

having felled another 10 acres this year. Two defaulters felled the balance (40 acres) between them. There are ten persons on the land, and they have twelve cattle and five horses. The value of improvements at selectors' own cost amounts to £77. It is proposed to suitably group the forfeited sections and open them for application on the optional system.

Derwent.—There were originally thirteen sections, containing a total area of 1,369 acres. Two of them are to be opened for selection on the optional system. Nine selectors are now holding, four of them being single men. The total number of persons on the land is twenty-seven. One of the single men is a defaulter, having left the settlement. Two new houses have been built since last report (one taking the place of another which was accidentally destroyed by fire), and one is now being erected. The class of houses recently built are a great improvement on the old ones, and show that the owners are desirous of making permanent homes on the land. There are 166 cattle, 142 sheep, and nine horses on the settlement, and the value of improvements done by selectors at their own expense is £366. The total area felled and grassed is 565 acres; 68 acres were felled during the year, and are ready to be grassed.

Niho Niho.—This settlement comprises sixteen sections, with a total area of 1,406 acres, of which nine have been allotted. Unfortunately, in the interests of settlement, this block of land was offered for application too soon. The land is first class and fairly level, and would make an admirable position for an improved-farm settlement were other lands round about it occupied; but the surrounding lands are still either occupied by Natives or not dealt with, and the improved-farm settlers were too far away from a market to occupy the lands beneficially. So soon, therefore, as the roadwork in the immediate vicinity was completed the selectors (who were mostly single men) with the exception of three—one of whom is a married man with a family—abandoned their holdings and left the district. 100 acres have been felled at Government cost, the selectors finding the seed themselves, and 19½ acres were felled during the year. There are twenty-four head of cattle and two horses on the settlement, and the value of improvements done at selectors' own cost is £57 10s.

Greenlands.—There are six sections in this block, containing a total area of 603 acres, which were allotted in May, 1896. The 135 acres felled last season have been grassed, and the 115 acres felled this year and burned off will be sown when the grass-seed arrives. One settler is resident with his family, and three others are having timber sawn for houses, to which they will take their families as soon as possible. There are fifteen persons on the land, twelve cattle, and two horses. The value of improvements at selectors' own cost is £58 10s. Three settlers are in default in regard to building and residence.

Mangapoua.—This settlement is situate inland of Urenui, and about sixteen miles from the Port of Waitara. It comprises seven sections, with a total area of 702 acres, and was allotted to seven persons on the 26th May, 1897. Only three persons, however, put in an appearance, and felled 60 acres of bush, which have been burned, and will shortly be sown in grass. The settlers will then proceed with the erection of their houses. Two of the resident selectors were fortunate to secure in balloting two sections which had clearings on them already, made by an adjoining owner, presumably in error. They have eleven cattle, ninety sheep, and two horses on the clearings.

Mangatawa.—This comprises twenty-nine sections, with a total area of 2,978 acres, and not allotted. It is situate on the head-waters of the Tongaporutu River, at the back of the Okau Improved-farm Settlement. I would recommend that it be cancelled as an improved-farm settlement, and offered for selection on the optional system of "The Land Act, 1892," in fairly large areas.

Tawai.—This settlement, of nineteen sections, comprising 411 acres, is in the Auckland Land District, and is administered by me at the request of the Commissioner of Crown Lands for that district. There are at present twelve persons holding, and only seven of them have built houses, two of which are newly built, and another is building. The number of resident settlers will then be eight, with a total of eighteen persons on the land. In consequence of the wet weather in the late summer and autumn of 1897, only a portion of the felled bush was burned; this was sown in grass, and a portion of the balance has been burned this year and will be sown. About 22 acres have been felled and burned this season, and will shortly be sown with grass. There are thirty cattle, seven sheep, and ten horses on the land, with improvements at selectors' own cost valued at £281.

JOHN STRAUCHON, Commissioner of Crown Lands.

WELLINGTON.

Under this heading sixty-seven sections, comprising 6,863 acres 2 roods, were registered during the year, making a total on the books of ninety-two selectors holding 9,110 acres 1 rood 36 perches, providing an annual rental of £615 11s. 1d. In addition to these, seventy-three persons hold 5,938 acres and 36 perches, but until the necessary improvements have been completed they cannot be registered on the books. The amount advanced on improvements during the year was £2,637 16s. 4d., making a total of £8,136 7s. 2d. since the initiation of the system. Of those registered in the books seven selectors are in arrears with their payments to the extent of £46 7s. 3d. During the year sixty-one sections were declared forfeited for non-compliance with the regulations, and of these twenty-two were reallocated, the balance being held over until it is definitely ascertained that they are suitable for allotment under these conditions. There were no forfeitures of sections the registration of which has been completed in the books. The total value of the improvements, including those paid for by the Government, amounts to £14,615 8s. 7d.

Reports on the various settlements by Mr. G. T. Murray and Captain Turner are attached hereto. From Captain Turner's report it is clear that satisfactory progress has generally been made excepting on the remote rough and unsuitable lands. To insure successful settlement by this