

is £101,112, being more than double the statutory requirements; whilst the Crown tenants' compliance with the conditions of their leases, such as residence, improvement of holdings, payment of rent, &c., has been very satisfactory. The number of defaulters through non-residence or deficient improvements totalled 91, or 20 per cent. of the selectors inspected.

The tenants under the small-grazing-run and optional systems of the Act are reported as generally prosperous, though the improved-farm homesteads and village settlements have not proved altogether successful. Only one estate, Tokaora, has been acquired under the Land for Settlements Acts, and though but recently disposed of the settlers have already made good progress, and their prospects are considered to be good. The Commissioner has an intimate knowledge of all the settlements, and reports that the tenants are in good heart and contented; that they have made excellent progress, and attained to an assured position, the principal pursuits being cattle-raising, sheep-grazing in places, and, the country being well adapted for the purpose, dairying, the great mainstay of the small settlers, is availed of.

It is anticipated that with improved access there is a great future before the inland districts of Taranaki and Wanganui.

Wellington Land District.

In this district there are four Crown Lands Rangers, who inspected 1,860 properties during the year totalling an area of 338,024 acres. In terms of the leases and licenses, improvements to the value of £173,744 should have been effected at the date of the inspections, whereas the tenants had actually made improvements valued at £346,975, showing a balance in favour of the occupiers of £173,231. The number of defaulters from all causes was 317, more than half being for non-residence, equalling 17 per cent. of those visited.

Dividing the land district into its two main divisions, the *East Coast*, which includes the Forty-mile Bush and the Wairarapa districts, has been carefully inspected by the Rangers, who reported satisfactory progress as to improvements, compliance with the residential conditions, and that this gratifying position is due to the great improvement which has taken place in the roading of the country, and also to the extension of the dairying industry. The Crown tenants suffered from the effects of the late season and the continuous and excessive rainfall, which delayed harvesting where such operations are practicable, but resulted in prolific growth of grass and yields of root and white crops.

The village-settlement system, which is such an important feature of the settlements in the Wellington District, is to be found dotted generally throughout the district at key-points and in positions where the land and other advantages are sufficiently favourable to this class of settlement. In the eastern division of the Wellington District there are 219 village-settlement holdings. The improvements are more extensive, and in larger proportion per acre, than any other system, in consequence of the smallness of the individual areas which have to carry homesteads and other improvements necessary to the comfort and maintenance of families. The excess over legal requirements is given at £26,260. It is pointed out that, notwithstanding this evidence of satisfactory progress, the population of the villages is actually lower, and is decreasing from year to year. One explanation of this, which might be considered a surprising result, is that as the children grow up they seek employment elsewhere, and establish homes of their own, leaving the older members of the family upon the original holdings.

The only estate under the Land for Settlements Act is that of Langdale, near Tenui, which, as regards progress, suitability, and prospects, is characterized as satisfactory.

Another important class of settlement in the Wellington District comes under the farm-homestead system. Of these there are 18 settlements in the northern Wairarapa, comprising 191 holdings and an area of 31,130 acres. Detailed reports as to all these are given, and may be summarised as indicating that they are occupied by an energetic and industrious tenantry who are, generally speaking, complying with the conditions of their leases, and the great majority have already achieved success.

The improved-farm system, which was introduced at later times, but, unfortunately, when it was difficult to allot the very best of land, has also made steady progress, good improvements having been effected upon the holdings, and satisfactory compliance with conditions prevails.

The *West Coast* of the Wellington District, which includes the whole country from Taumaranui and Taupo southwards, and which contains numerous settlements involving responsibilities as to conditions of residence and improvements, &c., was closely and widely