Road Surveyor, who has at present the immediate oversight, reports:

Heathfield (Block XI., Tautuku) is situated on the Waikawa-Catlin's Road, fifteen miles from Waikawa, and twenty-seven miles from Owaka. There are twenty-seven sections in the settlement, twenty-six of which have been selected by twenty-four settlers; two sections have been selected by one man, and one section abandoned during the year. 141 acres of bush was felled and burned; $79\frac{3}{4}$ acres of last year's felling was burned, and 178 acres was sown down in grass. Only a small amount of roadwork was done on the settlement—viz., a 20 ft.-span wooden bridge across the Hakihaki Creek, $13\frac{1}{2}$ chains of road-fornation, 13 chains of bridle-track, $6\frac{1}{2}$ chains of repairs, 3 chains of corduroying, grass sown along road-line for about 55 chains, and two culverts, 12 in. by 12 in., 26 ft., and one double, 3 ft. by 2 ft., 20 ft. About £50 would complete the bridle-tracks so as to give access to all the sections. I do not think any more money should be spent in this settlement, as the sections are now loaded to about £2 10s. per acre, which, at 4 per cent., means a rent of 2s. per acre. If it is still found necessary to find work for the settlers it should be found outside. Considering the amount of money that has been earned by some of the settlers, they ought to be independent; but there is a want of thrift among them, and a fear of doing any work without getting paid for it. They mostly look to the Government for work, and, with some exceptions, never think of looking for work outside. There are a few exceptions, to whom the above remarks do not apply. These settlers are doing good work, and making comfortable homes for themselves. There is a prospect of a dairy factory being erected somewhere in the vicinity. If this is done it will give the energetic men a certainty for making a living.

Waikawa.—This settlement is a portion of Block XVII., Waikawa District, and is about five

miles from Waikawa Jetty and two miles and a half from Niagara School. The access by road is at present very circuitous, but when the bridge is built at Niagara, and a road formed along the east bank of the Waikawa River, the communication will be direct. Only 25 acres of bush has been felled on this settlement during the past year, as it was considered more advisable to form the roads to the back sections than to fell bush, as a large quantity of the previous year's felling (about 112 acres) lay unburned, owing partly to its being in an unfavourable position, where the wind could not get to it. A considerable portion of this has been burned and sown down during last summer, but there is a quantity still unburned. I think it would be a mistake to do much bushfelling this year, as there is no logging-up done on the sections as yet, very little fencing, and only about six of the settlers have any stock on their sections. If it is necessary to find work for the settlers it should be outside the settlement, as the loading on the land is steadily increasing, and as yet there is no return from the sections. When the road fronting Sections 1, 2, 3 is completed the sections will be loaded quite heavily enough. The loading up to the present is

about £1 13s. 7d. per acre.

Haldane.—This settlement comprises portions of Blocks IX. and X., Waikawa District, and is situate on the Waikawa-Otaro Road, thirteen miles from Fortrose and seven miles from Waikawa. Access from Fortrose is good during the summer; but from Waikawa there is as yet no formed road. 142½ acres of bush was felled and burned during the past year, and a considerable quantity of last year's felling was also burned and sown down in grass. There are still about two miles and a half of road to form in the settlement, which will cost about £700. I would not recommend that much bush be felled this year, as there are not sufficient fences to keep strange cattle out, nor a sufficient number of cattle amongst the settlers to eat the grass they have. If outside work could be provided at remunerative prices, and the settlers induced to stock and fence

their sections, there is no doubt that the settlement would be a success.

Papatotara.—Portion of Blocks I. and III., Alton District; situated on the west side of the Waiau River, distant from Orepuki by Waiau Mouth twelve miles, and by the Lower Waiau Ferry sixteen miles. This settlement is the most heavily handicapped of any of the Southland settlements, both as regards situation and quality of land. The settlement is on the extreme outskirts of civilisation, and up to the present road-communication has been bad. The bush on most of the sections is very heavy, and the land, which is of a very inferior quality, is covered with most of the sections of two or three cases, there is a great want of energy shown by the settlers. The grass on some of the sections is very poor, owing to the mossy nature of the land. Beyond building houses and fencing in gardens scarcely any improvements have been done on the sections except felling and sowing grass-seed, which work has been paid for. There were fifteen sections available for allotment; fourteen are now occupied by fifteen selectors, and one surrendered during the year. Gold has been found within four miles of the settlement, and several of the selectors

have gone prospecting, with, in some cases, satisfactory results. The cutting of the track from Waiau to Preservation Inlet will employ the remainder of them for two or three months.

Moturimu.—Portion of Block VIII., Campbelltown Hundred. This settlement adjoins the Government township of Woodend, on the Invercargill-Bluff Railway, six miles from Invercargill and eleven miles from the Bluff. It is the most conveniently situated of the Southland settlements, being within easy reach of sawmills, freezing, and other labour-employing works, besides being close to the Town of Invercargill, consequently the amount of work done at Government cost is comparatively much less than on the other Southland settlements. Only 52½ acres of bush was felled during the year, and 614 acres sown down in grass. No roadwork has been done in this settlement up to the present, but the settlers are now asking for a road to and through the settlement, a total distance of about 140 chains. The total number of sections in the settlement is fourteen; nine sections are allotted, eight occupied, one surrendered during the year, and two allotted. selector is an absentee. This settlement should be a success, owing to its favourable position.

D. Barron, Chief Surveyor.