

The ordinary cash sales amount to just about the same as last year, £5,079 7s. 1d., whilst the perpetual leases made freehold did not produce anything like my estimate, as the amount received from this source was only £4,115 5s. 2d., bringing the total cash sales to £9,194 12s. 3d.

*Deferred-payment selectors* show a still further decrease of this gradually diminishing class of settlers, there being now only 140 selectors on our books, holding 16,380 acres. Twenty-four selectors have acquired the freehold of 2,521 acres during the year, whilst thirty-five selectors are in arrears with their instalments to the amount of £204.

*Perpetual-lease holders* under the Land Act of 1885 and amendments thereof now number 583, holding 131,118 acres. Thirty-three selectors have acquired the freehold of 7,373 acres. Twelve selectors, holding 1,207 acres, have exchanged into lease-in-perpetuity tenure. The forfeitures for non-fulfilment of settlement conditions amount to fourteen, the area so forfeited being 6,715 acres. Six selectors have also surrendered 2,372 acres. The selectors in arrears for rent number 133, owing £565 12s. 4d.

*Occupation with Right of Purchase under "The Land Act, 1892."*—One hundred and seventy-five selectors have acquired 39,073 acres, yielding an annual rental of £922 14s. 6d., with an average of 223 acres for each selector. Thirty-eight selectors have had their selections forfeited for non-fulfilment of settlement conditions, and fourteen selectors have been allowed to surrender 6,342 acres. The arrears owing for rent have increased, as 284 selectors are now owing £1,077 19s. 5d.

*Lease in Perpetuity.*—One hundred and sixteen selectors have availed themselves of this class of tenure, absorbing an area of 17,893 acres (including 42 settlers holding 3,410 acres who exchanged from other tenures), or an average of 154 acres for each selector. The forfeitures amount to eighteen, holding 3,192 acres, whilst fifteen selectors have been allowed to surrender 2,485 acres. The selectors in arrear with rent number 130, owing £709 13s. 11d.

*Lease-in-perpetuity Lands acquired under the Land for Settlements Acts.*—Forty selectors have leased 7,029 acres. The total number of this class of lessees on 31st March was 131, holding a total area of 21,870 acres. The revenue received from these estates during the year amounted to £3,340 3s. 10d.

*"Mining Districts Land Occupation Act, 1894."*—The selections applied for under this heading show a considerable increase, as thirty-five selectors have taken up 1,273 acres within goldfield districts, the annual rental being £70 17s. 6d.; the total selectors on our books on the 31st March being sixty-six, occupying 3,011 acres. There are practically no arrears of rental.

*Village-homestead Special Settlements.*—The number of holders in these settlements is fast decreasing as village settlers proper, as they are exchanging their title for lease in perpetuity. Twenty-four selectors were allowed to exchange during the year, the area so exchanged being 1,100 acres. The number now on the books is 104, holding 4,135 acres. Seventy-four of these selectors are in arrears of rent to the amount of £961 0s. 6d.

*Special Settlement Associations.*—There are ninety-six selectors classed as holders under this tenure, occupying 16,335 acres. Of this number, ninety-four are required to reside on their lands, but the number actually so residing is only thirty-three, holding 6,744 acres. The arrears owing for rent are only £12 6s. 6d.

Taking these special settlements in their geographical order north of Auckland, the Auckland Special Settlement contains twenty-five selectors of an area of 5,325 acres, but at present only three are resident, holding 1,000 acres. I am afraid the land is too far from a market, and of too high an altitude, to make a successful settlement.

The Marlborough Special Settlement, a few miles further south, is in a slightly better position, as out of twenty-one original selectors of 4,300 acres seven are resident, holding 1,100 acres. This settlement also suffers from the drawback of being far from a market.

Still further south, and lying between Dargaville and the Mangakahia Valley, is the Avoca Special Settlement, originally some 5,000 acres. It has seventeen resident selectors, occupying 2,700 acres, and, as better road-access is now being provided, it is probable that all selectors will shortly be resident.

South of Auckland, and in the Bay of Plenty district, the Papamoa Nos. 1 and 2 Special Settlements have only six resident selectors between both settlements, occupying 1,000 acres. The land is not of first-class quality, and most of the selectors are living at Te Puke or Tauranga, as they state they cannot make a living on their land under present conditions.

It may not be amiss to mention in this place that the original special settlement in the Matata and Rangitaiki Swamp, which was abandoned by the promoters and afterwards opened under the ordinary tenures and again partially selected, has, by judicious drainage, followed by a dry summer, been immensely improved, and is fast being covered with good pasturage. Cattle and horses can now graze over nearly the whole area to the Orini River, and carts with fencing material have crossed the swamp. On some of the reclaimed sections both oats, maize, and barley have done very well, and, with further drainage-works, nearly all the original wet and dreary swamp will yield good pasture.

#### *Lands under "The Land for Settlements Act, 1894."*

*Opouriao.*—Acquired in February, 1896; of an area of 7,604 acres. The area occupied by roads and reserves is 433 acres. Area of land unlet at present, 312 acres. There are sixty-three selectors resident, who, with families, number 228 souls, occupying an area of 6,858 acres. The number of houses erected on the several holdings is fifty-six. The total value of the improvements upon the estate amounts to £15,754, or an increase for the twelve months over last year's estimate of £3,812. This settlement has been very fairly prosperous up to the present. Last year's crop of maize taken from off it was valued at £10,000; but this year, what with a prolonged drought, commencing in the early spring, followed by a frost in February, I am afraid the returns will not be nearly so good. The erection of a proposed cheese-factory on the estate will enable settlers to take up dairy-farming instead of