

The cash sales as noted above, including perpetual leases made freehold, amount to a total of £13,967, or some £2,453 in excess of last year's receipts.

*Deferred-payment* selectors have decreased to 168, holding 19,019 acres. Forty-eight selectors have acquired the freehold of 5,749 acres, and the forfeitures have been three in number, of 352 acres. There are forty-one selectors in arrears for instalments, amounting to £272.

*Perpetual-lease* selectors now only number 648, holding 148,788 acres. Thirty selectors have been allowed to acquire the freehold of 18,547 acres. Five selectors, holding 495 acres, have exchanged to other tenures. The forfeitures have been three, for an area of 384 acres, and two surrenders accepted for 208 acres. There are 119 selectors in arrear for rent, owing £839, which is less than last year.

*Occupation with Right of Purchase under "Land Act, 1892."*—The number of selectors and area leased is greater than for the previous year, as they number 205, holding an area of 44,189 acres, or an average of 215 acres to each selector. The forfeitures have been twenty-two, holding 6,234 acres; the surrenders eight, for 974 acres. There are, however, 161 selectors in arrear with rent, to the amount of £883.

*Lease-in-perpetuity* selectors also show an increase, as they number 105, leasing 25,702 acres, the average rental per acre being slightly over 5d. The average area held by each selector is nearly 243 acres. The forfeitures number eleven, and the area 3,409 acres. The surrenders are nine in number, the area surrendered being 1,779 acres. Ninety-seven selectors are in arrears with rent, amounting to £458.

*Agricultural-lease Lands (within Goldfields.)*—There are still only seven selectors, holding 625 acres, but their leases will shortly expire.

*Lands held under Lease in Perpetuity acquired under Land for Settlements Acts.*—The total number of selectors during the year for this improved class of land amount to thirty-six, and they have leased 7,927 acres, at an average rental of 2s. 8d. per acre.

*Township and other Leases under Thermal Springs Act.*—Twenty-nine more Rotorua town leases, for a total area of 87 acres, have been let during the year. There are now 215 lessees of this class of land, holding a total of town, suburban, and rural land of 5,614 acres, and paying a rental of £1,452 per annum.

*"Mining Districts Land Occupation Act, 1894."*—There is an increase this year, as nine selectors have applied, and been granted a total of 555 acres. The total number of this class of selectors within the Hauraki Mining District is thirty-two, holding an area of 1,743 acres, and paying an annual rental of £69.

*Village-homestead Special Settlements.*—There are only 130 selectors remaining on the books of the department, holding a total of 5,334 acres. Ninety-two are in arrears for rent and interest, amounting to £550 for rent and £869 for interest.

Mr. Ranger Bayly inspected the settlements in December last, and reports as follows: "I cannot, as a whole, report much improvement under this tenure. Some few are doing fairly well, rebuilding and making good improvements, indicating in these cases perpetuity. On the other hand, a few are leaving annually. In other cases the improvements are going back, and in some instances totally disappearing, whilst those settlers who remain are gradually acquiring the abandoned sections contiguous to their holdings. These, with the larger areas, may exist. The gum, upon which so many depend as their principal source of revenue, is becoming scarcer, and has to be travelled for a long distance. This induces many to throw up their holdings and take their families to the fields. But undoubtedly the great drawback to these settlements is the want of a local market for small produce; and were it not for casual and other public works matters would be very much worse than they are."

*Special Settlements North of Auckland*, consisting of the Auckland, Marlborough, and Avoca: I need only report generally this year that, being all heavy forest country, they are progressing but slowly as a whole. The four years' exemption from residence expires this year, and up to the present time very little more improvements than are actually required by law have been effected on most of the sections, and I fear that when residence becomes a necessity, or when the improvements for six years are due, not many of the original selectors will be left. There are no dairy factories or creameries established anywhere near them, nor any local market for produce except stock, and these are so low in price as to return hardly any profit to the breeder.

*Special Settlements South of Auckland.*—Tuakau and Gordon: The selectors in these two settlements have now, with two exceptions, acquired the freehold of their lands. Both are successful, and both have now practically passed out of the category of special settlements.

Papamoa Nos. 1 and 2 (near Tauranga): I have nothing to add to my remarks of last year. The same number of settlers mentioned as resident last year are the only members on the land this year—viz., three on No. 1 and one on No. 2 Settlement. In the Papamoa No. 2 the Land Board have forfeited the holdings of four selectors for making no attempt at settlement or improvement. These four held an area of 606 acres.

*Inspection by Crown Rangers.*—The total number of inspections made by the Rangers amount to 662, covering an area of 76,636 acres. Of these, 472 properties were inspected by Ranger Bayly, and 190 by Ranger H. S. Wilson. Improvements to the value of £26,722 should have been effected upon the 662 properties. The actual value disclosed by the inspections amounted to £72,486. Mr. Bayly reports that it is estimated that not more than 5,000 acres of bush have been felled for grassing during the past year, owing probably to the low price of cattle; and also that farmers have been growing more cereal and root crops, and this cannot be done on land where the stumps are still standing. Another reason which may fairly be adduced is that the estates opened under the lands-for-settlement conditions have offered to settlers lands already under cultivation, thus saving them the heavy labour and expense of bushfelling.