

are stock-raising, dairying, flax, timber, and gum. The settlers as a whole are prosperous and contented. The chief townships are Russell, Kawakawa, and Ohaeawai. The best Crown settlement is Okaihau.

Bay of Islands County (Part II).—Hukerenui: This district was formerly settled under the village-settlement conditions, but the holdings are now principally under the lease-in-perpetuity tenure. The settlers are sending their cream by rail to Hukerenui, where a well-established butter-factory exists. Generally speaking, the settlers are prosperous and hopeful for the future; but, unfortunately, the flax industry is on the wane, owing to the low price ruling for that product having the effect of stopping that industry for the time being. The timber and gum industries have been active during the year, and there has been a good demand for labour of all kinds at a fair remuneration.

Hokianga County (Part I).—Settlement in this county is progressing at a very satisfactory rate, thirty-five selectors having taken up land during the past year. The chief industries are stock-raising, dairying, timber, and gum. The best settlements are Waimamaku, Waiotemarama, Motukaraka, Utakura, Broadwood, and Herekino. There are two thriving townships—Kohukohu and Rawene—both on the Hokianga Harbour. There are still about 60,000,000 ft. of kauri on Crown lands undisposed-of, besides large quantities of rimu and other milling-timbers.

Hokianga County (Part II).—The pioneer settlers in the Tufamoe and Waipoua Survey Districts are making fair progress, and of the new settlers in Tufamoe who last year took up land, some have done very well, whilst others were handicapped in making improvements by the scarcity of labour, but all are hopeful for the future.

Mangonui County.—The settlers in this county are in a fairly prosperous condition, owing in a great measure to their increased interest in the dairying industry. They have two co-operative factories and two creameries in full work, and propose erecting two more creameries for next season. The timber, flax, and gum industries provide plenty of work for all those not actively engaged in farming. Settlers have felled during the year 928 acres of bush, and owing to the dry season have had very satisfactory burns.

Whangaroa County.—This county is almost at a standstill as far as new settlement is concerned, only two new selectors coming into it during the past year. The chief industries are stock-raising, ship-building, timber, and gum. The two latter are, however, nearly exhausted, and settlers are being forced by circumstances to pay more attention to their land. They have felled 412 acres of bush this year, as against 260 acres last year, an increase of 152 acres. There is very little Crown land fit for settlement left in the county.

Whangarei County.—The ordinary Crown tenants in this county are with few exceptions doing very well.

Otamatea County.—The Crown tenants in this county are doing fairly well. This is especially true of the Tokatoka tenants, who have made great progress during the year. There are three creameries in operation in the Tokatoka district alone—one at Tokatoka and two at Raupo.

Hobson County.—The Crown tenants in this district are progressing fairly well, more especially in the Kaihu and Manguru Survey Districts.

Waitemata County.—All Crown sections in this county were inspected, and generally settlers were found doing fairly well and to be contented with their holdings. The land being principally second-class, settlers' operations are confined to stock-raising and fruit-growing. Several large timber contracts are in progress, affording work for a number of men, and the ground, having been previously rich in kauri timber, affords good scope for gum-diggers. The natural hot springs at Helensville have been developed, and baths erected, and, being within easy reach of Auckland, a great number of sufferers are enabled to participate in the benefits to be derived therefrom. Several large industries are to be seen in full swing in the manufacture of bricks and tile pipes, thus providing employment for a large number of hands.

Rodney County.—An inspection of all Crown sections in this county shows that, although land is only second-class throughout, settlers through hard work and perseverance have all done well, and are contented and prosperous. Stock-raising is the chief use this class of land is put to, and stock have greatly increased in numbers, particularly sheep. There is a great inquiry for land in this county, and properties are continually changing hands at satisfactory prices to both parties. Dairying is also being carried on successfully. The class of land in this county seems specially adapted for fruit-growing, apples and grapes doing exceptionally well, and many fine orchards are to be seen, thus proving that the land, although not rich enough for agricultural purposes, can be made by judicious working and management to give far better results financially than are obtained by grazing. Timber operations provide employment for a number of men, and, having been rich in kauri, the land naturally provides employment also by way of gum-digging.

South of Auckland.

Waitomo, Awakino, Kawhia, Raglan, and West Taupo Counties.—There has been a considerable influx of settlers and an increase in the number of cattle and sheep, notably the latter. A large area of bush has been felled, and of open country large areas have been ploughed and grassed. The area sown in grass last season has given great satisfaction, and there are strong evidences that once the land is fairly grassed the pastures will be permanent. The extensive bush-fires that occurred, while temporarily embarrassing to the settler of small means, will ultimately prove of great advantage, the fires having thoroughly cleared the ground of all rubbish. Where grass-seed has been sown over the new burns really good pastures will be the result.

Schools, dairy factories, and flax-mills are being erected, and there is every sign of a progressive district, and every indication that the settlers who have gone into the backblocks are satisfied with their