"2. Acompanying this statement, a Return exhibiting the information lately supplied by the Inspector of Deferred Settlements in conformity with the directions given him, by resolutions of the Board, as to expenditure on each section.

"3. Such information as may be gathered from official and other sources as to the bona fides of

Deferred Payment Settlement in accordance with the provisions of the statutes."

W. H. Pearson, Commissioner of Crown Lands.

Mr. D. Campbell, Inspector of Deferred Payment Settlements District, Invercargill, to the Chief Commissioner of Crown Lands.

Having received the following copy of a resolution passed by the Waste Lands Board, and signed by the Chief Commissioner:—"That the Inspector of Deferred Payment Settlements be directed to forward a Supplementary Report expressing his opinion, derived from personal observations, and communications with Deferred Payment settlers and others, whether the system termed dummyism prevails in any of the Districts under his inspection, and whether the settlers may be generally regarded

I have the honor to report that in obedience to the instructions therein contained, I visited the Oteramika, Hokonui, Taringatura, New River, and Oreti, Deferred Payment Settlement Districts, and find it my duty to state, that after a very careful inspection and thorough enquiries into the whole matter, that the system of dummyism does not prevail in any of these Districts; on the contrary, I feel it due to the settlers to say, (with the three undermentioned exceptions), that they are proceeding with the improvement and cultivation of their respective selections with an energy and spirit of industry highly commendable, which, I believe, will not only do good to themselves, but set an example to many others around them. In my opinon they are bona fide permanent settlers.

I regret I must report the three following individuals who have not complied with the provisions

of the Act as to residence: - William Mackintosh, Alex. Robson, and - Commerford.

I have, &c., D. Campbell,

Inspector Deferred Payments Settlement Districts.

The Chief Commissioner of Crown Lands.

as bona fide permanent settlers."