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therein. Substantial school-buildings have been erected; the attendance is good; the children neat, clean, and attentive, and looking the picture of health. The want of fairly good roads is, and has been, a great drawback to the success of the settlements; and this no doubt has been the main cause why so many sections have been given up. The settlers are now anxiously looking forward to some immediate steps being taken to improve the roads, in order that they may be able to bring their produce to market. Taking into consideration the great difficulties the settlers in the North have had to contend with owing to the isolated position in which many of the settlements were placed, the delay in bringing bush-lands under cultivation, and the want of roads, I think it may fairly be said that the progress made up to the present is very satisfactory.

HAWKE'S BAY DISTRICT.

In this district the total number of settlers is thirty-one, and the area allotted 203 acres, or an average of nearly 7 acres each; the sum advanced for houses, bush-felling, &c., was £818; rent and interest has been paid to the amount of £397 4s.; and the arrears are only £3 5s. 6d. All the settlers are doing fairly well.

Wellington District.

The number of village-homestead special settlers in this district is 207; the area they occupy 2,678 acres, or on average of about 13 acres each; the amount paid for rent and interest was £1,816; and the arrears on the 31st March, £264. The settlers generally are doing well, and I have no doubt the arrears will shortly be paid.

CANTERBURY DISTRICT.

Twenty-four village-homestead special settlements have been established in this district. The number of settlers is 172; the area allotted, 5,532 acres; the amount advanced for houses, £2,280. Rent and interest has been paid to the amount of £2,808; and the arrears on the 31st March were £362. The settlers generally are doing well.

OTAGO DISTRICT.

The village-homestead special settlers in Otago number 107, and hold an area of 1,706, or an average of nearly 16 acres each. The amount advanced for houses, bush-felling, &c., was £1,383. Payments to the amount of £484 have been made for rent and interest; and the arrears amount to £44. The settlers generally are doing very well.

SOUTHLAND DISTRICT.

In this district, sixty-five settlers hold 676 acres under village-homestead special-settlement conditions. £1,074 was advanced for houses, fencing bush-felling, &c. Rent and interest to the amount of £604 has been paid. The arrears on the 31st March were £49 14s. 1d., which will shortly be paid. The settlements would be far more prosperous than they are if a little attention could be given to the formation of roads; especially is this the case at Seaward Bush, where some of the settlers have not access to their sections, and are thus unable to dispose of the timber on the land. The settlers generally, however, are doing well. I was interested in a case of a selector who is over sixty years of age, single, and holds 14 acres of land. He told me that he was advised not to take up any land, but to apply for admission to the Old Men's Home. He, however, had courage, and was determined to try and do his best, with the result that he is able to maintain himself, and is doing fairly well. Under the village-homestead system others may go and do likewise.

J. E. MARCH, Superintendent of Village Settlements.

AUCKLAND.

Fourteen sections, containing 670 acres, have been relinquished or abandoned during the past year. Twelve village settlers have added 1,543 acres to their present holdings; and four past village settlers have selected 332 acres under ordinary settlement conditions, and one of them has taken up 270 acres under the homestead system; making a total of 602 acres; whilst eight abandoned village sections, containing 379 acres, have been selected by six outsiders on ordinary settlement conditions. Two sections—each 50 acres—in the Parnell endowment, Punakitere, were selected under the amended village-settlement regulations by the sons of a village settler. Stock has increased in all the settlements, the numbers now being 318 horses, 605 cows, 535 calves, 62 working-bullocks, 963 sheep, 440 pigs, and 2,462 head of poultry. The amount advanced for the nine months was £388 13s. 9d. This sum does not equal the amount of improvements, as many settlers have not drawn advances, although they have improved their holdings considerably. At Te Aroha, for instance, no advance was made or solicited beyond £20 for a dwelling-house. During the period considerable progress has been made, especially in fencing, ditching, and outbuildings, the weak point being cultivation. This, with the majority of village settlers, is effected by spade-work, and is consequently slow and limited. A noticeable characteristic of the village settler is his eagerness to acquire more land. All the unallotted and forfeited sections worth having have been taken up in most of the settlements, especially in those south of the Bay of Islands. There is less demand for sections in the northern settlement, owing to the almost entire absence of roads, the want of which is deeply felt in winter. In conclusion, I may say the progress made is very satisfactory.