

are two dairy factories in the district, together with schools, public halls, stores, post and telegraph offices, &c. In the early days of the settlement the people had a hard struggle, but they are now well established with good homes; and, like many other selectors in Taranaki, their positions are strengthened by amalgamation of holdings. Their means of living is dairying and cattle-raising.

Taumatatahi.—Situated on the Waitotara Valley Road, about thirty miles from Waitotara; 430 acres 2 roods in four sections, each occupied. The area felled and grassed is 288 acres, and there are thirty-four persons on the land. Live-stock, 135 cattle and 9 horses. Improvements at selectors' own cost valued at £820. This settlement is in a somewhat isolated position, surrounded by broken country; but good homes are established, and the settlers are prosperous. They have the advantages of school, post-office, and store; and the main Waitotara Valley Road, formed for dray traffic, passes through the settlement. Dairying, road-work, and cattle-raising form their chief occupations.

Nihoniho.—3,190 acres in twenty-three sections, of which three are in working-order, with sixteen persons resident. Twenty sections were balloted for last November, but up to the present only one person has made a start with the occupation of his holding. Live-stock, 130 cattle and 17 horses. Area felled and grassed, 173 acres; and improvements at selectors' own cost valued at £304. This settlement is situated about twenty-three miles from Ongarue Railway-station, near the Ohura Road. Most of the persons who obtained sections recently are employed on the public works at present near Ongarue. This is a settlement that ought to do well; the land is of good quality, and there will be a large amount of road-work going on which will give the settlers a good start.

During the year I have visited all these settlements and interviewed many of the settlers, and discussed with them their past struggles and future prospects. With the exception of the Tongaporutu, Derwent, and the Okau Settlements, all are making good headway, and the people on the land are generally comfortable and contented. It must, however, be kept in mind that the amalgamation of holdings is largely accountable for this result, and that the families now left are probably the best of their class—in other words, it is a survival of the fittest.

Land for Settlements.

Tokaora.—Situated on the Main South Road, about four miles from Hawera. This settlement comprises 1,505 acres 2 roods 8 perches, and during the year the remainder of the sections have been taken up. Two of the original sections were divided, so that there are sixteen sections but only fifteen selectors, twelve of whom have built residences and are living on the land, the number of persons on the land being sixty-nine. The value of improvements effected by the settlers is £2,384 16s.—comprising residences and outbuildings, £1,760; fencing, &c., £624 16s. This settlement comprises some first-class dairying land, and the settlers are making all the use they can of their holdings in following the dairying industry. All the sections are either fronting metalled or formed roads, and are within easy distance of a factory. In one or two cases the selectors say that they have not done so well as they anticipated. This may be accounted for partly by the cold wet season throughout, and the fall in cattle values; on the other hand, the high price obtained for milk has helped to counterbalance this.

During the year negotiations were commenced for the acquisition of land near New Plymouth for workmen's homes, in consequence of representations being made to the Government that there was a demand for this class of settlement, and the result was the acquisition of a block of 301 acres, about two miles and a half from the town and about half a mile from the breakwater at Moturoa. This has been divided into sixty-one allotments, varying from 31 perches to 5 acres, for workmen's homes, and eight allotments, varying from $8\frac{1}{2}$ acres to $33\frac{3}{4}$ acres, as small dairy-farms. These will be opened for selection during the coming year.

Farm-homestead Associations.

Milsom.—Situated on the Junction and Matau Roads, about thirty-three miles from Inglewood, and comprises 2,095 acres, in eleven sections, held by ten persons, all of whom are resident, and who have effected more than sufficient improvements to comply with the Act, the value at the date of last inspection being £1,599 2s. Most of them are engaged in dairying, and the settlement is now in a prosperous position, nearly all of the settlers making a living from their holdings alone. They have good roads; a post-office, school, and store are within easy distance.

Oxford.—Situated on the south of the Waitara River and adjoining the Milsom Settlement. Only one selector remains and is resident out of about twenty, the balance of the holdings being now occupied under the ordinary conditions. His holding is 200 acres and is considerably improved, the value of the improvements being £370. He depends chiefly upon cattle-raising for a means of living, and has now the benefit of good roads.

Lepperton.—Situated on the Main North Road, near Uruti, twenty-three miles from the port of Waitara, and comprises 2,167 acres 3 roods, in eleven sections, which are held by seven settlers, all of whom are resident on their holdings and have effected improvements to the value of £2,507 5s. They engage in dairying, and one of them owns the factory. They have a good road, metalled to within two miles of the settlement; all doing well. They are within a short distance of post and telephone office, store, &c.

Gation.—Situated on the Mangaehu and Tututawa Roads, about fifteen miles from Stratford, and comprises 1,600 acres, divided into eight holdings, all of which are occupied by resident selectors. They have effected very extensive improvements, valued at £2,646 5s. They are generally engaged in dairying and stock-raising. A dairy factory is close to the settlement and is supplied by the settlers. They have good roads and are in comfortable circumstances, with a school and post-office within easy distance.