

improvements required is £13,956 4s. 4d., and the value effected £57,700 13s. 5d. The Ranger reports that the improvements made during the year are all substantial and useful, especially the construction of dams, as the tenants find that with plenty of storage-space only an exceedingly dry season could cause any serious shortage of water. They have taken full advantage of the dry season for cleaning the land of twitch, &c. A fair quantity of planting is being done, though more might be done with advantage, especially in the direction of fruit-growing. The crops on the whole have been fair, some of them above the average, and the tenants are all doing well.

46. *Morice Settlement* (near Little River, Akaroa County).—Established December, 1905. Area purchased, 2,261 acres and 27 perches. There are twenty-nine holders, whose holdings vary from 8 to 215 acres; all reside within the limits of the estate, and the improvement-conditions have been complied with by every lessee. The value required is £2,101 19s., and the total value effected £6,596 5s. 2d. The population is ninety-five, in twenty-nine dwellings. Most of the tenants are dairy-farmers and cocksfoot-seed growers. This seed was harvested off 730 acres, the returns varying from one to five sacks of seed per acre: the best return came from the high country, which had the benefit of sea-mists during the long spell of dry weather; and good prices were obtained, which made up for the poor returns. There were 442 head of cattle (about two hundred of these would be dairy cows), 700 sheep, 42 horses, and 50 pigs at the time of inspection. The shortage of pasture was telling very badly on the dairy cattle. The Ranger suggests that as twenty out of the twenty-nine holders have holdings less, and in some cases considerably less, than 100 acres, they should be allowed when opportunity occurs to obtain one other section in the settlement in addition to the one they occupy. There is no land suitable for agriculture, and they must depend entirely on their cows and grass-seed. At present the young stock have to be sold off at any price, there being no room to rear young cows to take the place of those which become unfitted (through age or other causes) for the dairy. The young stock included in the returns given are almost all located on the larger sections.

47. *Kinloch Settlement* (near Little River, Akaroa County).—Established March, 1906. Area purchased, 13,042 acres and 2 perches, which is divided amongst twenty-six sheep- and four dairy-farmers; one sheep-farm which had been surrendered was recently reselected. There are twenty-four dwelling-houses, in which seventy-six souls reside; two other houses are being built; and in three cases the lessees have not yet fully complied with the residential conditions. The total value of improvements on the estate is £11,127 10s. 5d., as against £4,974 0s. 9d. required. Three tenants have not yet done the required amount, but in two of these cases they have been waiting for the completion of the road to their homestead-sites. In connection with the improvements effected, it may be pointed out that nineteen of the settlers have to lift all their goods, timber, and fencing up nearly 2,000 ft., and then bring them down nearly as far again to their homesteads. The lessees have been unfortunate in that the two years during which they have had possession of their lands have been unusually dry; they depend almost entirely on grazing for their returns; the stock which they disposed of had to be sold as stores; and this, together with the drop in wool, has placed the settlers in difficulties at the very beginning of their tenancy. The stock wintered on the estate consisted of 15,239 sheep, 547 head of cattle, 84 horses, and 35 pigs. Lambing was fair, but some losses were occasioned by the cold snap which came late in the season.

48. *Mills Settlement* (near Waimate, Waimate County).—Established March, 1906. Area purchased, 882 acres 2 roods 30 perches. There are twenty-one holders, occupying areas varying from 10 to 124 acres; and the population numbers seventy-two souls, residing in twenty-one houses. The area under cultivation last season included 388 acres in grain-crops and 41 acres in root or green crops, and 436 acres had been laid down in artificial pasture. The stock on the settlement consisted of 201 head of cattle, 50 horses, and 68 pigs. The value of improvements required is £672 3s. 4d., and the value effected £3,427 19s. 6d. There have been two bad cases of non-compliance in this settlement, and the leases have since been forfeited; in other cases the holders are doing good work, and complying satisfactorily. The holdings are in good order, crops have been fair, and some of the holders use their sections for dairying.

*Homestead-sites, Low-lying Lands, &c.*—There are eleven of these blocks, comprising a total area of 1,227 acres 3 roods 36 perches, five held on lease in perpetuity, four under small-grazing-run lease (to agree with the tenure of the larger holding to which they are attached), and two under temporary-occupation license. Four of the holdings are residentially occupied, by nine souls; and the total value of improvements effected is £2,107 5s., against £618 7s. required.

#### General Summary.

The following is a general summary of the figures quoted in this report:—

Number of subdivided settlements	..	..	..	..	..	48
„ homestead-sites, &c.	..	..	..	..	..	11
Total	..	..	..	..	..	59
Number of tenants,—						
Lease in perpetuity	..	..	..	..	..	1,142
Small grazing-runs	..	..	..	..	..	44
Farm homestead	..	..	..	..	..	11
Renewable lease	..	..	..	..	..	1
Miscellaneous occupation licenses	..	..	..	..	..	38
Total	..	..	..	..	..	1,236