

done by the original applicant. This latitude greatly encouraged trafficking in association lands as a speculation. In some of the associations there were members who never intended to settle on the ground, though they had obtained good blocks of land without competition on the plea that they intended to do so, and then sold out, often at a considerable profit, before they had improved their holdings at all. It is to counteract this that the Land Board is now insisting, before transfers of lands taken up by associations under "The Land Act, 1892," are granted, that the applicant shall show he is prevented by causes beyond his control from fulfilling the conditions under which the land was granted to him.

Under the present farm-homestead system, thirty-two associations, held by 920 selectors, and representing an area of 176,508 acres 3 roods 10 perches, were included in last year's return, and during the present year four further blocks, held by 136 selectors, of an area of 27,200 acres, of which the survey had been completed, were registered in the books, making a total of 1,056 selectors for 203,708 acres 3 roods 10 perches. Of these, eighty-seven have forfeited and surrendered their interests in 16,742 acres, leaving 969 selectors still on the books, holding 196,966 acres 3 roods 10 perches. The amount received as rental during the year was £2,502 Os. 9d., and the arrears amount to £2,800, owing by 416 persons.

In addition to these there are four associations, aggregating 161 members, for 30,700 acres, the surveys of which were not sufficiently advanced to allow of the ballots taking place before the 31st March last; but they will all be ballotted for and registered during the present year. The greater portion of the block selected by the Onslow Association was found to be located far too high on the Ruahine Ranges to be suitable for settlement under these conditions in small sections. The block selected by Marton No. 5 Association, in the Waimarino country, has also been found to be too broken to be worked in small areas; and from the Crown Lands Ranger's report I am afraid the land selected by the Danevirke-Centennial, and part of that selected by the Mokalickstone, and Pahiatua No. 3 Associations is also unfitted for holding in small areas. It is now known, the delegates sent by some of the associations to select or report on blocks for them, were never on the actual ground selected at all, but simply viewed it from a distant hill or eminence, and then went back and reported it as suitable for farm-homestead settlement land. This is greatly to be regretted, as many of the members of these associations were only too anxious to settle, if they could get fair holdings, and they now look on it as the fault of the department, that the land is not suitable for occupying, whereas it is entirely the fault of their own delegates who viewed the land, that an unsuitable block was chosen for them. It has also taken much longer to complete the necessary surveys, and to lay out and partially construct the roads of access to these lands, than the associations anticipated. They expected to be able to get on the land within a year or so, quite forgetting that to subdivide and lay out suitable roads over a quarter of a million acres of bush-country, could not be done in a season, but was the work of several years.

After the surveys had been completed, and the various associations had ballotted for the land, all of them, excepting one, having decided to hold their land under "The Land Act, 1892," there was some further delay caused by it not being at first understood that fresh regulations would have to be gazetted for each separate association, bringing it under the Act. And then the question arose, from what time rent should be charged to the settler. Under the old regulations, under which they had taken up the land, it commenced from the date of the ballot, but under "The Land Act, 1892," on the 1st of January or July following the completion of the survey, of which due notice had been given.

A good deal of controversy having arisen on this point, the Board passed a resolution that, subject to the approval of the Minister of Lands, the rent should be charged from the 1st of January or July following the date of the association being brought under "The Land Act, 1892." This was generally acquiesced in as a fair settlement of the question, and the rents have since been gradually coming in. The fixing of the date of the commencement of the rental, virtually also fixed the date of the improvements being required, so practically the first year's improvements only require to be completed by the 1st of January, 1896.

A considerable number of the settlers, however, have started their improvements. I had an inspection of them made by the Crown Lands Ranger, which shows that in twenty-eight of the association blocks, containing a gross area of 177,520 acres, with a total membership of 941 persons, 369, a little over one-third of them, had felled or put in grass 8,341 acres, and made other improvements valued at £9,602, the total improvements made being valued at £25,885. There were ninety-six selectors actually residing on the land; but, as all these associations except one are now held under the lease-in-perpetuity conditions, residence during the first four years is not compulsory. Up to date of writing, 158 of the selectors have surrendered or forfeited their selections, and it is now proposed to offer these under the ordinary conditions of the Land Act.

I visited a good number of the association blocks myself, and, although good work has been done in some of them, in others the progress made was small in comparison with what should have been done if all the members had been *bona fide* settlers, and had commenced work in the energetic manner in which those who are evidently intending to make homes for themselves have started their operations. It is by no means a light undertaking to hew out homesteads in the vast virgin forest in which they had to start, which is a task requiring no little pluck and endurance to hardship to carry out successfully.

The Ranger, Mr. Tone, who made a more detailed inspection on the association settlements started in the Forty-mile Bush and East Puketoi country, reports as follows on the farm-homestead blocks visited by him:—

"These block have, with one exception, been selected on the lease-in-perpetuity system. The exception is the Christchurch Association, the tenure of which is perpetual lease. Upon those blocks upon which no improvements are due until January, 1896, it is satisfactory to note that improvements to the value of £10,718 have already been effected, and that 12 per cent. of the