

required to give them even decent access, as the rivers require bridging; at present most of the sections are not accessible by roads.

The Gordon and Tuakau Special Settlements have now practically passed out of the special-settlement stage, and their success is assured.

Papamoa Nos. 1 and 2 Special Settlements: I have little to report upon these settlements. The No. 1 settlement has eleven nominal holders of 1,200 acres, but, though none are exempt from residence, only three are residing on the land, and these only hold 295 acres. As for the No. 2 settlement, out of fourteen selectors, holding 2,503 acres, only one is resident, on 150 acres. In both the settlements more or less improvements have been done by most of the selectors, but the general verdict is that the men cannot make a living on the sections at present, and many are asking the Land Board for permission to reside for a time elsewhere, in order that they may be able to obtain employment.

Inspection by Rangers.—The inspection of sections has been vigorously prosecuted in order that reports as to the carrying-out of the settlement conditions may be regularly considered by the Land Board. A total of seven hundred inspections has been made by Messrs. Bayley, H. S. Wilson, and J. Maxwell. The total area so inspected has been 120,195 acres. The value of the improvements required by law on this area was £14,449 10s. The value actually effected was found to be £44,252 18s. The total number reported as defaulters was 159—viz., ninety-one for non-fulfilment of improvement conditions and sixty-eight for non-residence. The Rangers report that the past season has been a very disastrous one for settlers. The exceptionally cold driving winds in the spring, followed by an almost total absence of rain in many parts, and in Whakatane County by heavy frost in the middle of February, will make it a very difficult matter for many settlers to make both ends meet, and to tide over the coming winter.

Forests.—I am glad to say that, owing to the careful supervision of Mr. Ranger Wilson and his assistants, the State forests in the Whangarei and Hobson Counties have not suffered from fire so much as I had anticipated. The sales from scorched and green timber have amounted to £16,566, of which amount £8,324 has been from State forests, the balance being from Crown lands, &c. During the year the whole remaining dead and scorched kauri timber in the Puhipuhi State Forest has been branded and estimated, and it is ready to be placed on the market as soon as the railway-line to Waiotu is open for traffic.

Expenditure of "Thirds" and "Fourths" by Local Bodies.—One hundred schedules of proposed works and expenditure have been submitted for Land Board's approval, amounting to £3,568.

Office, General.—There are now no less than 3,160 selectors on the books for this district; the average area of holdings being comparatively small, involves a heavy amount of book-keeping. The Book-keeper and his assistants have dealt with 2,739 vouchers, involving a total amount of £62,402 1s. 8d., of which amount the Lands and Survey proper contributed 857 vouchers, for £25,988; roads, 1,162 vouchers, for £11,709; grants to local bodies, 106 vouchers, for £10,757; gold-mining, 484 vouchers, for £11,029; the balance being miscellaneous. The amounts received as credits for services performed for other bodies or departments amount to £4,123. The imprest advances made to me amount to £28,949, involving the drawing of 1,635 cheques. The letters actually received and daily recorded in the messenger's book amount to 16,916; parcels, 2,401; telegrams, 1,520: and the same delivered and despatched—letters, 20,354; parcels, 5,081; telegrams, 1,121. The transfers granted by the Land Board number 112, whilst the licenses granted under "Timber Floatage Act, 1884," number nine, and the renewals thirty-two.

Lands for Future Settlement and Disposal.—The seemingly large area of 764,792 acres open for selection at present date represents land of every quality. A good deal of it is very inferior, but it is being gradually taken up because it is open, and can be selected at any time. The lands in the Tokatoka Swamp are being selected as fast as opened, and I am glad to say the drainage operations are quite successful; and as soon as the kahikatea forest, covering a large portion of the drained area, has been realised upon and removed, so soon will the area be open for settlement. The Mangakahia lands, also mentioned in my last year's report, are open for selection this month. Some 4,000 acres of the Opuatia Block has been opened for selection, and all applied for, whilst another 12,000 acres in the same block has been subdivided into sections and is ready for opening. No less an area than 252,000 acres has recently been acquired by the Crown in the Kawhia County. Most of it is good land, and fit for settlement. Immediate steps are now being taken to road this area, and get at least half of it ready for settlement. In another two years there ought to be a very large influx of settlers into this country.

GERHARD MUELLER,
Commissioner of Crown Lands.

HAWKE'S BAY.

The total area of land opened for sale or selection during the year was 7,443 acres, classified as follows: Under the optional system, 7,369 acres; lease by auction and application, 74 acres.

Summary of Selections.—The total area taken up during the year was 20,201 acres, by thirty-two selectors, lease in perpetuity being the favourite tenure. We have now 714 tenants on our books, an increase of eleven over last year, representing an annual rental of £13,062 15s.

Cash Sales.—Only one sale has been made, this being a section of 77½ acres, situated in the Tiratu Block, near Dannevirke.

Deferred Payments.—Nine licensees have acquired their freeholds over 824 acres, leaving twenty-six selectors now on our books, holding 6,123 acres.

Perpetual Leases.—Twenty-three selectors have acquired their freeholds over 9,391 acres, and two have forfeited, leaving 126 selectors on our books, holding 59,514 acres.

Occupation with Right of Purchase.—Ten selectors have taken up land under this tenure over an area of 2,943 acres, situated in the Norsewood, Tahoraiti, and Nuhaka North districts. Three