

SOUTHLAND.

With regard to the improved-farm settlements in the Southland District, I regret to have to report that their progress during the year has not been such as could be desired. No finality has yet been reached in respect to any of them in the matter of the expenditure of Government money, and consequently none of the rents have as yet been permanently fixed, nor any of the leases issued. In the cases of Heathfield and Waipati, as you are aware, the selectors have petitioned for a reduction in the capital values of the land on account of the alleged poverty of soil, a matter which is still under consideration. At Heathfield some of the selectors are taking heart at the prospect of the immediate establishment of a dairy factory, a desideratum long talked of and looked forward to. They seem to think that with the establishment of this factory and the reduction of capital values asked for, with further expenditure by Government for road-making, &c., they will be able to continue in occupation with the prospect of ultimate success. The returns show a diminution in the number of selectors by eight, and area held by 580 acres, this being chiefly in the Heathfield Settlement. The total area now held on the six settlements is 9,749 acres by seventy-six selectors, the total number of souls being 200. A further sum of £204 19s. has been granted to settlers for houses, and £2,538 9s. 4d. for bushfelling and other works, being a total for the year of £2,743 8s. 4d. The total expenditure up to 31st March was, for houses £572 5s. 4d., and for bushfelling, roads, and other works £11,327 8s. 6d., making a grand total of £11,899 13s. 10d. The total area felled is 2,623 acres; grassed, 2,536 acres. Number of cattle, 508; horses, twenty-two; roads felled and formed or partially formed, 18 miles 69 chains. The value of the improvements now on the land, including those paid for by Government, is estimated at £13,720.

Mr. Faulkner, Road Surveyor, reports as follows:—

Waikawa Settlement.—This settlement is a portion of Block XVII., Waikawa District. It is situated about five miles from Waikawa Jetty, and two miles and a half from Niagara School. Since last report a bridge has been built across the Waikawa River at Niagara, but before the settlement can benefit by it it will be necessary to form 100 chains of road, which will cost £400. When this road is completed there will not be any more roadwork needed inside the settlement. 81 acres of bushfelling were paid for this year, and 7 acres were felled by settlers who did not ask for payment. All this area burned well, and is now sown in grass, which is coming on very well. There has been a large number of stock grazing on the settlement this year, but it has been a very bad season for grass; the grass is done now. It will be advisable to do some bushfelling this year, say, about 100 acres. This will not only give work to the settlers, but when properly carried out is a good asset to the Government; besides, as dairying is the only industry likely to pay on this settlement for some years, the settlers will want grass to keep it going.

Haldane Settlement.—This settlement comprises portions of Blocks IX. and X., Waikawa District, and is situated on the Waikawa-Otara Road, thirteen miles from Fortrose and seven miles from Waikawa. Access from Fortrose is good during the summer, but from Waikawa there is as yet no formed road. 233 acres of bush were felled during the year, of which 165 were burned; 62 acres are still unburned. 80 acres of old bushfelling were burned, and 245 acres of grass were sown. All the young grass is looking well. A large number of cattle were grazed during the summer, many of the settlers making a fair thing out of it. There are great complaints in this settlement about cattle-trespass owing to want of fencing. The settlers are not in a position to supply wire, and have asked that wire be supplied and the sections loaded with the cost. Some provision will need to be made to protect the sections, as the young grass suffers considerably from stray cattle. In some cases log fences will answer the purpose, but in others wire fences will be necessary. Road-making has been going on since the bushfelling was finished. When the present contracts are finished there will still be about a mile and a half of road to construct, at a probable cost of £500. It would be a great improvement to the settlement if direct road-access could be got from Sections 20 and 21 to Sections 15 and 16, as it would shorten the road to the proposed dairy-factory site on Section 12 for the settlers along the coast. If the Waikawa-Otara Road were formed through to the Waikawa Beach it would be a great help to this settlement. Some of the present settlers have applied for and taken up portions of adjoining sections, as they realise the fact that a man wants at least 150 to 200 acres of bush-land to make a living. I think about 250 acres of bushfelling should be done this year, as the same remarks apply to this settlement as Waikawa.

Papatotara.—No work has been done on this settlement during the past year. All the settlers have been employed on outside work, mostly prospecting on the Waiau Goldfields and working on co-operative contracts on the Waiau-Preservation Track. As a rule, they are holding on to their sections and improving them.

Motu-rimu.—Only a small amount of work has been done on this settlement during the past year. 22 acres 3 roods of bush were felled; but the bush was not burned owing to the wet weather. Two new dwellinghouses were erected. There is not any demand for Government work on this settlement, as most of the residents are employed on outside work. Two sections were taken up during the year. This settlement should be a success, as it is near Invercargill, and there is constant employment for the settlers.

D. BARRON, Commissioner of Crown Lands.