

Moeawatea on the 1st January, 1899. The annual rental covered by the eight last-named settlements is £1,393.

*Lands reserved, &c.*—These comprise reservations for primary education, school-sites, fire-brigade station at Stratford, growth and preservation of timber, travelling stock, police, recreation, cemetery, and pilot-station. The areas granted under Acts are for Native reserves, part of Patea foreshore, and several roads closed through West Coast settlement reserves in Hawera Survey District, aggregating 44 acres 2 roods 33·5 perches, vested in the Public Trustee.

*Number of Selectors on the Books.*—The total number of selectors on the books of the department at the close of the year 1896–97 is 1,311, or 191 less than last year.

*Payments to Local Bodies.*—Twenty-four proposals of local bodies for the expenditure of thirds and fourths were passed by the Land Board, representing the sum of £5,345 8s. 1d. Of this amount, £1,511 5s. 11d. was authorised for payment of interest on loans raised by the local bodies for improving various roads by formation and metalling.

*Inspections by Crown Lands Ranger.*—During the year 445 sections were inspected, comprising an area of 94,746 acres. The value of improvements required was £24,285, and the total value of improvements effected was £50,173 14s., the area grassed being 19,385 acres, selectors resident 165, non-resident 258, 114 in total default, and 43 in partial default. Inspections were made for first year over Moanataiari Special Settlement, five complied out of fifteen; Eltham Settlement, four complied out of sixteen; Ross Settlement, nine complied out of eleven; Terrace End Settlement; eleven complied out of forty-three; Mangaehu Settlement, six complied out of forty-four; Llewellyn Settlement, none complied out of twenty-three. For the second year over Gatton Settlement, six complied out of sixteen. The inspections made over the lands held under ordinary conditions of the Land Acts disclosed a very satisfactory result, there being only thirty defaulters out of 244 holdings. The first year's inspection of the Ngaire Block, near Eltham, which has been drained by Government under the control of this department, shows nearly double the value of improvements effected to that required by Act, while out of twenty-six selectors only three are in default, one having made no improvement. The Ranger resumed possession of fifty forfeited sections during the year, and made several special inspections, as required.

*Probable Future of Crown Lands.*—The area available for settlement is, roughly, 560,000 acres, of which 73,499 acres are in the market at present for selection on the optional system and as small grazing-runs. There are now ready for notification some 6,316 acres of scattered sections, mostly forfeited special-settlement lands, and there will shortly be sent you for notification a block of 9,691 acres adjoining the Egmont Forest Reserve, in the Cape and Egmont Survey Districts. I anticipate that a considerable portion of this will be selected, as numerous inquiries have already been made respecting the probable date of sale. Three surveyors are now engaged on surveys of about 19,000 acres of the Taumatamahoe Block; most of this will very probably be ready for sale before the close of the year. The large block of unsurveyed land in the Opaku and Kapara districts, adjoining the Taranaki and Wellington provincial boundaries, and comprising 11,260 acres, is now under survey, by resolution of the Land Board, into areas conforming to the nature of the country; at least one-half should be in a state to offer for selection during the year. I also hope to have two blocks in Mimi and Waitara Survey Districts, aggregating 20,000 acres, ready. These blocks consist for the most part of from fair to good agricultural and pastoral country (of papa formation), not over broken, and covered generally with light forest.

Provision is made under section 5 of "The Reserves Disposal and Exchanges Act, 1895," and section 10 of "The Reserves and Crown Lands Disposal and Enabling Act, 1896," for the exchange of an area of 5,500 acres Native lands in the Oakura district for a block of Crown land of equal value, and this exchange will most likely be completed during the year. The 5,500 acres in Oakura district will then be reserved for the preservation of native fauna and flora.

I would again, as in former reports, urge the more expeditious acquisition of Native lands for settlement in the Mohakatino-Parininihi, Whitianga, Maraekowhai, Ohura, and Rata-tomokia Blocks, and feel satisfied, after what you saw in passing through them recently, that you will use your utmost endeavours to meet the imperative demand of more lands for settlement. The Whangamomona Improved-farm Settlement reaches to the southern boundary of the Whitianga Native Block at fifty-three miles from Stratford.

As you are aware, the Ohura (late East) Road has been formed as a dray-road from the southern or Stratford end for a distance of 39 miles, and from thence as a bridle-road to 54 miles (in Tahoraparoa clearing); from thence to Paparata Saddle (at 68½ miles) a horse cannot at present be taken, but from this saddle to Mangaroa Stream (at 84½ miles) a fair pack-track has been cut through the bush, and can be ridden over easily. From thence to the junction of the Ongarue-Stratford and Central Railway routes (near Kawakawa) (at 112 miles 30 chains), and on to the Poro-o-te-rau tunnel (at about 130 miles from Stratford), the road has been nearly all formed for dray-traffic; and, as a matter of fact, a dray can now come from the tunnel to Toitoti, on the Ohura River; and were that river spanned by a dray- instead of a horse-bridge, then for another three miles to Mangaroa River, or a distance of some 45½ miles.

JOHN STRAUCHON,

Commissioner of Crown Lands.