71 C.—1.

of eleven as compared with last year. The area felled during the year is 23 acres, and grassed 25 acres. The number of cattle owned is 112. The value of improvements effected by the lessees during the year is £71 10s. The total value of the improvements now on the land, including that paid for by the Government, is £1,941 18s. 8d. With the advancement of the Orepuki-Waiau

Railway, this settlement should have a good future before it.

"Moturimu Settlement.—Situated in Block VIII., Campbelltown Hundred, near Woodend Township, on the Invercargill-Bluff Railway-line, and contains 658 acres, of which 615 acres is held by eight settlers; one section of 43 acres is unoccupied. The number of persons upon the settlement is forty-six. No improvements have been made during the year. The number of cattle is 36. The settlers mostly live by cutting sleepers, fencing-material, and firewood, and some are employed at an adjacent sawmill. I consider that owing to its situation the settlement will in time make good progress.

Selectors on the Books.—The total number of selectors of all classes now upon the books is

1,725, being an increase of seventy upon the previous year.

Forfeitures and Surrenders.—The forfeitures of ordinary Crown leases during the year numbered thirty-five, the area being 18,123 acres. One lease on a land-for-settlements estate was forfeited; area, 351 acres. Twelve leases, comprising 13,436 acres, were surrendered. Total surrenders and forfeitures, forty-eight; area, 31,910 acres. As compared with last year, these figures show a decrease of twenty-one in number, and an increase in area of 15,873 acres; some of the holders surrendered in order to obtain a reduction of rent. The number of holdings reselected is ten; area, 14,210 acres.

Arrears of Rent.—Of ordinary Crown lessees, seventy-six, holding 13,358 acres, are in arrear to the amount of £292 14s. 11d., being a decrease in number of fifty-three, in area of 25,463 acres, and in amount of £257 18s., when compared with the preceding financial year. On the land-for-settlements estates, sixteen settlers, holding 4,416 acres, are in arrear to the amount of £566 12s. 11d., the corresponding figures for last year being eighteen settlers, 4,240 acres, and

£511 8s. 8d. in amount.

Rebates of Rents—The following table shows the operation of "The Crown Tenants' Rent Rebate Act, 1900," to have been fairly satisfactory. The rebate allowed is ten per cent. on all tenures within the provisions of the Act:-

REBATES GRANTED DURING THE YEAR 1902-3.

Tenure.						Number.	Amount.			Total Number of Leases.
Deferred payment Perpetual lease Occupation with r Lease in perpetuit	village right of pu sy, rural	• • •				40 6 66 146 134	£ 12 0 36 68 94	15 5 12 4	d. 3 6 0 5	62 10 84 239 234
Land for settlemen		homestea 	id settlen	nents 	•••	161 44	$\begin{array}{c} 21 \\ 120 \end{array}$	18 7	7	263 84
Totals	•••	•••	• • •	•••	•••	597	354	8	4	976

Rangers' Inspections.—Ranger Campbell reports having made 610 inspections during the year, covering an area of 53,223 acres. He estimates the value of improvements effected as £46,866, the value required being £19,205, showing an excess of £27,661. He considers the condition of the Crown tenants as a whole satisfactory. The occupations of the settlers vary with the character and situation of their holdings, and range from mixed farming of a high class to dairying, grazing, and wood-cutting, the majority being engaged upon their own farms, while some seek work elsewhere on other farms or on road or railway works.

Ranger Traill, of Stewart Island, reports thirty-five inspections over 3,938 acres, the positions of the various selections being very scattered. The value of improvements made is £1,615, the required value £1,241, the excess value being £374. Mr. Traill makes the following remarks regarding the condition, &c., of the Crown tenants on Stewart Island: "Generally speaking, the settlers are not in a prosperous condition. This is owing in a great measure to the rugged and forest-clad nature of the lands and severe climate. Taking into consideration the adverse circumstances above mentioned, the progress made has been fairly satisfactory. Nearly all the selectors have in view the clearing of their land and eventually placing stock on it. This will take, in most instances, many years to accomplish. Many of the selectors ask for more time to comply with the conditions of their leases, the reasons given are 'scarcity of work in the locality, and the exceptionally dense and heavy bush to be cleared off their land.' I am not aware as to any complaints as to want of roads. A resident medical man on the island is very much needed, and more frequent communication with the mainland. A large proportion of the settlers are engaged (when the weather allows) in fishing business, others are employed at the local sawmills, several have to go across to the mainland to obtain work, four or five are employed in boatbuilding, and others depend on the Government contracts, a small proportion are self-reliant. The principal employment for the settlers is the fishing industry, but this is very irregular. There are only two saw-