

*Village Settlements.*—Two selections for cash, of 1 acre 2 roods 5 perches, one under the occupation with right of purchase, of 1 acre, and thirteen under lease in perpetuity, of 154 acres, have been made. One lease-in-perpetuity settler has forfeited his section of 2 roods 5 perches, leaving ninety-four selectors, holding 583 $\frac{3}{4}$  acres.

*Village-homestead Special Settlement.*—We have two settlements, Woodville and Puketitiri. There are thirty selectors, twenty-eight of whom are residing with their families. Improvements to the value of £3,630 have been effected, the total advances to the settlers remaining unpaid being £260 2s. 3d.

*Special-settlement Associations.*—We have four of these settlements—viz., Waipawa, Dannevirke, Liberal, and Ruahine. Of the original selectors fifty-four have acquired the freehold over 4,809 acres 3 roods 12 perches, leaving fourteen selectors now on our books, holding 3,111 acres, of an annual rental of £101 16s.

*Native Townships.*—We have one Native township, at Te Puia, which was open for selection in February last; it contains 166 $\frac{1}{2}$  acres. Ten allotments were selected, of a total area of 36 acres 3 roods 17 perches, and annual rental of £19 2s. 6d.

*Small Grazing-runs.*—Five have been taken up during the year, of a total area of 18,481 acres, with an annual rental of £136 6s. 10d. One surrender of 672 $\frac{1}{2}$  acres has been made, leaving fifty-nine tenants now on our books, holding 168,621 acres, of an annual rental of £1,679 14s. 2d.

*Pastoral Licenses.*—No transactions have taken place during the year, and we have now sixteen selectors, holding 123,359 acres, at a total rental of £633 3s.

*Miscellaneous Leases and Licenses.*—Four leases have issued, of a total area of 28,554 acres 2 roods 32 perches, at an annual rental of £29. We have now seventy-seven tenants, with a total area of 34,041 acres 1 rood 9 perches, of an annual rental of £534 7s. 4d. The lease chiefly comprises unoccupied Crown lands leased from year to year until required for settlement, and two leases for copper-mining.

*Revenue.*—The total revenue for the year was £28,741, as against £23,291 3s. 11d. last year, showing a satisfactory increase of £5,449 16s. 1d., and being £8,378 17s. over the estimated revenue, which is partly caused by the number of perpetual leases made freehold, no less than £14,676 3s. 7d. being received from this source.

*Arrears.*—Twenty-one selectors were in arrears to the amount of £199 17s. 11d. Considering the number of tenants now on our books—viz., 766, representing an annual rental of £15,038—I think that this is a small amount to be in default, and creditable to the Hawke's Bay settlers.

*Improvements.*—We have only one Crown Lands Ranger, who is stationed at Poverty Bay, so Mr. G. Robertson, Road Inspector, Ormondville, has been employed as Ranger in addition to his other duties. Mr. Martin Smith has made 193 inspections, covering an area of 21,536 acres, and Mr. Robertson 150 inspections, covering an area of 14,123 acres, the total inspections made being 343, covering an area of 35,659 acres. The total value of improvements effected is £48,550 15s. 6d., as against £12,105 15s. 7d. required by the Land Acts, so that improvements to the value of £36,445 have been made in excess of what was necessary. Thirteen settlers are behindhand with their improvements, but not to any extent, and fifty-two will have to reside to carry out their leases.

*Land available for Settlement.*—We have about 300,000 acres available for settlement, much of which, however, is broken forest country difficult to road. We have now under survey 60,000 acres, which will soon be open for selection, 30,000 of it being the balance of the Ngapaeruru Block, 20,000 at Nuhaka, and 10,000 at Ngatapa.

*General.*—The past year shows a steady progress. There is a good demand for suitable country, instanced by the applications received for land in the Waiapu, 11,044 acres of broken forest country with fair soil being thrown open for selection in fourteen sections, for which we received 158 applications; and there will, I think, be a great demand for the 30,000 acres in Ngapaeruru, the difficulty being to survey country fast enough to meet the demand.

The office-work continues to be heavy. We have received and recorded 1,210 applications for the land, involving an addition to our books of 102 selectors, holding 52,450 acres, while the land revenue received was £28,741 0s. 6d. The number of vouchers for expenditure was 2,065, representing a total amount of £28,425 10s. 9d. There were forty-nine transfers of leases and 143 reports furnished to the Government Advances to Settlers Department, while sixteen meetings of the Land Board were held, the number of letters and telegrams received and despatched being 12,089. Mr. Jourdain, land clerk, has been removed to Wellington, he being an able officer, and having been connected with the work of the district for a number of years. His removal is to be regretted. However, Mr. Clare, who had to take his duties, has done so with zeal and ability.

#### *Lands acquired under Land for Settlements Act.*

There are seven settlements in Hawke's Bay under the Land for Settlements Act—viz., Raureka, Elsthorpe, Waimarie, Pouparae, Tomoana, Mahora, and Willows, of a total area of 12,957 acres—12,690 acres of which have been taken up by 158 selectors at an annual rental of £6,208 4s. 8d.

*Raureka.*—This settlement, which was a portion of the Frimly Estate, Hastings, was opened for selection in May, 1896, and has made satisfactory progress. There are twenty selectors, holding 416 $\frac{1}{4}$  acres, at an annual rental of £543 2s. Eighteen houses have been built and sixteen selectors are residing, the total number of persons on the block being seventy-six. 142 acres is in crop, the remainder being in gardens, orchards, and grass. The improvements required under the Act are £543 12s., improvements effected being £2,194 10s., which shows a satisfactory progress.

*Elsthorpe.*—This settlement is situated in the Oero district, and was opened for selection in June, 1896. It has made steady progress, there now being forty-five selectors, holding 9,546 acres, of an annual rental of £2,307 7s. Improvements required by the Act, £2,304 5s.; effected,