

Under all systems of perpetual lease—

	307	selectors	owing	one	half-yearly	instalment,
	161	"	"	two	"	"
-	105	"	"	three	"	"
	74	"	"	four	"	"
-	46	"	"	five	"	"
	29	"	"	six	"	"
	10	"	"	seven	"	"

THERMAL SPRINGS.

Until lately the Lands Department has had the control of the Rotorua and Hanmer Plains hot springs, but since the 1st December last the Colonial Secretary's Department has assumed the entire charge of those at the first-named place, as it was found more convenient to manage them in connection with the hospital already under its administration. During the year a few town and suburban lots at Rotorua were offered for lease under the provisions of the Thermal Springs Act, resulting in the disposal of one town lot for £10 per annum and three suburban lots of ninety-five acres for an annual rental of £25, the proceeds of which go to the Maori owners of the soil.

Hanmer Hot Springs and Baths.—These springs are now attracting the attention of those residing in the Middle Island as a resort for invalids suffering from rheumatism, sciatica, eczema, gout, or any scrofulous complaints. The medicinal and curative properties of the water from these springs are similar to those of the water at Rotorua, and are fully appreciated by all those who use them for the beneficial effects they produce; indeed, very few have come away without receiving considerable relief. Last year an additional bath-house, containing eight bath-rooms and two waiting-rooms, was erected in order to afford more accommodation to visitors and invalids. The two bath-houses, pools, and bath-keeper's residence are enclosed by a substantial wire-fence, and the grounds are laid with gravel-walks so that a carriage can bring invalids to the doors of the bath-houses, while the number of trees that are planted within the enclosure, and flowering shrubs along the sides of the gravel-paths, gives the place a pleasant appearance. The total cost of the improvements in connection with these springs is about £2,700. The number of baths taken last year was 4,277, and the revenue received amounted to £138. Seeing that the number of visitors is increasing year after year, and the accommodation for bathing is also improved, it is contemplated to place a married couple in charge of the bath-houses, so that lady visitors and invalids can have a female in attendance.

Taupo Hot Springs.—During the year great improvements have been made in the two groups of hot springs under lease—the first to Mr. Joshua, the second to Mr. Ross—both gentlemen having incurred a heavy expenditure in improving, adorning, and making these sanatoria attractive to the public.

Waiotapu Hot Springs.—In this locality the Government has acquired a considerable area of land on which are a very great number of hot springs, fumaroles, lakelets—hot and cold—salses, and other volcanic wonders, which, now that the valley is opened up by a driving-road from Rotorua, will prove of very great interest and attraction to the tourist.

STATE FORESTS.

The total area of forests reserved in the colony up to the 31st March last amounts to 1,385,104 acres, scattered in innumerable localities from end to end of the Islands, some of which are for timber-conservation, others for climatic purposes, and others again for the preservation of springs at the sources of streams. Since the abolition of the State Forest Department the continuance of its functions has devolved on the Land Department; but, with reduced means, very few works in extension of the previous operations have been undertaken: indeed, the efforts of the department have been directed more to the preservation of what had already been done than to incurring further responsibilities in the matter. The nurseries and plantations are at the following places: One at Papatawa, Whangarei; one at Kioreroa, Whangarei; one at Waerenga, Waikato; and another at Maniototo, Otago. The operations at each during the year are briefly summarised from the reports as follows:—

Waerenga.—Operations have been confined to keeping the young trees free from overgrowth of fern, thinning out and pruning of black wattles, which in some parts have made an astonishing growth, planting out over five thousand oaks and many eucalypti to fill up gaps in last year's planting, altering some fences, gates, &c., and turning up and sowing with wattle and other trees a further area of thirty-four acres.

Papatawa.—About one hundred and thirty thousand young seedlings of various kinds (mostly pines) were raised here; but, owing to the want of water, the fungus, and depredations of birds, about fifty thousand did not take. There are at present about a hundred thousand seedlings in the nursery. The area of cultivation has been further extended, and preparations made for seed-beds.

Kioreroa.—A number amounting to eighty-three thousand three hundred young trees have been planted out in various parts of the reserve. They consist principally of acacias, jarrah, catalpa, eucalyptus, sumach, taxodium, oak, fruit, and miscellaneous. Further planting of seeds for future extension of the plantations has also taken place. The whole time of the nurseryman is taken up in these operations, and in keeping the native vegetation down in the parts already planted.

Maniototo.—In this place an area of 142 acres was fenced with rabbit-proof fencing and planted with various tree-seeds, which, however, owing to the lateness of the season, all failed. Nothing whatever has been done to this reserve during the past year.

In the State forests proper—i.e., those which contain valuable timber—the three Rangers in the North have continued their constant work of guarding against fire and trespass. Happily no fire of