

*Occupation-with-right-of-purchase and Lease-in-perpetuity Systems.*

Since the passing of "The Land Act, 1892," ordinary settlement has followed under the occupation-with-right-of-purchase and the various phases of the lease-in-perpetuity systems, which include rural, village homestead, and rural special settlements and improved farms.

*Small Grazing-runs.*

This important system comprises 690 holdings, an area of 1,335,650 acres, at a rental of £42,130 per annum. Otago possesses the greatest number and area of holdings, but the system is well represented in most of the other districts. It offers the best example of periodical valuations, as by law all leases run for twenty-one years only, with provision for valuation of the land separately from the improvements, with the right to the tenant of a renewal of his lease on prescribed conditions. One run containing 4,807 acres was forfeited; and four runs, containing 32,270 acres, surrendered during the year. The amount of rental in arrear was £2,788 13s. 9d.

If to these be added holdings under the "The Mining Districts Land Occupation Act, 1894," we have the Crown tenants most actively engaged in fulfilling the compulsory conditions of the Act as regards improvement and residence, and to whom the Rangers' reports most generally refer.

The summaries and reviews by several of the Commissioners of Crown Lands and Crown Lands Rangers throw light upon the condition, requirements, progress, and prospects of the settlers, and enable the following particulars to be stated:—

*Auckland.*

The condition of land settlement in the Auckland Land District may be considered on the whole as progressive. From Auckland northwards for many years the word "stagnation" had to be written, but during the last seven years or so the whole aspect of matters has changed. Generally speaking, the hard battle with forest lands—difficulty of access—has been conquered, and the settlers as a whole are fairly prosperous and contented. From Auckland southwards to the borders of Taranaki the same remarks apply, large areas being yearly brought under cultivation; milk- and butter-factories have been established in every settlement, and are circulating ready money—this, together with the opportunity of obtaining loans at reasonable rates, have improved the condition of the settlers, and *bonâ fide* settlement is advancing with rapid strides. Settlement in the Bay of Plenty District, particularly the portion extending from Te Puke to Opotiki and on to the Hawke's Bay District boundary, has during the last five years made good progress and has a promising future. The draining and bringing into cultivation of the Matata and Whakatane Swamps, the opening of the Opouriao Settlement, acquired under the Land for Settlements Act, the extensive maize production, and the starting of the butter-factories, have caused this long settled district to enter upon an era of prosperity which has every appearance of continuance.

*Hawke's Bay.*

The Rangers' inspections and reports show that three times the value of improvements required by law had been effected by the Crown tenants, and that satisfactory progress had been made.

*Taranaki.*

The year's inspections were attended with satisfactory results; 183 inspections were made, showing improvements effected to the value of £36,895, whilst the value required by law was £13,780. In the northern portion of the district the settlers on lands held under Part III. of the Act depend principally on cattle-rearing, and in a few favoured localities dairying operations have been recently commenced; although struggling, the settlers are fairly prosperous. In the south, 15,000 acres south of Eltham are held chiefly for dairying purposes; the remainder of the district is devoted to sheep, and cattle-rearing; the bulk of the settlers are doing well, and are contented and prosperous. The small grazing-runs are devoted to grazing sheep and cattle-rearing; they are occupied by a well-to-do class, who have, however, been affected by the fall in the price of wool. Settlers in the improved farms with few exceptions are prosperous; their means of subsistence are stock-raising, dairying, supplemented by employment on public works. The settlers in the special-settlement association blocks are all doing well, and depend on cattle-rearing and dairying for a livelihood. Generally, good progress has been made in all classes of settlement; the tenants throughout are doing well and have bright prospects. Want of roads is the only drawback or handicap that is seriously interfering with the well-being of the tenants.

*Wellington.*

The large number of inspections demonstrated the great increase in value of improvements and a substantial advance on the road to prosperity and content; the principal difficulty and drawback being the incomplete and impassable state of the roads in some of the back blocks, which prevent the settlers from fully stocking their holdings or taking advantage of the opportunities now generally afforded for dairying. The residential conditions have, as a rule, been satisfactorily complied with. The Rangers' reports will be read with pleasure by all who take an interest in the development of the resources of the colony under conditions which tax the patience, perseverance, and energies of the pioneer settlers.

*Nelson.*

In this district the bulk of the Crown tenants' holdings are situated on the hills, and are only suitable for the grazing of stock, chiefly sheep; small flats and lower slopes are cultivated to