

non-residence if double the amount of improvements are done, the proportion of residents to owners is very small indeed, however well the conditions of improvements have been observed.

VILLAGE SETTLEMENTS.

The appended report of the Superintendent of Village Settlements gives full details of the progress of the village homestead selectors, which must be considered satisfactory. This is the system under which the Government is empowered to make advances to settlers for house-building and clearing the land. During the past year only fifty-three selections were made, and the area selected was 1,021 acres, the land being situated in the Canterbury District. The number of settlers under this system is 908, and the amount advanced last year was £604, the gross amount advanced since the initiation of the scheme in 1886 being £25,258. The total number of settlers under all conditions of village settlements who occupy land under special regulations is 1,157, the area being 27,314 acres, or an average of $23\frac{1}{2}$ acres to each settler.

The ordinary village-settlement system differs from the village-homestead system in so far that no advances are made to the settlers. The lands are disposed of either for cash, occupation with right of purchase, or lease in perpetuity, as may be defined in the regulations issued in each case. Tables I, L, and M show the results for the year, from which it will be seen that 208 selectors took up 3,953 acres on the lease-in-perpetuity system, or an average of 19 acres to each holding. One of these village settlements is situated at Te Anaraki, in Otago, on lands purchased under the Land for Settlements Act, and the rents received are bringing in a little over 5 per cent. on the outlay; others are on the Cheviot Estate. (See Appendix No. 9.)

IMPROVED FARM SETTLEMENTS.

In order to furnish employment for men out of work, and with the idea of settling them down on the lands, a new departure was taken this last year, in the shape of setting aside areas of forest-land to be cleared by the men, at contract rates, and arrangements were subsequently made for burning and laying the lands down in grass. On the completion of a sufficient area of felling and grassing, the lands are to be divided into farms, to be let to those who cleared the land, at rentals sufficient to cover cost of clearing, &c. To effect this object Parliament voted £3,000 last session, and a total sum of £3,276 11s. was spent. Up to the 31st March blocks had been set aside for this purpose as follows: Chaslands, 2,500 acres; Woodlands, 1,500 acres; Pemberton, 1,200 acres; and considerable areas have been cleared, burnt, and sown. Hitherto, in one case only have the settlers been placed on the land—namely, near Chaslands, in Southland, where settlers have taken up farms under 100 acres in extent, have settled down on the land, and built homes for themselves; a report on the Chaslands settlement will be found in the Appendix No. 10. The Pemberton farm has been subdivided into sections of 140 acres and 150 acres, and eight families will, in a few days, ballot for choice. Excepting about 86 acres, the whole of the farm has been felled, burned, and sown in grass. The yearly rent which must be obtained to pay for the expenditure is about 3s. 6d. per acre for front sections, and 3s. per acre for those not on the main road.

RESERVES.

The following is a summary of the reserves made during the past year, for various purposes:—

	Acres.
Recreation	377
Primary and secondary education	5,135
Forest reserves, plantation, &c.	5,311
Miscellaneous	2,041

A good deal has been done in past years towards setting aside reserves for the preservation of the Native fauna and flora, and to insure to the public the right to places of natural beauty, but more might be done. There can be little doubt that the scenery of New Zealand is yearly the means of attracting a large number of visitors, who are a source of considerable revenue to the people and the State, and that this throng of visitors will increase year by year, as greater facilities are offered for seeing the natural beauties of the country, is certain. In connection with this it is suggested that a large reservation might be made of the mountainous country along the West Coast Sounds, which is quite unsuited for settlement, and thus secure for ever its great natural beauties for the benefit of future generations.

SETTLEMENT CONDITIONS, FORFEITURES, ETC.

Reference to the Commissioners' reports, extracts from which are attached hereto, will show that the selectors who have taken up land on conditions implying improvement of their lands are generally well forward with their obligations. The inspections by the Crown Land Rangers are well up to date on the whole, a result which has been attained only recently, in consequence of the employment of additional Rangers, and through the practical termination of the tedious revaluations under the Selectors' Land Revaluation Acts. The value of improvements shown in the tables embodied in the Commissioners' reports is very largely in excess of the requirements of law, and in that sense shows the *bona fides* of the settlers, who are clearly not holding for speculation. The selections to be inspected are now much more numerous than formerly, as the cash-purchasers have to make improvements before obtaining their titles as well as others. The actual increase in the number of properties to be inspected could not be given without going into tedious investigations, but as the periods under which the old deferred-payment, perpetual-lease, and other systems have to be inspected expire, the new selections take their place and outnumber them. This is the natural outcome of the present land-policy, which is, that those who occupy the land shall improve it also.