

past and current year is £340 10s. 3d. The value of improvements now on the land, including that paid by the Government, is £1,080 3s. Only four of the sections are in fair order; the fences on the others are poor, and some of them are in a very neglected condition. The grass land is growing up in fern, and the latter is gradually killing the grass out.

T. BURD, Road Surveyor.

HAWKE'S BAY.

We have two of these settlements—viz., *Waikopiro* and *Akitio*—only two sections of the latter being in this district, most of the settlement being in the Wellington District.

Waikopiro was founded in 1895, when fifteen selectors were put on 1,771 acres. All the settlers are residing, there being a hundred persons now in the settlement. The original fifteen settlers have felled and grassed 1,247 acres, and have 696 head of cattle grazing. The settlement is making good progress, a dairy factory having been erected, which will be of great advantage to the settlers.

E. C. GOLD SMITH, Commissioner of Crown Lands.

TARANAKI.

Poti.—108 acres, in eight sections, all of which are occupied; 106 acres felled and grassed. Forty-five persons on the land, and the live-stock consists of forty-nine cattle and eleven horses. Improvements at selectors' own cost amount to £419 15s. Five leases have been issued.

Ngaire.—169 acres 2 roods 30 perches, in sixteen sections, all of which are held; 161 acres felled and grassed. There are only sixty-one persons on the land, as against seventy last year, one family having obtained a large area of land elsewhere, the section being transferred to a settler already holding. Two settlers were assisted in the erection of houses to the extent of £40. The improvements at settlers' own cost are valued at £552 15s. The live-stock consists of seventy-six cattle and eighteen horses. Another settler and his family have left the land, and his interest will be dealt with by the Board after due notice. Thirteen settlers have received their leases. There is a school and a post-office in connection with this and the Maata Settlement.

Maata.—30 acres, in three sections, occupied by two families. There are ten persons on the land. Area felled and grassed, 23 acres. Improvements at selectors' own cost, £69. One selector has had his lease issued.

These three settlements are in the Ngaire Block, and close to the Township of Eltham, and, although the holdings are small, the settlers appear to be well contented with them, only one or two having represented that the sections are too small to make a living on. In these small settlements it was never expected that the allotments, which vary in size from 10 to 18 acres, should be more than a home for the family, and a centre for the settler to work from.

Tongaporutu.—2,500 acres, in sixteen sections, of which six are held as improved farms, and some of the others were taken up by residents under the optional system. One selector added 98 acres to his holding, one section was forfeited for non-payment of rent, and one was surrendered. There are thirty-three persons on the land, and the live-stock consists of fifty-four cattle, thirty-one sheep, and eleven horses. The area felled and grassed is 455 acres. Two settlers felled bush at their own cost during the year, valued at £40, and other improvements made by them at their own cost are valued at £391 2s. One lease has been issued. There is a school, post- and telephone-office, also a store in this settlement.

Derwent.—Thirteen sections, containing 1,369 acres. Seven persons are holding 737 acres. Two sections were forfeited, both for abandonment, and they will probably be applied for by adjoining occupiers. 528 acres has been felled and grassed, and improvements made at the selectors' own cost are valued at £470 15s. The population is fifteen, and the live-stock consists of 112 cattle, 175 sheep, and nine horses. One settler died during the year, and endeavours are being made by his representatives to transfer the section. On this settlement is a post- and telephone station, also a boarding-house. The selectors who now occupy holdings in this settlement will, I believe, remain; they have got over the initial difficulties, and are now fairly successful.

Okau.—Nineteen sections, comprising 1,889 acres 2 roods. Four sections only are held, the number of persons on the land being twenty-one. The area felled and grassed is 460 acres, and improvements at selectors' own cost are valued at £115. One settler felled about 10 acres of bush this year at his own expense, and one settler was assisted with £30 in the erection of his house. The live-stock consists of forty-one cattle, fifty sheep, and eleven horses.

These three settlements are all close to each other, the Tongaporutu and Derwent being on each side of the Tongaporutu River, near the mouth, and contiguous to the main road between Waitara and Te Kuiti Railway-stations. The Okau Settlement is on the same river, about nine miles from the mouth, and is practically a failure, as denoted by my last report. Of the other two, the back parts of the sections are rough, and in some places said to be not worth felling the bush on, as the ground consists of steep papa faces which will slip when the bush is felled. The remaining settlers appear to be holding their own, and have opportunities of acquiring additional land under the optional system when the forfeited sections are open for selection. In some instances this has been done.

Uruti.—Seven sections, comprising 697 acres, of which five are held by three settlers. There are nineteen persons on the land, and the live-stock consists of sixty-eight cattle and three horses. The area felled and grassed is 449 acres, and improvements at selectors' own cost are valued at £160. These settlers appear to be managing their own holdings very well independently of aid from the Government. There is a school, store, also a post- and telephone-office alongside. Two of them have received their leases. Settlers on this block are now practically self-supporting and in a satisfactory position.