£4,096,990; two counties in Marlborough and Nelson, in which there was a road-expenditure of £27,875, have increased in value £247,694; the expenditure in four counties of Otago and Southland was £131,917, and the increased value is £903,851. The products of these counties have largely increased in the same period.

The following table gives the progress of the several districts in which new settlement operations have been proceeding during the past seven years:—

TABLE of the Increase of Settlement and the Increase in Production and in Value of the Chief Districts in which Settlement and Roadworks have been carried on during the Past Seven Years:—

_	Holdings.	Grass.	White Crops.	Green Crops.	Sheep.	Cattle.	Value.	Road-expendi- ture for Seven Years.
Auckland (17 counties) Hawke's Bay (4 counties) Taranaki (5 counties) Wellington (11 counties) Marlborough and Nelson (2 counties) Otago and Southland (4 counties)	1,762	544,030 291,054 1,713,985 80,681	2,754 1,538 11,058 148	-2,419 1,154 17,691 3,941	548,452 93,851 1,099,608	30,954 $108,787$ $95,012$ $4,500$	4,096,990 247,694	261,135 287,215
Totals	$\overline{12,542}$	3,036,164	50,866	75,288	1,936,922	323,995	10,085,552	927,421

This shows an increase in these newly settled counties during the seven years of 12,542 holdings, 3,036,164 acres grass, 50,866 acres in white or grain crop, 75,288 acres in green crop, and, notwithstanding a decrease in the number of sheep in the Otago and Southland Counties, 1,936,922 more sheep and 323,995 more cattle. The largest increase is in the Wellington District, where the bushclad plains and downs have been converted into pasture, and the country is still understocked. It is not necessary to compare this progress with the progress of former years; it is enough to show that the actual development of the country is proceeding at a forward rate, and that the increase in the rural valuation of the colony is due in great measure to the advance of settlement on the land, and the consequent increase in cultivation and production.

In Auckland, every new holding has increased the value of the country by £603; in Hawke's Bay, by £1,040; Taranaki, £1,180; Wellington, £1,123; Marlborough and Nelson, £384; and Otago and Southland, £320. The Hawke's Bay, Taranaki, and Wellington counties dealt with, being forest-covered, are, by the conversion of forest into pasture, increased in about the same ratio, while the open or partly open lands of Auckland, Marlborough, Nelson, Otago, and Southland show a smaller increase.

The table shows that the expenditure in newly settled districts has been three-fourths of the whole, while the older settlements have had new and better roads only to the extent of one-fourth of the outlay during the past seven years.

For the current year a slightly greater sum is required, but the amount now asked for will, it is feared, be a disappointment to many by its smallness, and I am within the mark in saying that it would take over a million pounds sterling to meet the demands that have been made for roads, bridges, and other similar works.

A large proportion of the available funds is again required for the North Island, and principally for Auckland, Taranaki, and Wellington, where men of very moderate means are striving to make homes in the roadless forests, and equally roadless open but rugged country.

It is proposed to push forward vigorously the construction of the road from Stratford through to a connection with the railway-system in the Ohura country; to continue the Awakino Road to a junction at Te Kuiti; to proceed steadily with the road through the Urewera country from Rotorua to Waikare-

ii—D. 1.