

105,365 acres of Crown lands in Urutawa, Moanui, Motu, Hikurangi, Tutamoe, Ngatapa, and Koranga districts will be opened under the unsurveyed system. The lands under the Land for Settlements Acts to be placed in the market are: Argyll (late Milbourne and Te Reinga), containing 34,305 acres, and Wigan Estate (late Takapau), containing 10,492 acres. The former estate is situated near Waipawa, and will shortly be in the market, the survey being completed. The latter estate is situated near Tolago Bay, and is at present under survey. The subdivisions will be ready for selection when the estate is taken over by the Crown in June next.

*Lands opened for Selection.*—During the year an area of 32,024 acres was offered for selection, and was, with the exception of a few sections, all selected. Out of the area mentioned 13,626 acres was offered under the Land for Settlements Acts on the lease-in-perpetuity system, and comprise the Kumeroa and Forest Gate Settlements. The remainder was offered under the optional systems and the small-grazing-run system. Land in this district of fair to good quality, with anything like reasonable access, is much in demand, and is readily selected when placed in the market.

*Forfeitures and Surrenders.*—The total number of forfeitures during the year was fourteen, with an area of 7,580 acres 2 roods 12 perches, and an annual rental of £238 19s. 4d. Thirteen leases were forfeited for non-payment of rent, and one was forfeited at the request of the lessee, as he could not see his way to carry out the conditions of the lease.

The total number of surrenders was six, with an area of 3,142 acres 1 rood 10 perches, and an annual rental of £224 15s. 8d. The reasons for the acceptance of surrenders were various, such as "for subdivision and transfer of part of holding," "on account of insufficient road access," "lessee not in a position to carry on," &c. Steps are being taken to reoffer the forfeited and surrendered holdings in cases where not already selected, and I have no doubt all the sections will be taken up in due course. Six forfeited sections and one surrendered section were reselected during the year.

*Rangers' Reports.*—Ranger H. Martin Smith reports that during the year he has inspected 515 holdings, with a total area of 192,602 acres 1 rood 23 perches. Of the total area inspected, 26,925 acres is felled, and 28,768 acres grassed. The area in crop is 3,365 acres 1 rood, and the cost of labour in preparing the ground to receive the crop is estimated at £2,855 5s. There are 382 dwellinghouses on the sections inspected, valued at £33,252 10s.; and the total improvements, including buildings (exclusive of dwellinghouses), fencing, grassing, clearing, &c., are valued at £144,317 2s. 4d. There are 1,372 persons residing on the sections inspected. The stock comprises 149,876 sheep, 948 horses, 5,692 cattle, and 595 pigs; total, 157,111. The improvements required by the conditions under which the various sections and runs are held are £51,400 18s. 10d., as against £144,317 2s. 4d. effected. The defaulters in respect of improvement conditions numbered fifteen, for non-residence sixty-four, and other reasons four. The information given in connection with Mr. Smith's report refers to lands in the whole of the land district. Up to January last, when Mr. Smith was transferred to Napier, he was stationed in Gisborne, and made periodical inspections of the Hawke's Bay portion of the district. Since his transfer he has been engaged on the annual inspection of the land-for-settlements holdings.

Ranger R. S. McKerrow reports that during the year he has inspected 193 holdings, with a total area of 186,864 acres 3 roods 39 perches. Of the total area inspected, 85,165 acres is in grass, valued at £96,251. The number of buildings erected is 200, valued at £14,782, and other improvements, such as bushfelling, fencing, &c., have been effected to the extent of £27,299 12s. 6d. The improvements required by the conditions under which the various sections and runs are held amount to £45,594 4s. 3d., while improvements to the extent of £138,332 12s. 6d. have been effected. Out of the 193 holdings inspected, 147 tenants are residing, and the remainder, forty-six, are shown as non-resident; but in the majority of the cases the time for the compulsory residence is not yet due. Five of the settlers visited by Mr. McKerrow were reported for being in default in respect of the improvement condition, and, as usual, each case was considered by the Land Board on its merits, and dealt with as the Board deemed best. The total number of stock owned by the 193 tenants visited is 169,378, which is made up as follows: Horses 699, sheep 164,988, cattle 3,639, and 52 pigs. The total number of persons residing on the holdings is 473. Mr. McKerrow is stationed at Gisborne, and the whole of the above information supplied by this officer refers solely to the Poverty Bay portion of the district.

*Rebates of Rents.*—Up to this year rebates were not granted under "The Crown Tenants' Rent Rebate Act, 1900," or "The Land for Settlements Consolidation Act, 1900." The question of granting rebates came up again for consideration in December last, and it was decided by the Commissioner of Crown Lands and the Receiver of Land Revenue to grant a rebate of 5 per cent. to all land-for-settlements tenants who paid within the prescribed time. The total number of rebates granted was twenty-seven, and the amount £46 4s. 5d. No rebates have been allowed under "The Crown Tenants' Rent Rebate Act, 1900."

*Perpetual Leases.*—During the year twelve lessees, holding an area of 3,219 acres 2 roods 10 perches, completed purchase; therefore the number of tenants under this system now on the books is twenty-one, holding an area of 9,090 acres and 36 perches, and paying an annual rental of £539 16s. 5d. There are no arrears of rent. The area in grass is 3,916 acres, and there are thirty buildings, valued at £1,610. The improvements required are £3,713 5s., as against £11,259 10s. effected by the lessees.

*Occupation with Right of Purchase.*—Under this system an area of 10,175 acres 3 roods 35 perches was selected during the year by twenty-one selectors, at an annual rental of £450 13s. The number of forfeitures was two, with an area of 1,448 acres, and an annual rent of £65 18s. 10d.; and two surrenders were accepted. The area of the sections surrendered is 1,139 acres, and the annual rental £62 13s. 6d. One licensee, holding an area of 2,000 acres, completed the purchase, and paid the purchase-money, £1,150. This now leaves the number of occupation-with-