

*Elderslie*.—The selection area of this settlement is 11,497 acres and 23 perches. It was opened on the 20th March last, and at the 31st of that month there had been taken up 7,996 acres and 12 perches by twenty-four selectors at an annual rental of £2,981 12s. 4d., including 194 acres on temporary licenses by five selectors at £15 1s. per annum, leaving an area of 3,501 acres and 11 perches unselected at that date, the annual value of which is £1,144 17s. Up to the date of this report, however, a further area of 2,478 acres 2 roods 11 perches has been selected by four selectors at an annual rental of £811 8s., leaving only two allotments with a total area of 1,033 acres to be applied for.

With regard to previously acquired estates I have to make the following observations, taking them in the order given in Table No. 33 :—

*Pomahaka*.—Several holdings in this settlement had to be declared forfeited during the year, owing to the lessees having failed to meet their financial obligations, a result of having started with insufficient capital or on borrowed money, and possibly, too, with deficient knowledge of farmwork. Consequently there is at present a less number of selectors in occupation than at 31st March, 1899. The number now is twenty-two, holding 5,419 acres 3 roods 5 perches, at an annual rental of £904 2s. 6d., including one temporary license over a reserve of 10 acres at £1 per annum. Since the 31st March one section of the unlet area, containing 271 acres 3 roods 28 perches, has been taken up, at £42 9s. 8d. per annum. The receipts during the year amounted to £192 17s. 4d., the total from inception being £4,324 15s. 7d.; number of houses on holdings, 17; number of souls resident, 52; value of improvements, £4,215 13s. The present year's crops are the best obtained since the settlement started, and in many cases the oat-crop will yield from 60 to 70 bushels per acre. The land appears to improve year by year as it is cultivated, becoming more fertile. The settlement conditions as regards both residence and improvements are well complied with.

*Teanaraki*.—Twenty-two selectors are in occupation of this small settlement of 344 acres 1 rood 30 perches, at an annual rental of £263 16s. 2d. It does not make very much progress, owing to the fact that the holdings are so small. The people are poor, depending upon casual work to enable them to maintain themselves and their families. Such work has in the past been of a very intermittent kind, but recently Mr. Meek has opened a lime-kiln on his property adjoining, which gives fairly constant employment to several of the settlers, which is a great help to them. Two of the sections that were badly infested with the Californian thistle have been let under temporary license to one of the lessees whose holding adjoins, with the view of his trying to eradicate the pest. This settler has worked up the ground and sown root-crops, and is doing his best to get rid of the weed, but it will probably take at least three years to do so. The crops generally have been good. Receipts for the year, £263 5s. 6d.; total from beginning, £1,395 0s. 7d.; number of houses, 19; souls resident, 57; value of improvements, £1,084.

*Taharawai*.—This, the smallest settlement under the Land for Settlements Act in this district, is still fully occupied by eight selectors, the area held being 68 acres 2 roods 14 perches, at an annual rental of £35 14s. 4d. Receipts for the year, £37 3s. 5d.; total from inception, £156 18s. 6d. Owing to the small water-race running through it, and the quality of the land, crops are all but a certainty. In no case is there any complaint, and the conditions are all fully complied with. Houses, 8; souls resident, 36; value of improvements, £684.

*Maerewhenua*.—Only 30 acres of this estate is at present unlet, there being seventy-two selectors, occupying 10,906 acres 1 rood 24 perches, at an annual rental of £3,543 13s. 4d., including three miscellaneous licenses over 22 acres 3 roods 36 perches, at £3 2s. 6d. per annum. The receipts for the year were £2,985 7s. 10d., the total from inception being £13,573 7s. 3d. Of houses there are 58; souls resident, 225; and the total value of improvements is £10,340 1s. 9d. The conditions in almost every instance are being complied with, and the settlers appear to be very well satisfied. As showing the value of the land in the estimation of the people of the district, I may mention that the good-will of the lease of Allotment 29, containing 79 acres, was recently sold for £1 3s. 6d. per acre. The crops have been very heavy this year, the average yield, I should say, being about 35 bushels of wheat per acre, and about 60 of oats, a yield which must be considered highly satisfactory. Recent dry weather has slightly affected the turnips, but these are better than usual.

*Puketapu*.—The whole of this settlement, 496 acres and 36 perches, is occupied by eleven selectors, at a rental of £189 0s. 10d. per annum, the receipts for the year being £174 14s. 1d.; total from inception, £684 12s. 7d.; number of houses, 8; souls resident, 19; value of improvements, £846 8s. 7d. The crops have been good, and the conditions of the leases are being fairly well complied with.

*Ardgowan*.—On the 31st March only one small allotment on this estate was unlet (since taken up), there being at that date sixty-three selectors, holding 4,143 acres 2 roods 15 perches, at an annual rental of £1,883 10s. 10d. The sum of £1,743 1s. 7d. was received during the year, making the total from inception £6,631 18s. 8d. Fifty-one houses have been erected on the estate, there being 215 souls resident, and the value of improvements is £8,108 19s. 1d. This is a very thriving settlement, and the settlers on it are doing very well, being generally well satisfied with their prospects, and it promises to be one of the most successful of the settlements under the Act. The crops this year are quite up to the average of past years in the district. A dairy factory is also about to be erected on the estate on a site reserved for that purpose, which will be of material benefit to the settlers.

*Makareao*.—This estate is occupied by thirty-four selectors, the area occupied being 2,291 acres 3 roods, at an annual rental of £377 18s. 8d., including 208 acres and 31 perches held on temporary license at £14 16s. 6d. per annum. Receipts for the year, £328 0s. 2d.; total from the beginning, £1,201 1s.; number of houses, 15; souls resident, 50; value of improvements, £1,661 11s. 9d.