The dairying and bacon-curing industries are now rather neglected in favour of sheep-farming, and the number of cows at present supplying milk to the dairy factory is under 300.

It is probably owing to the tendencies above referred to that a certain number of the settlers are dissatisfied with the size of their holdings, and are selling out in order to obtain larger properties elsewhere.

Freehold sections in the Township of Mackenzie appear to be changing hands at considerable profit, and there is evident confidence in the future of the settlement. A demand is arising for more town sections at Mackenzie, which will probably have to be met by the offering of some fresh allotments at auction.

As regards the compliance with conditions of leases, the Ranger reports that all but two have now effected improvements to the full value required. With respect to residence, omitting those whom the Board has, for sufficient reasons, permitted to reside on their adjacent holdings, all excepting four holders are complying, and the settlement generally is in a satisfactory condition. The total value of improvements effected is £69,786, as against £47,371 required; and the number of souls resident on the Crown leaseholds is 738, not counting those on freehold properties and in the Mackenzie Township.

Land for Settlements.

The scheme for the acquisition and subdivision of private properties for closer settlement under the Land for Settlements Acts being now in its tenth year of operation, it is of interest to review the scope and magnitude of its working in this district, whereby up to the present forty-one distinct properties have been purchased, subdivided, and offered for disposal, on which there are now 882 tenants, with a population of 3,024, occupying a total area of 172,218 acres. The extent of country thus occupied by boná fide residential settlers, the population spread over areas which previously supported only a few individuals, the enormous increase in value of improvements placed upon the lands, the enlarged output of stock and produce, and the impetus that has been given to the trade of adjacent centres of population are all evidence of the great success that has attended this system of land-settlement.

The following table shows the number of settlements opened for disposal, and the total area selected on permanent tenure, during each year since the inception of the system:—

			!	Settlements	Total Selections.		
			:	opened.	Number.	Area.	
	1 1004					A,	R. P.
Year ended 31st Ma		• • •	•••	3	44	1,251	1 16
"	1895	• • •	•••	•••	1	37	1 29
"	1896			8	99	6,966	3 36
"	1897		•••	6	156	18,554	0 17
"	1898			4	157	27,755	3 23
	1899			$_2$	175	42,215	3 2
"	1900		•••	$\overline{3}$	100	25,791	3 31
"	1901	• • •	J		68	14,194	0 12
n,	1902	•••	•••	$\frac{4}{7}$	75	9,487	1 23
"		• • • •	••••	5	105	34,345	0.22
"	1903	•••	•••	o i	109	54,540	0 22
	Totals			42	980	180,600	0 11

From this total number must be deducted the selections which have been forfeited or surrendered, leaving, as already stated, 882 holdings, comprising an area of 172,218 acres. The whole of the holdings forfeited and surrendered during the past ten years have, with the exception of three, been reselected, and are now held under permanent tenure. The three exceptions are temporarily occupied, and will very shortly be thrown open for selection.

At the present time every rural allotment in the various settlements is occupied and producing the allotted rental; and of the twelve village and suburban settlements (including the workmen's homes)—nine of which are in the environs of Christchurch, the others at Highbank, Morven, and one near Timaru—out of the total number of allotments (viz., 262) 203 are occupied on permanent tenure, forty-seven on yearly tenancies, and twelve are vacant. In other words, 250 out of the 262 are in occupation and contributing revenue.

General Condition of Settlements, &c.—A general survey of the established settlements discloses a very satisfactory amount of bond fide residence and occupation. The number of instances of actual non-residence is a very small percentage, while in nearly all cases the improvements effected are of a good and substantial character, amounting in value to £203,223 17s. 4d. (including improvements on the land at the time of purchase), or £126,489 16s. 6d. in excess of the statutory requirements. The least satisfactory occupation is usually noticeable where single men are the holders of small sections which are insufficient for their maintenance, the result being that they are generally away at work. A somewhat similar condition obtains where married men with families are located on small rural holdings, as the breadwinner has to be much away, although the presence of a family on the holding always produces a more satisfactory state of affairs than in the case of the single man.

In the northern portion of the district the rural holdings are used principally for grazing, cropping being attended with risks on account of the frequency and severity of the nor'-westers