GENERAL REMARKS.

By reports received from the Rangers, and from my own personal observations, I have been greatly impressed by the steady progress that is being made by the Crown tenants in this district. Aided by a favourable season, bush clearing, burning, and drainage-works have been very much facilitated, but the greatest factor in contributing to the success has been the steady demand and good prices ruling for all farm-produce. Dairy-farming is quickly becoming the chief occupation of a large number of Crown tenants, and is a very valuable source of revenue to the farmer, and a strong inducement for him to clear his land and get it under cultivation as soon as possible. With the pastoral lands the difficulty of replacing the natural grasses and supplying suitable grasses to take their place seems to demand more attention. An effort should also be made to prevent burning and overstocking, as much of the high lands are now showing signs of injudicious management in these respects. With such conditions obtaining, it is only natural to expect that the tenants, on the whole, observe the conditions of their leases in a very satisfactory manner, and the past season has placed the sett'ers in a most cheerful and progressive position.

DEPARTMENTAL.

Without entering into details, I may state that the volume of office-work is steadily increasing, and has taxed the energies of the several officers employed to their utmost. All officers have shown a keen interest in their duties, and, coming here a complete stranger, I thoroughly appreciate their efforts in making the work of the office run so well and smoothly.

H. M. SKEET, Commissioner of Crown Lands.

APPENDIX II.—LAND FOR SETTLEMENTS (EXTRACTS FROM REPORTS OF COMMISSIONERS OF CROWN LANDS ON).

AUCKLAND.

The twenty-one settlements in this land district may be divided into three classes. In the first are placed pastoral and agricultural areas; then comes class 2, containing one settlement devoted entirely to residential purposes, the third class comprises the hamlets laid out in proximity to Auckland, and which are used mainly as residential sites, but which are large enough in area to enable some income to be derived from market-gardening, fruit-growing, poultry-keeping, &c.

The rural areas of the first class are comprised in fourteen settlements. In the previous year's report it was stated that Opouriao, Fencourt, and Matamata were the most conspicuously successful. This year the settlements at Rangiatea, Karapiro, and Whitehall can be added to the first three mentioned, as they have attained a standard which marks them as definitely successful. The Okauia Settlement, which has always been the least successful of the older settlements, continues to lag, but the infusion of new blood continues, and there has been some progress during the year. The prospects in the Bickerstaffe are not encouraging. Selwyn Settlement has not yet become an established success, but the settlers have made good progress, and the land, with the aid of manure, will no doubt turn out as well as that in older settlements. The balance of the settlements are progressing satisfactorily, with the exception of Rewi and Tautari. The Teasdale Settlement (which is the only one of its kind) appears to be serving the purpose for which it was intended. All the buildings erected are of a substantial nature. In the case of the hamlets which are comprised in class 3, there has been considerable progress. An enlargement of some of the areas by re-grouping sections resulted in an improvement, and with the exception of Waari Hamlet, all the settlements have made progress. In some it has been of a very substantial nature.

Although in looking over the settlements of all kinds as a whole there are one or two discouraging features, still there has been no retrogression, and in a great degree there has been considerable progress. As already mentioned, the older settlements are reaching the standard which enables them to be finally classified as a success, and of the newer blocks, with the exception of those mentioned, the indications show that next year more may be added to the list of those passed as successful.

ERIC C. GOLD SMITH, Commissioner of Crown Lands.

HAWKE'S BAY.

I have to report the subdivision and settlement this year of the Tongoio, Clydebank, and Ngatapa Estates, containing altogether about 28,849 acres, which brings the area of acquired land in this district up to 193,405.