The arrears of rent and interest on 31st March last were— North Island—Arrears of rent, £635; arrears of interest, £971 Middle Island—Arrears of rent, £181; arrears of interest, £33	1,606 214	£ 1,820
The value of improvements now on the land is— In the North Island In the Middle Island	£ 59,098 50,431	£ 109,529
The financial position of the settlements on the 31st March last was	briefly a	s follows :—
Amount advanced to settlers, less amount repaid Present annual rent and interest Rent and interest paid during past year Total payments made for rent and interest Arrears of rent and interest Value of improvements now on the land	•••	23,938 4,904 4,905 27,014 1,820 109,529
Equivalent to £71 to each holder.	•••	200,020

It is satisfactory to note that the village settlers on the Cheviot Estate have paid during the past year £869 4s. 7d. as rent and interest, and the total amount paid by them since they occupied the land is £2,674 15s. 5d. Only one settler was in arrear on the 31st March last.

Throughout the colony the conditions are very well complied with, and this is best shown by

the improvements placed on the land, which are valued at £109,529, or £3 2s. per acre.

Many of the settlers, however, complain of the small area of their holdings, especially where the settlement is some distance from a market. One condition under which village homestead settlers hold their land is permanent and continued residence; they are thus debarred from holding other land where residence is also compulsory. I would respectfully recommend, therefore, that in all cases where it is advisable for a village settler to increase his holding he should be enabled to do so, the Land Board dispensing with the conditions relating to residence, provided the settler has fully complied with the terms and conditions of the land he at present holds.

Assistance on a somewhat more liberal scale is now being granted to small settlers towards the erection of cottages, &c., on their holdings, under the Improved Farm settlement conditions and under the regulations for Workmen's Homes. I am still of opinion, and beg to recommend, that where new Village Homestead settlements are formed similar assistance should be given to that

granted under the regulations for Workmen's Homes.

The figures in this report prove conclusively the successful progress of these settlements.

J. E. March, Superintendent of Village Settlements.

APPENDIX No. 7.

REPORT ON THE TRADE AND REVENUE OF THE PORT ROBINSON LANDING-SERVICE.

Owing to its being found necessary to obtain legislative sanction for the transfer to the Cheviot County Council of the Port Robinson Slip, &c., it still remains under the control of this department. I append a copy of the Harbourmaster's report for the year.

SIDNEY WEETMAN, Commissioner of Crown Lands.

PORT ROBINSON LANDING SERVICE.

Herewith is attached statement of revenue and working-expenses at Port Robinson, from 1st April, 1896, to 31st March, 1897.

The boatmen, when not required at shipping, were employed repairing and maintaining the roads on either side of the port. You will see from the statement that their wages for this work is

separate from shipping expenses.

During the year the s.s. "Wakatu" has made ninety-nine working trips—viz., forty-six from Wellington and fifty-three from Lyttelton; on six occasions the sea was too rough to work her, and she had to pass on. Four sailing-vessels have visited the port during the year: the masters of same complain very much of there being no moorings or beacons to direct them clear of the sunken rock at the outer end of Mid-bay Reef.

There has been no accident of any kind during the year, and everything has worked well. The

machinery is in good order. The boiler has not yet been inspected for the incoming year.