C.—1.

Waikopiro.—There are still fifteen settlers on Waikopiro, holding an area of 1,771 acres. An area of 1,338 acres has been felled and grassed, and there are ninety-six persons residing in the settlement. The amount advanced to settlers for houses, bushfelling, grass-seed, &c., is £1,847 19s. 4d. The improvements effected are £5,666 5s., as against £3,060 3s. 1d. required by law. The stock consists of 580 sheep, 53 horses, 526 cattle, and 62 pigs, making a total of 1,221. Comparing this with last year's report it is evident that the settlers are going in more for cattle than sheep, as there are fewer sheep by 341 and more cattle by 192 this year as compared with last year.

## Land for Settlement.

Raureka Settlement.—This settlement, which is part of Frimley Estate, was placed in the market in May, 1896. During the year there has been one selection of 7 acres 1 rood 1 perch, and the whole of the settlement is now let to nineteen settlers, holding an area of 416 acres and 38 perches, and paying a rent of £543 2s. per annum. There are eighteen houses on the settlement, and eighty-six persons residing. The total improvements effected are valued at £2,722 10s., against £543 2s. required by the Act. There is 102 acres 1 rood under crop, chiefly potatoes, mangolds, barley, and rape. The stock consists of 2,320 sheep, 103 cattle, 58 horses, and 36 pigs: total, 2,517. There are no arrears of rent on this settlement.

Elsthorpe Settlement.—The Elsthorpe Settlement is situated in the Oero district, and was opened for selection in June, 1896. The total area acquired was 9,740 acres, and the area now unlet is 1 acre. An area of 9,546 acres 3 roods 20 perches is held by forty-six tenants, who pay an annual rent of £2,307 17s., and the remainder of the estate is taken up by roads, &c. There are twenty-seven houses on the settlement, and 128 persons resident. Only a small area is under crop—viz., 103 acres—the crop consisting chiefly of mangolds, potatoes, rape, and oats. The improvements effected by the lessees, exclusive of the improvements on the settlement at the time of selection, are valued at £10,656 5s., as against £2,398 12s. required by the Act. The stock consists of 23,860 sheep, 612 cattle, 80 horses, and 44 pigs: total, 24,596. The arrears of rent amount to 5s. This is one of the most thriving settlements in this district.

Waimarie Settlement.—This settlement, which is situated in Poverty Bay, was placed in the

Waimarie Settlement.—This settlement, which is situated in Poverty Bay, was placed in the market in September, 1896. The area acquired was 430 acres 2 roods 10 perches, of which 425 acres 3 roods 34 perches has been taken up and is held by eighteen lessees, who pay an annual rent of £463. The number of dwellings on the settlement is sixteen, and there are sixty-six persons resident. The settlement is thriving, and the population has increased since last year. The communication by rail from Gisborne to Ormond should, in the near future, be a great advantage to this settlement. The improvements effected are valued at £1,797 12s. 6d., against £440 11s. 6d. required by the Act. The stock consists of 26 cattle, 63 horses, and 42 pigs: total, 131. One settler, with an area of 21 acres and 31 perches, is in arrear to the extent of £12 11s.

Pouparae Settlement.—This settlement is situated in Poverty Bay district, near Gisborne, and was opened for selection in April, 1897. During the year one section, containing 53 acres 2 roods 37 perches, was selected, which now makes the number of tenants nine, holding an area of 336 acres 1 rood 12 perches, and paying an annual rent of £405 8s. There are nine dwellings on the settlement, and thirty persons residing. The improvements effected are valued at £2,045 11s., against £373 5s. 6d. required by the Act. The dairy industry is extending, as shown by the increase in the number of cattle since last year. The total stock is 221—viz., 152 cattle, 28 horses, and 41 pigs. A considerable sum has been spent by the Department in draining this settlement. There are no arrears of rent.

Tomoana Settlement.—This settlement, which is part of Frimley Estate, near Hastings, was placed in the market in March, 1898. The total area of 110 acres and 3 perches is held by thirteen persons, who pay a yearly rent of £135 2s. There are eleven houses on the settlement, and fifty-three persons resident. The improvements required by the Act are £135 2s., as against £2,241 10s. effected. There is 14 acres 1 rood under orchard, garden, and crop. The crop consists chiefly of potatoes. The stock is as follows: 70 sheep, 58 cattle, 22 horses, and 21 pigs, making a total of 171. There are no arrears on this settlement.

Mahora Settlement.—This settlement is also part of Frimley Estate, and is situated near Hastings. It was opened for application in March, 1899. An area of 17 acres 2 roods 18 perches is still unlet, and the total number of tenants now is thirty-two, holding an area of 1,094 acres 3 roods 17 perches, and paying an annual rent of £1,606 11s. 2d. A large portion of the section unlet is shingle, being part of an old river-bed, and for this reason the land remains unselected. The number of houses on the settlement is twenty-five, and there are 106 persons residing. The improvements effected are valued at £5,089 5s., as against £1,605 1s. 2d. required by the Act. An area of 146 acres is under crop, chiefly mangolds and potatoes. The following gives the numbers of the different stock: 2,570 sheep, 399 cattle, 72 horses, and 225 pigs; total, 3,266. The arrears on this settlement amounted to £12 12s. 9d. on the 31st March last, but this amount has since been paid.

Willows Settlement.—A settlement in Poverty Bay, about four miles from the Town of Gisborne. It was purchased from the Bank of New Zealand, and opened for selection in March, 1899. The number of tenants is the same as last year, viz., twenty-two, holding an area of 775 acres 1 rood 36 perches, and paving an annual rental of £758 10s. 2d. The improvements required by the Act amount to £758 10s. 2d., and the improvements effected by the lessees are valued at £2,672 9s. The number of houses on the settlement is seventeen, and there are sixty persons resident. The stock consists of 431 sheep, 258 cattle, 48 horses, and 54 pigs; total, 791. This shows a large increase in the number of cattle since last year, which is due to the extension of the dairying industry. The area under crop is 155 acres, out of which 61 acres has been devoted to linseed-growing, giving very good results. The draining of this settlement, undertaken by the Department, has been most beneficial to the settlers. About a mile and a half of dray-road has been formed through the settlement. The arrears of rent are £65 9s. 5d., due by two settlers.