3 C.—5.

a number of high-lying runs in Otago and Westland to be surrendered or forfeited. In the Wakatipu Depasturing District, Otago, 21 surrenders, comprising a total area of 267,600 acres, have been accepted; and several more surrenders were forwarded from the same district, but were refused, on the ground that the applicants had a sufficiency of low country to work the high.

The Canterbury runs were re-assessed by Land Board in terms of Part VI., "Land Act, 1877," and the total amount of rent payable is more than doubled. After deducting land sold since date of assessment, and allowing for probable sales before the 1st May, 1880, the rent payable on that date will, it is estimated, be close on £60,000. This increase will more than

compensate the deficiency already referred to.

In Otago 29 runs were re-let during the year, and in several cases at rents much in advance of what was paid under the old leases. Five or six leases, comprising about 180,000 acres in all, expire in 1881. But, as 112,000 acres are high school and harbour endowments, the Land Board will only (sec. 114, Land Act) have to deal with the balance during the current year.

Pastoral deferred-payment Lands.

Under the authority of the Land Act (clauses 75 to 85), six surveyed sections, aggregating 11,460 acres of classified pastoral land, in the Otago Land District, were offered for sale by auction. Five of the sections, with a total area of 8,910 acres, were purchased, at an average of £2 2s. 5d., per acre, payable in thirty half-yearly instalments. This is the first application of the deferred-payment system to the sale of pastoral lands. Considering that 4,000 acres of the land selected were on the steep sides of Mount Benger, and the rest on the rough country of Silver Peaks, Waikouaiti, the prices realized are very satisfactory. About 80,000 acres have been recently surveyed into areas of from 1,000 to 5,000 acres, with the view of a portion being sold on this system.

Forest Lands.

As statements have been made from time to time conveying the impression that great waste was going on in the public forests from indiscriminate cutting down of trees, the Commissioners of Crown Lands were directed to supply information bearing on the subject for their respective districts. A reference to their reports will show that, while unlicensed cutting may take place to some extent in remote bushes, there is really no wanton waste. There is ample power given in Part V. of the "The Land Act, 1877," to frame regulations for preventing unnecessary destruction of growing timber, for regulating replanting of forests, for preventing the danger and spread of fire, and generally for the conservation of forests. As yet no regulations have been issued under this Part of the Act. The Land Boards issue licenses and administer the forests from Part IV. of the Act. In Southland a set of regulations under Part IV. are in force, defining the conditions under which licenses to cut timber may be issued. These regulations provide that no trees or saplings under one foot in diameter may be cut without a special license. The greatest source of danger to the forests is from fire catching the litter of branches and dried dead wood which remains after the forest has been cut over. It is very doubtful if it would be practicable to enforce a regulation that would obviate this danger.

The area of forest on Crown lands, exclusive of scrub, is estimated by the Commissioners as follows:—Auckland, 1,330,600 acres (of which 50,000 acres is kauri); Hawke's Bay, 177,270 acres; Taranaki, 695,000 acres; Wellington, 1,000,000 acres; Nelson, 2,725,000 acres; Marlborough, 220,000 acres; Canterbury, 190,000 acres; Westland, 1,900,000 acres; Otago, 1,421,000 acres; Southland, 500,000 acres: total area of forests on Crown lands, 10,158,870

Although the forests are invaluable to the settlement of the country, and supply the staple of the timber industry, they do not add much to the revenue directly, the total receipts from rents and royalties not exceeding £3,000 a year. Only the comparatively small area of forest in or near the settled districts has as yet been touched. There are vast areas of splendid timber where the foot of man has rarely trod, and which in time will get opened up by the saw-miller and the clearing of the settler. It is inevitable in many of the districts of the colony, where the forests are of great extent, that they must be felled and burned off, to make way for grass paddocks—indeed, this process of destruction is in operation every day. Under all the circumstances, the only precautions which seem practicable for the conservation of forests are—that the rangers see that there is no unlicensed cutting, and that the licensees are not allowed to scamper through the bush, but keep to such definite areas as may be prescribed in the regulations. The forests at the sources of rivers and on steep mountain slopes should be reserved from sale or deforesting for all time. As a case in point, it may be mentioned that the country around the cone of Mount Egmont for a radius of six miles or thereabouts is withheld from sale, and will be proclaimed a reserve as soon as boundaries are defined by survey.

Plantations.

Notwithstanding the vast area of forests in New Zealand, there are many districts utterly destitute of trees. Towards the encouragement of planting in such situations "The Forest Trees Planting Encouragement Acts, 1871 and 1872," were passed. Any one who may plant his land subject to the regulations issued under these Acts is entitled to a land order of £4 for every