The above figures show the totals since the Act came into force. There are a number of cases which have not yet been finally dealt with. In several cases the revaluations have shown that the payments have been sufficient to entitle the holder to his grant.

The figures show that the loss per acre on the deferred-payment holdings amounts to 14s. 8d.

per acre, and that on perpetual-lease holdings 2s. 7d. per acre.

## "NAVAL AND MILITARY SETTLERS' AND VOLUNTEERS' LAND ACT, 1889."

Up to the present time the Commissioners have reported favourably on 624 cases, which, if taken at 10s. per acre as an equivalent, amounts to £20,026 as the value of the land represented the by claims.

## THERMAL SPRINGS, ETC.

The thermal springs establishments, which are under the charge of the Lands Department, are those of the Hanmer Plains in the South Island, and partly also those of Rotorua in the North Island, the hospital, &c., at the latter place being under the direction of the Colonial Secretary's Depart-The number of visitors has increased very materially during the year, the number of baths taken being :-

 $\dots$  6437 baths; fees received, £228 12s. 6d.  $\dots$  10,442  $_{''}$   $_{''}$  £227 2s. 0d. Hanmer Plains ... 10,442 " Rotorua ... , ··· ...

As both these places become better known outside the colony, and the curative properties of the waters better appreciated, the number of visitors who will take advantage of them will no doubt be largely augmented. The approximate number of visitors from all parts of the world to Rotorua last year was about 2,590.

Appended to this report are some extracts from Mr. C. Malfroy's report for the year, which gives some interesting information as to the various springs, and as to the success of some of the experiments carried on by him.

## STATE FORESTS, ETC.

The area of land reserved either for the preservation of the timber or for climatic purposes, remains the same as at date of last report—viz., 1,327,533 acres.

A good deal of timbered land both inside and outside the State forests has been sold by auction

during the year, especially in cases where such timber had been injured by fire.

It is useless trying to preserve small clumps of timber in the neighbourhood of districts where settlement operations are going on, for they almost invariable get burnt, and this is especially the case in the North where the kauri-trees are themselves inflammable. It is best, therefore, to dispose of them before their value is deteriorated.

During the year the experimental nursery at Papatawa, together with the Kioreroa Plantations, have been handed over to the care of the Whangarei County Council, which, being on the

spot, can manage them with greater economy than the department.

The Waerenga Plantation still remains in the charge of the department. The wattle- and gumtrees are all in good condition and the former have now arrived at such a stage that systematic thinning out must soon be taken in hand. It is probable that some revenue will be received from the

sale of the bark this next year.

The amount received for licenses to dig gum in the State forests amounted to £254. The Rangers have had their hands full to keep down fires, luckily none of any consequence have taken

place.

## DEPARTMENTAL AND GENERAL.

The work of the department increases from year to year, as more and more lands are taken up on settlement conditions, involving more inspection in the field to insure that the improvement conditions are carried out, and more work in the offices, due to the larger number of accounts to be kept against the selectors. The number of selectors on the books of the department is always a fluctuating one. Some selectors acquire their freeholds and cease their connection with the department, whilst new ones take their places. The revaluations in the field, and the adjustment of the accounts in the office-books, has taken up a large amount of time during the past twelve months. Added to this have been the inquiries into the claims under "The Naval and Military Settlers' and Volunteers' Land Act, 1889," a work which requires great patience, and often a large amount of correspondence, before the claims are finally disposed of.

A start has been made in the important work of furnishing full information to settlers on the subject of improving the methods and appliances for the production of cheese and butter. Mr. Sawer and his assistants have visited several of the dairying districts of the colony, spreading information and giving practical instruction in all branches connected with the subject, to the great benefit of the settlers. The industry has become so important to the colony now, and the expert of dairy-products so large—amounting last year to £207,687—that every effort should be made to

produce a first-class article, which will secure an ever-widening market for it.

Mr. Sawers has furnished a very valuable report on the operations of the year, which it is con-

templated to publish for distribution.

Another edition of the "Crown Lands Guide" (Vol. xi.) was published in February last, in which will be found every information as to the land-laws, the lands open for selection, and those about to be thrown open. It is distributed very widely to all parts of the world, and serves as a useful advertisement to the lands and the general character of the institutions of the colony.