

rent. A commission was appointed, which visited and valued the ground and improvements, the result being a reduction in prices. Henceforth any forfeitures or surrenders under the special-settlement system will be dealt with upon their individual merits, and will be comparatively few in number. The number of settlers required to reside is thirty-three, and the number actually resident sixty-four, which discloses a satisfactory progress in settlement made by those who have kept their sections. Forty-eight of the number resident are original holders. The rent paid during the year amounted to £1,190 16s. 10d.

*Miscellaneous Leases.*—These comprise yearly tenancies of town lands which have not been sold at public auction, and portions of the Eltham–Opunake Railway Reserve.

*Revenue.*—This shows an increase of £4,955 3s. 6d. on previous year's receipts, and an excess of £7,569 over the estimate, being due to an unexpected large sale of lands for cash, and perpetual leases converted to freehold. The revenue from lands selected on optional conditions has increased by £765 10s. 5d., that from special settlements by £327 13s. 3d., and from improved-farm settlements by £578 19s. 10d.; this last-mentioned increase being occasioned by all except two settlements having become rent-producing on the 1st January, 1898. The total amount creditable to territorial revenue is £26,103 17s. 5d., out of which the local bodies have been credited with £4,640 7s. The amount payable to Government Loans to Local Bodies Account is £2,248 1s. 6d., and the amount payable to North Island Main Trunk Railway Account £84 9s. 6d.

*Arrears.*—On the 31st March, 1898, there were 106 selectors owing £949 15s. 5d., and this year the number stands at 133 selectors owing £957 14s. 8d., most of these holding under the perpetual-lease, special-settlement, and improved-farm-settlement systems; in the latter, however, the rents have only been payable for practically one year, and a comparison cannot be made.

*Lands reserved and alienated under Acts.*—These comprised the usual reservations for primary education, forest preservation, school-sites, &c., and the lands alienated comprised closed roads and a few reserves for Natives vested in the Public Trustee under the West Coast Settlement Reserves Act.

*Selectors on the Books.*—There were 1,121 selectors left on the books at the close of the year ended 31st March, 1898, of which eighty-five were converted to freehold, ninety-five surrendered or forfeited, leaving 941. Twelve of these included the Tawai Improved-farm Settlement in the Auckland Land District, and now appearing under its own heading, thus further reducing the number to 929; while two special settlers transferred to present holders, leaving 927. Add to this the seventy-eight selections during the year, and the result is 1,005 selectors remaining on the books on the 31st March, 1899.

*Endowment Lands.*—The only selection was one section of the Opaku University Reserve, which was tendered for and obtained at the upset rental of 6d. per acre per annum. Two other sections were tendered for, but the tenders were afterwards withdrawn.

*Ranger's Inspections.*—101 properties were visited, comprising an area of 30,130 acres, for the purpose of ascertaining compliance with improvement conditions. Value of improvements required, £8,466; value of improvements made, £19,711. Out of this number only thirteen were deficient; fifty were resident and fifty-one non-resident, but residence was not due in these latter cases. There were sixty-two further inspections made to see how residence conditions were being complied with, resulting in twenty-three being found resident and thirty-nine non-resident. A great number of these have either since built on their sections or are about to build, and the Land Board has dealt with nearly every case brought under notice. Seventy-four special inspections in various parts of the district were made during the year.

*Probable Future of Crown Lands.*—The area open for sale or selection at the close of this year was 112,850 acres, mostly second-class land. Of this area there are some 32,000 acres in the Rawhitiroa Block, which were opened as small grazing-runs in October, 1896, and no applications have as yet been received. This land is wholly unfit for settlement, and it is intended to recommend its withdrawal for the purpose of setting it aside as a forest reserve. A large portion of the Taumatamahoe Block—some 16,000 acres—lying adjacent to the Ohura Road, and tapped by side-roads leading on the east side towards the Waitara River, and on the west towards the Tangarakau (a possibly navigable branch of the Wanganui River), were offered during the year, and for which there will be a fair demand as soon as they are opened up by roads. An area of 3,190 acres in the same block opened on the 3rd March, 1898, has nearly all been taken up. A block of 10,276 acres second-class sheep country in the Waitara and Upper Waitara district, and about seven to ten miles from the Urenui Township, opened in December last, has been fairly well inquired after. Out of a block of 11,073 acres in the Opaku and Kapara Survey Districts, adjoining the Wellington Land District, and from eleven to twenty miles from Waverley and Waitotara, only 3,209 acres have been selected, all of it being very rough and broken country. With the completion of the bridge over the Waitara River at Purangi may possibly come a demand for some of the 8,000 acres of forfeited sections in the Milsom, Tanner, and Oxford Special Settlements. The remaining land available for selection, some 38,500 acres, comprises second-class grazing country scattered over the land district, and for which there has been no inquiry ever since the land was opened, this period commencing with the year 1892.

The following blocks are being prepared for notification: 10,025 acres second-class land, Opaku and Kapara Survey Districts; 6,000 acres second-class land, Kapara, Taurakawa, and Omona; 10,000 acres second-class, Omona, Taurakawa, and Mahoe. I do not anticipate much demand for these. Surveys are well advanced of 8,000 acres inland of Hawera and adjacent to the Patea River; 7,000 acres between Mokau Road and Waitara River, Mimi and Upper Waitara Survey Districts; 6,000 acres Mahoe Survey District: all second-class grazing country.