

In Canterbury, out of 1,583 tenants, there were forty-five applications for relief, but the Commission examined only eight, containing 23,946 acres. To these they granted a reduction of annual rent from £1,235 to £778, being a yearly relief of £457. The number of sections actually surrendered is eight, and thirty-seven declined to allow their lands to be offered to the public at the reduced rent. Of the eight surrenders, two were again applied for, one was not let, and the others have not yet been opened for selection.

In Otago, out of 2,251 tenants, there were 112 applications for reduction, and the whole of the leaseholds affected were examined by the Commission. The area inspected is 63,380 acres, and the Board recommended a reduction in annual rent from £1,082 to £518, or a relief of £464 per annum. This was accepted by thirty-one tenants, who duly surrendered their leases, but eighty-one declined to do so. Those surrendered are advertised as open for selection on the 21st June.

In Southland, out of 1,205 tenants, there were ninety applicants who said their rents were too high. The Commission examined all the holdings, and decided to recommend a reduction from £1,257 to £775 annum, or a relief of £482 per annum, the area affected being 33,446 acres. Those who decided to surrender were eighty-one, and eight leases were forfeited; nine refused to expose their holdings to public competition. The surrendered leases are to be again open for selection shortly.

The transactions as a whole show that, out of over 11,000 tenants, there were 400 who desired relief, and they were granted it to the extent of £1,580 per annum; but up to the present time only 168 have availed themselves of the opportunity afforded them to test in an open manner the real value of their lands by letting the rest of the public have the same privilege as they had, the rent realised being £495 per annum.

SETTLEMENT CONDITIONS.

The large number of properties now held on conditions of residence and improvement necessitates an increasing amount of inspection by the Crown Land Rangers, who are also frequently assisted by the survey staff in districts where the work cannot conveniently be overtaken by the former. The Commissioner's reports on this subject show that compliance with the terms of the Act is very general, and that the value of improvements made is, as a rule, in excess of what is required. The following table shows the results of inspections made :—

Number of Properties inspected.	Area inspected.	Improvements required by Act.	Improvements actually made.	Settlers in default.
3,948	958,270 acres	£264,185	£590,922	639

The acquisition of so many estates under the Land for Settlements Acts, in which the land is, as a rule, much more valuable than ordinary Crown land, and in which bad farming will soon cause a deterioration in the properties, renders inspection much more minute, and is a matter of great importance.

STATE FORESTS AND PLANTATIONS.

The total amount of land set aside as reserves for State forests, plantations, scenic purposes, &c., at the 31st March, 1898, was 1,175,622 acres. Since that date 412,391 acres have been added, including forests, plantations, reserves for scenic purposes, and the Patua Ranges, and 167 acres have been withdrawn from reservation, making the total at the end of the year 1,587,846 acres. The bulk of the area reserved last year was in Canterbury, where 371,160 acres were set aside for preservation of the vegetation, the lands lying principally at the heads of the Rivers Makarora, Hunter, Hopkins, Dobson, Rangitata, Rakaia, Waimakariri, &c. Proposals have also been received from some of the Commissioners to set aside lands at the heads of other rivers in the colony, in order to preserve the forests, with a view of lessening the increasing damage done by floods, which are found to occur with increasing volume wherever the forest or other vegetation is destroyed on the ranges. By denuding the watersheds of the covering of vegetation, which acts as a "sponge" as it were, the waters flow away more quickly and give rise to increased floods, which are more sudden in their action, and consequently do more damage to neighbouring lands, bridges, &c.

With respect to the plantation-work carried on by the department, a detailed report will be found in the Appendix, where Mr. Matthews, the Chief Forester, describes the results of the last few years' operations in full. Owing to the favourable nature of the past season, considerable success has characterized the work, but planting and transplanting is naturally a slow process, and takes some years to make any great show.

In the three nurseries—at Eweburn, Tapanui, and Rotorua—there are over 3,700,000 young timber and ornamental trees planted, the earliest of which will be ready for transplanting this next season. The trees in the plantations seem to be doing well generally, though the experiment made two years ago of planting young trees in the standing bush near Mamakau Railway-station, on the Rotorua line, has proved to be a failure. The intention was to have tried growing timber-trees for railway purposes there. The plantation on the bleak Kaingaroa Plain is more successful, and the trees are doing fairly well. At the other plantation on the same plains, near the Rangitaiki River, the trees have not succeeded, but some of the grasses sown are doing fairly well; but there is much trouble through the hares, which are plentiful in that part.

The other plantations in the South Island are doing well, for particulars of which see the Forester's report in the Appendix.

The total revenue from State forests this last year was £5,844 6s. 6d., and the expenditure amounted to £4,044 3s. 2d.

RESERVES, PARKS, SANCTUARIES FOR NATIVE FAUNA, ETC.

The reserves made for public purposes are summarised in the figures below. They include only those which have been gazetted, and exclude lands which have been withheld from sale or other dealings.