Wharenui Hamlet (at Riccarton, close to Christchurch).—Established March, 1897. Twentysix holders, all of whom are residing, and, with one partial exception, are fulfilling the conditions of their leases satisfactorily. This settlement has made good progress during the year. number of souls is eighty-two, and the value of improvements, £3,458, against £783 6s. 2d.

required.

Albury Settlement (at Albury, South Canterbury).—Established April, 1897. Seventy-two holders, of whom sixty-three reside on their own sections, and eight others on other adjoining holdings. There are 325 souls upon the estate, and the value of improvements is £15,749 19s., against £3,689 15s. 7d. required. This settlement is a great success, and the tenants as a whole are doing well, although the recent rains have caused a considerable loss of crops. A creamery is being started at Albury in connection with the dairy factory at Timaru, which will be of material assistance to many of the settlers.

Marawiti Settlement (near Rakaia).—Established May, 1897. Twelve holders, all of whom are in residence. The large holders are all complying very satisfactorily, and making good progress. The small holdings are less satisfactory, as they are too small for the locality, and the tenants cannot get sufficient outside employment; a tendency to exceed the cropping-limit is therefore noticeable. The number of souls is sixty-eight, and the value of improvements effected £2,122 18s., against

£748 15s. 10d. required.

Horsley Down Settlement (near Waikari, North Canterbury). — Established May, 1897. Twenty-five holders, all of whom reside in the settlement, the total number of souls being eighty. The value of improvements effected is £9,758 12s. 3d., against £1,031 15s. required. This settlement has suffered from the dryness of the early part of the season, but the settlers are now well established, and are in most cases doing well. The conditions of lease are being satisfactorily fulfilled in all cases.

Hekeao Settlement (near Mount Somers).—Established March, 1898. Thirteen holders, all of whom are residing and complying very satisfactorily; they have comfortable homes, and appear to be doing well. The number of souls is fifty, and the value of the improvements effected £2,879 4s. 6d., against £621 10s. 2d. required.

Pawaho Hamlet (at Heathcote Valley, between Christchurch and Lyttelton).—Established April, 1898. Twenty-three holders, of whom twenty-one are in residence and complying satisfac-£2,591, against £714 3s. 8d. required. Most of the hillside sections in this block still fail to attract residential occupation, but on the flat sections some very comfortable homes have been established.

Tamai Hamlet (at Woolston, close to Christchurch).—Established June, 1899. Thirty-nine holders, of whom thirty-two are in residence and complying, and in three cases of comparatively recent selection residence is not yet due. The number of souls is 118, and the value of improvements effected £2,865, against £1,080 required. The settlement has progressed satisfactorily The settlement has progressed satisfactorily

during the year.

Waikakahi Settlement (between the Waihao and Waitaki Rivers).—Established March, 1899. 162 holders, 140 of whom hold upon conditions requiring residence and improvements. Out of these, 131 are in personal residence upon their holdings, while eight of the remaining nine are exempt from residence, as they live upon neighbouring village-homestead allotments. of souls in the settlement is 568, and the value of improvements effected is £52,093 3s. 11d., against £19,304 11s. 2d. required. In the Morven Township six lessees are residing, besides employees at the stores, creamery, &c., the buildings being of considerable size and value. The settlement as a whole is making very rapid progress, and the value of improvements effected has increased largely during the year. Some losses were sustained by the rains and floods at harvesttime, but in only a few cases are these serious. A very large quantity of grain has been sent away, and the establishment at Morven and Redcliff of creameries connected with the Oamaru Dairy Factory has proved of value to the settlers.

Pareora No. 2 Settlement (near St. Andrew's).—Established March, 1900. Thirty-three holders, all of whom have now complied as to residence and improvements, although a tendency to exceed the cropping-limit is noticeable. The number of souls in the settlement is 151, and the value of improvements effected £10,162 8s. 3d., against £3,622 11s. 4d. required. This estate has made rapid progress during the year, the adjacent Township of St. Andrew's is feeling the benefit of

the increase of settlement, and the district is improving fast.

Punaroa Settlement (near Fairlie).—Established April, 1900. Sixteen holders, all of whom are residing and complying, and are putting on first-class improvements. There are sixty-two souls resident in the settlement, and the value of improvements effected is £5,284 13s. 1d., against £1,804 9s. 6d. required. The settlement has made rapid and substantial progress during the year.

Rautawiri Settlement (near Winchester).—Established April, 1900. Six holders, who have effected improvements to the value of £598 10s., against £132 17s. 8d. required. The number of souls is twenty-three. This settlement as a whole is doing very well, and all the settlers are residing and complying satisfactorily. The land appears to have been neglected previous to its purchase, and requires much cleaning.

Papaka Settlement (between Timaru and Pleasant Point).—Established April, 1900. Nine holders, all of whom are now residing and complying satisfactorily. The number of souls totals twenty-nine, and the value of improvements effected is £2,629 10s., against £900 10s. required.

This settlement has improved very much in appearance during the year.

Takitu Settlement (between Glenavy and Hakataramea).-Established March, 1900. Five holders, all of whom are in residence upon their holdings, and are complying satisfactorily; they