

is carried on, cattle and sheep being raised, and oats and wheat produced, thus being in a position to reap the benefits of the altered conditions of the markets. I think the prospects of this settlement very good, as the land is of very fair quality, and the whole settlement within a short distance of railway communication. The Ranger reports: "There are seven selectors on this settlement. There is a dwellinghouse on every section, and the selectors have made very good improvements in the way of buildings, fencing, and ploughing. Some of the land on this estate is very good, but the Canadian thistle has almost taken possession of the river-bed land. The settlers are doing their very best to extirpate the thistle, which is no easy matter. So far the progress on this settlement is very good, almost the whole of the selectors are progressive and industrious, and in time I have every reason to believe that this settlement will be a success. There are no industries in the immediate vicinity of the estate, with the exception of two sawmills which give employment to a number of selectors' sons and others. During the summer months a few of the selectors are employed at road-making, &c., and the remaining part of the year they work on their holdings. Progress, prospect, and conditions good."

Glenham Settlement.—Situated in the Wyndham district, was opened to selection in March, 1902. The area acquired was 11,484 acres. 8,647 acres were offered on lease in perpetuity, in thirty-one allotments, one of which was subsequently made a bush reserve for use of selectors on the settlement, and 2,808 as small grazing-runs in two runs. Before the 31st March, 1902, ten allotments, containing 2,511 acres, were selected. During the year under review eleven allotments, containing 2,547 acres, were taken up on lease in perpetuity, and one small grazing-run of 1,150 acres. The township reserve of 15 acres is leased temporarily by the selector of the homestead allotment, and as there were not a sufficient number of settlers on the settlement to work the dairy factory it was leased to the Invercargill Dairy Supply Company, and has been working all the season. It has proved a considerable benefit to some of the selectors, seven of whom have been supplying milk to the creamery, and I am informed the average supply daily was 230 gallons from October, 1902, to the 31st March, 1903; the price paid for butter-fat being 9d. per pound to part of December, and then 9½d. per pound until March. The total area leased is 6,228 acres, the annual rental of which is £1,273 11s. 8d. The value of the improvements effected by the lessees is £1,626, while the value required is £514. Nine allotments on lease in perpetuity, and one small grazing-run, containing in all 5,101 acres, are still unlet. Although a large portion of the settlement still remains unselected, I anticipate a considerable portion will be taken up before long, as on the whole the land is of a medium quality, and should my anticipations be verified it will give an impetus to the creamery or dairy industry, which is undoubtedly a great desideratum to intending settlers and to a settlement generally. Taking all the surrounding circumstances into consideration, I think the future prospects of the settlement are fairly good, and that it will be a prosperous one with good farming in the future, anticipating, of course, that the unselected portions are taken up. Owing to the large unselected area on this settlement, I have had to keep a caretaker in charge looking after fences, keeping down noxious weeds, poisoning rabbits, letting the grazing and collecting rents for same, all of which duties have been performed in a most satisfactory manner. The amount collected for grazing during the financial year amounts to £320 0s. 10d. The Ranger reports as follows: "There are twenty-four selectors on this settlement. During the year good progress has been made by them in the way of building, fencing, and ploughing. On the whole the land is inferior, oat-crops very light, yielding only from 15 to 20 bushels per acre. The land will not retain English grasses after the second year. One of the selectors has already abandoned his section. There is a dairy factory on the estate, but it is not fully supplied, owing to the want of grass. There is also a good school on the settlement. Progress fair, employment good outside the selectors' holdings, industries fair. Owing to the land being only medium, this settlement will require nursing for a considerable time to make it a success."

Improved-farm Settlements.

There are four of these settlements in the Southland Land District, containing in all about 6,200 acres. Of this area, 5,307 acres is held by forty-four settlers. I regret to state that, owing to a variety of circumstances, the settlements, with the exception of that at Papatotara, have not proved a success, and all have been a source of considerable loss to the Department. The Ranger's report shows that those at Haldane, Waikawa, and Moturimu have retrograded, rather than advanced, during the past year. In all these settlements leases have been issued to the settlers.

The following is Ranger Campbell's report:—

Haldane Settlement.—Situated in Blocks IX. and X., Waikawa Survey District, contains 2,230 acres, of which 2,087 acres is held by sixteen lessees; the total number of persons upon it is fifty-nine, being six less than last year. The area felled during the year is 60 acres, the area grassed 45 acres, and the number of cattle upon the settlement is 366. There was a dairy factory upon the settlement, but for want of sufficient support it has been closed. The value of improvements effected by the lessees is £154. The total value of the improvements now on the land, including that paid for by the Government, is £3,527 13s. 8d. One section, containing 143 acres, is unoccupied.

Waikawa Settlement.—Situated in Block XVII., Waikawa Survey District, contains 1,684 acres, of which 977 acres is held by five settlers; the total number of persons residing upon it being thirty, three fewer than last year. The area felled during the year is 3 acres, none grassed. Number of cattle, 65. The value of the improvements made by the lessees during the year is £4 10s. The total value of the improvements now on the land, including that paid for by the Government, is £1,470 2s. 3d. Six sections, containing 707 acres, are unlet.

Papatotara Settlement.—Situated in Blocks I. and III., Alton Survey District, and contains 1,628 acres, held by fifteen selectors; the total number of persons residing being sixty, an increase