

embracing 2,620 holdings and an area of 468,389 acres. These have been reduced by surrenders, abandonments of unsuitable areas, and by purchase of the freehold, to 667 selectors on 121,016 acres, the rental whereof is £6,200. The following are the figures relating to the conversion to freehold: 914 holdings, containing 90,620 acres.

HOMESTEAD SYSTEM.

Under this system free grants were made in former times to the extent of 521 selections, and a total area of 80,244 acres, but the tenure is now only represented on the books by 3 lots and 188 acres.

IMPROVED-FARM SETTLEMENTS.

This popular system was initiated by "The Lands Improvement and Native Land Acquisition Act, 1894," and regulations appearing in the *New Zealand Gazette* of the 13th December of the same year. These provide for blocks being set aside under the system, containing sections from 10 to 200 acres, to be allotted amongst deserving men who are out of employment, or who are otherwise unable to obtain land and thus become self-supporting. In pursuance of this policy, the Government assists the selected applicants by advancing money for felling of bush, for the erection of fencing, houses, and effecting other improvements, the tenants paying interest upon the amounts so advanced at the rate of 4 or 5 per cent., according to whether the land is held under the lease-in-perpetuity or occupation-with-right-of-purchase tenures.

Since the commencement of the system no less than 65,859 acres have been set aside in the Auckland, Hawke's Bay, Taranaki, Wellington, and Southland Districts, out of which 48,316 acres were in occupation on the 31st March last, there being 452 lessees holding this area and paying annual rentals therefor to the amount of £3,997 during the past twelve months. The total number of souls resident on the lands is 1,731, and improvements to the amount of £94,515 have been effected by the tenants, on which Government has advanced £53,726.

In the Auckland District there are 7 settlements, comprising 82 sections, of an area of 4,692 acres, on which improvements to the value of £7,337 have been made.

In Hawke's Bay there are only 2 settlements, containing 17 sections, with an area of 1,916 acres. Improvements to the amount of £6,035 have been effected thereon, and the settlers are in a very favourable position.

In Taranaki there are 14 settlements, divided into 255 sections, with a gross area of 14,832 acres. The tenants have effected improvements to the value of £32,128, and the greater part of the lessees are residing and utilising their holdings to good advantage.

In the Wellington District there are no fewer than 15 settlements, aggregating 230 sections, with an area of 18,228 acres. On these holdings improvements to the amount of £41,072 have been made by the selectors, for which the Government has advanced £16,345 only, the balance being in favour of the tenants. The Commissioner reports that they have made steady progress since their initiation, and the greater part of them are well established and prosperous.

The only district in the South Island where they have been established is Southland, where 5,307 acres are held in 44 sections, comprised in 4 settlements. The tenants have made improvements to the value of £7,943 on their lands.

Improved-farm Holdings for Co-operative Workmen.—On the 29th January last, in consequence of the great demand for land among the co-operative workers in the neighbourhood of Taihape, and in the vicinity of the North Island Main Trunk Railway-line, the Government decided that suitable land should be thrown open on improved-farm-settlement conditions, in order to satisfy the requirements of these workmen; those who were married to have the preference at ballot for the sections.

With this object the Chief Surveyors of Wellington, Taranaki, and Auckland were instructed to report what lands were available in their districts for this purpose, and Mr. J. E. March, the Superintendent of Village Settlements, was appointed to make the necessary inquiries, and obtain a list of all suitable men at present working as co-operative labourers upon the main trunk line, or upon road-works opening up the country in the vicinity of the line, in the Wellington, Taranaki, and Auckland Districts who were desirous of settling on the land under improved-farm conditions.