

white and green crops, 67 acres; area ploughed, cropped, and sown down in permanent pasture, 307 acres. The total area held is 416 acres and 38 perches, and annual rental received £543 2s. There are 17 dwellinghouses, of a total value of £1,580. Value of improvements effected by the selectors amount to £3,443, as against £1,209 3s. required by law. Dairying and fruit-growing represents the principal source of revenue, although this year settlers have shut up portions of their holdings for hay and grass-seed. I regret to state that in most instances the potato-crops on an area of 36 acres have been a failure owing to blight, and will be a serious loss to the settlers.

Elsthorpe Settlement.—The Elsthorpe Settlement is situated in the Oero Survey District, and was opened for settlement on the 24th June, 1896. The area purchased was 9,740 acres. The number of selectors is 42; total population, 109; number of sheep 24,040, horses 134, cattle 823, pigs 16; area in grass 8,700 acres, area in white and green crops 120 acres 3 roods, balance bush and scrub. There are 28 dwellinghouses in the settlement, of a total value of £4,145. The improvements effected by the settlers and exclusive of those originally on the land are valued at £13,109 5s., as against £8,313 18s. required by law. The settlers at Elsthorpe are mostly engaged in pastoral pursuits. The high prices ruling for sheep and wool have been all in their favour during the past two years, and the settlement is in a flourishing condition.

Pouparae Settlement.—This settlement, containing 336 acres 1 rood 12 perches, situated on the Main Ormond Road, was opened for selection in April, 1897, in 9 holdings, the whole of which have been selected. Nine dwellinghouses have been erected, and 9 selectors are residing. There are 47 persons residing in the settlement. Sixty acres are under crop, principally in maize and vegetables, the balance being in permanent grass. The settlement is at present carrying the following stock: 380 sheep, 146 cattle, 69 horses, and 82 pigs. Improvements effected are valued at £3,241 1s., as against £858 19s. 6d. required by the Act. This settlement has had another successful year. Dairying is the principal industry, and the high prices for produce have been well sustained.

Willows Settlement.—This settlement is situated about four miles from Gisborne, and contains 775 acres 1 rood 36 perches, and was offered for selection in March, 1899. There are 21 selectors, paying an annual rental of £758 10s. 2d. The area under crop is 115 acres, principally in rye-grass, maize, and pumpkins. There are 18 dwellinghouses in the settlement. All the settlers are either residing on their sections or on the adjoining land. The settlement is at present carrying the following stock: 1,226 sheep, 361 cattle, 41 horses, 67 pigs. The improvements effected are valued at £5,529 15s., as against £1,915 16s. 2d. required by the Act. The principal industry of this settlement is dairying, and the settlers generally have had a most prosperous year.

Waimarie Settlement.—This settlement contains 425 acres 3 roods 14 perches, and is situated about ten miles from Gisborne on the Main Ormond Road. This settlement was divided into 18 allotments, all of which have been selected, at a total annual rental of £463 11s. Sixteen of the selectors reside on their holdings and 2 on adjoining sections. There are at present 64 persons living in the settlement, and there are 16 dwellinghouses besides other buildings. The improvements effected are valued at £3,187 12s. 6d., as against £1,042 17s. required by the Act. Only a few of the sections are large enough for the selectors to make a living on, the majority being utilised as homes, the selectors finding work in the locality.

Wigan Settlement.—This settlement is situated about eight miles from the Town of Buckley (Tolago Bay), and about forty-three miles from Gisborne. It contains 10,072 acres 1 rood 37 perches, and was divided into 17 allotments. It was offered for selection in December, 1903, all the allotments being let at a total annual rental of £2,799 12s. 10d. This settlement is purely pastoral country. Twelve of the selectors are residing on the estate, 3 spinsters are living with their parents in the district, 1 selector has had the misfortune to have her house burned down, and 1 selector is non-resident. There are 29 persons living in the settlement. The stock consists of 17,360 sheep, 1,290 cattle, 45 horses, 24 pigs. The selectors have effected improvements to the value of £4,402 which, with the original improvements, makes a total value of £6,529 1s. 11d., as against £3,419 11s. 10d. required by the Act. This is a most successful settlement, and all the tenants have had a good year. A very large amount has been expended on buildings and other permanent improvements.

Lindsay Settlement.—This settlement is situated in the Waipawa County, was formerly known as Mount Vernon Estate, and was acquired by the Government under the Land for Settlements Act. It is distant forty miles from Napier, and adjoins the Townships of Waipawa, Waipukurau, and Ongaonga, and was opened for settlement on the 11th April, 1905. The area purchased was 13,574 acres. Number of occupied sections, 65; total population, 189; number of sheep 16,617, horses 168, cattle 1,344, pigs 88; area in grass 12,000 acres, area in white and green crops 1,153 acres 2 roods, balance scrub. There are 51 dwellinghouses in the settlement, valued at £5,608. The improvements required by law amount to £2,634 15s. 3d., and the improvements effected by the selectors to £12,492 12s., which should be a very satisfactory record for the first year of the settlement's existence. Since the settlement was opened a creamery and accommodation-house have been erected at the Waipawa Mate, the supplies from the creamery being sent to the Ongaonga Butter-factory. There are 43 selectors now residing on their holdings, and several dwellinghouses are in course of erection. About nine miles of dray-roads have been formed during the year in the settlement or giving access thereto.

Argyll Settlement.—This settlement, which was opened for selection on the 26th June, 1903, is situated in the Waipawa County, and is distant six miles from Waipawa Township, three miles from Kaikora North, and nine miles and a half from Pukehou Railway-station. The area purchased was 33,705 acres 1 rood 30 perches. Number of occupied sections, 62; total population, 235; number of sheep 44,492, horses 290, cattle 2,415, pigs 110; area in grass, 2,800 acres, out of which 785 acres have been ploughed, cropped, and again sown down in permanent pasture; area in white and green crops, 3,514 acres 3 roods; balance, scrub. All the sections are now occupied. One holding, comprising two sections, was surrendered during the year, and reselected in two holdings. The population