

selectors have forfeited their land, and there are now seventy-one selectors on our books, holding 26,659 acres.

Lease in Perpetuity.—Fourteen selectors have taken up 9,809 acres, chiefly in the Tahoraiti, Norsewood, and Nuhaka North districts, and three sections, of 2,833 acres, have been forfeited, there being now 118 selectors, holding 67,661 acres, on our books.

Lands under Land for Settlements Act.

There are five settlements in Hawke's Bay under the Land for Settlements Acts—viz., Raureka, Elsthorpe, Waimarie, Pouparae, and Tomoana—with ninety-six selectors, holding a total area of 11,047 acres 2 roods 32 perches, at an annual rental of £3,823 12s. Pouparae and Tomoana have been taken up during the past year.

Raureka.—This settlement is situated near Hastings, and is in a flourishing condition. It was opened for selection in May, 1896. There are twenty settlers, holding 416 acres and 38 perches at an annual rental of £543 2s. Improvements to the value of £1,639 10s. have been effected, and all the selectors are residing in the settlement. 111 acres are under crop, which consists of potatoes, mangolds, oats, barley, and rape. The remainder of the settlement, with the exception of a few orchards and gardens, is in grass. 425 chains of fencing have been erected, and the stock in the settlement numbers 1,866 sheep, thirty-three cows, thirty-two horses, and twelve pigs. In the early part of the year the settlement suffered from the flood, which caused so much destruction in the district, and all the crops were lost, and in some cases many chains of fencing were destroyed.

Elsthorpe.—This estate was opened for selection in June, 1896, and good progress has been made since then. There are now thirty-seven selectors, holding 9,543 acres 1 rood, at an annual rental of £2,304 3s., while the value of improvements effected is £4,184 10s. There are 182½ acres in crop, comprising potatoes, oats, barley, and turnips, and the remainder, with the exception of a few acres round the homesteads in garden and orchard, is in grass. Thirty-two miles of fencing has been erected, and twenty-three dwellings have been put up, while nearly all the selectors reside on their land or on sections adjoining.

Waimarie is a settlement in the Poverty Bay district, near Gisborne. It was opened for selection in September, 1896, and has made good progress. There are seventeen selectors, holding 400 acres 2 roods 19 perches, at an annual rental of £435 17s. Improvements to the value of £1,066 19s. have been made, twelve houses have been erected, and eleven settlers are residing. The others will do so on completion of the buildings. 114 acres are in maize and potato crop, while the remainder, with the exception of some small gardens, is in grass. Five miles and three-quarters of fencing have been erected, and the stock consists of forty-two cows, thirty-three horses, and 151 sheep. One section has been forfeited during the past year, and has not yet been relet.

Pouparae is a settlement in the Poverty Bay district, near Gisborne. It was opened for sale in April last, and has been taken up by nine selectors, holding 336 acres 1 rood 12 perches, at an annual rental of £405 8s. The value of improvements effected by them is £472 17s. 6d., and the area under crop is 44½ acres, comprising maize and potatoes, while the remainder of the settlement is in grass. Two miles and a half of fencing has been erected, and eight buildings put up. Four selectors are residing. The stock consists of fifty-six cows, fourteen horses, and 240 sheep. Considering the short time that some of the selectors have been in occupation the progress is very satisfactory.

Tomoana is a settlement near Hastings, which was opened for selection in March of this year. It was taken up by thirteen selectors, holding 110 acres and 3 perches, at an annual rental of £135 2s. There were no less than 460 applications for the sections, due to the proximity of the land to the Tomoana Freezing-works and Hastings. Selectors are arranging for fencing and building, and the settlement should soon make good progress.

Village Settlements.—Two selectors have taken up 60 acres under lease in perpetuity in the Motu and Tiniroto Villages. Three have acquired the freehold of their deferred-payment licenses, and three tenants under the lease-in-perpetuity system have forfeited their holdings of 12½ acres.

Village-homestead Special Settlements.—We have two settlements—viz., Woodville and Puketitiri. In the former there are twenty-seven selectors residing with their families, ten of whom are original selectors, and improvements to the value of £5,240 have been effected, the total advances to the settlers remaining unpaid being £507. This is a most flourishing settlement, the tenants having comfortable homes, with good gardens, orchards, &c. At Puketitiri there are four settlers, holding 90 acres, the advances remaining unpaid being £40, while improvements to the value of £617 have been made.

Village Settlements (under section 169 of "Land Act, 1892").—Under this heading are included sections in the villages of Buckley, Norsewood, Tiniroto, Patutahi, Havelock, Weber, Whetukura, and Motu, the total area being 185 acres, occupied by thirty-three selectors, who have effected improvements to the value of £1,017.

Special - Settlement Associations.—We have four of these settlements—viz., Waipawa, Dannevirke, Liberal, and Ruahine. The Waipawa and Dannevirke were first taken up in 1886, and fifty-two out of the original fifty-eight selectors have now acquired their freehold. The Liberal Settlement, which was formed in 1891, only comprises two sections now, as twelve of the fourteen original selectors have surrendered their holdings, while the remaining two tenants have transferred their interest to other settlers. In the Ruahine Settlement, formed in 1893, nine of the twelve selectors are residing, and are making fair progress. Access to the settlement is bad, but on completion of the roadworks now in hand the settlers will have good road-communication, and the settlement should then flourish.

Small Grazing-runs.—One run, containing 5,800 acres, of an annual rental of £60, has been