

Otahu (Waiau District).—On this settlement, which is all occupied, there are four houses accommodating ten persons. The value of the improvements made is £770. The selectors number seven; area leased, 6,024 acres.

Beaumont (Wairaki District).—There are ten selectors on this settlement, holding 4,246 acres. The houses are four in number, eleven persons residing therein. The value of improvements made by lessees is £757.

Ringway (Jacob's River and Aparima Districts).—This settlement was opened to selection on the 20th December, 1901, and the seven allotments comprising the estate—area, 2,231 acres—were at once taken up. Six houses are already erected or are in course of erection.

Glenham (Wyndham District).—The Glenham Settlement—area, 11,455 acres—was opened to selection on the 24th March, 1902. Eight sections were selected, two having been previously taken up by former tenants of the proprietors without competition, under section 57 of "The Land for Settlements Consolidation Act, 1900." Three allotments have since been selected, and inquiries are frequently being made regarding allotments in the settlement. I anticipate that all of them will be selected within the year.

Arrears.—The arrears on ordinary Crown Lands amount to £550 12s. 11d., owing by 129 settlers. On the land for settlement estates the arrears are £511 8s. 8d., due by eighteen selectors. The total areas are considerably in excess of the two previous years, but this may in part be accounted for by the late and cold and wet season experienced throughout the district.

Forfeitures.—There were in all sixty-four forfeitures of holdings during the year. Of these, twenty-four were under the ordinary settlement tenures, of which five have been reselected. Two were under the Land for Settlements Act, one being reselected. There were thirty-eight miscellaneous licenses cancelled, of which six were subsequently purchased for cash, two reselected on occupation with right of purchase, and two on lease in perpetuity, and fifteen were again occupied as miscellaneous licenses.

There were but five surrenders, which call for no special remark.

State and Crown Lands Forests.—The area for sawmills surveyed during the year was 7,739 acres, embracing forty-one sections, producing 31,310,551 superficial feet, the royalty from which amounted to £7,466 12s. 8d., an increase over last year's revenue of £3,404. There were prepared in duplicate and issued thirty-seven sawmill licenses. I may here mention that the form of licenses now in use is defective, inasmuch as they contain no information either in reference to Acts, conditions, or regulations under which they are issued and held. To rectify this I have under consideration and in course of preparation a new form, which I will forward shortly for your perusal.

Only two licenses were forfeited during the year for non-compliance with the conditions, but, as you are aware, a number of extensions of time was granted, otherwise the forfeitures would have been considerable.

Although but few sawmill licenses had been issued, I induced a number of holders of worked-out areas, by letter, to abandon these areas, thus making them available for issue of ordinary licenses to the general public for hewing sleepers, cutting mining props, stakes, posts, firewood, &c. 137 such licenses were issued during the year, a number (forty-two) greater than that of last year, bringing in a revenue of £212 19s. 10d., and exceeding the previous year's transaction by a sum of £25.

Up to the 22nd March last the regulations under "The New Zealand State Forests Act, 1885," and the regulations under "The Land Act, 1892," prohibited ordinary licenses being issued in this land district during the months of January and February; and consequently hewers, firewood-cutters, and post-splitters were debarred from working in the forests during these months. This was felt to be a hardship by the settlers and such men as generally make their living at bushwork; but I am pleased to say this restriction has now been removed, as it was clearly evident that no harm would be done by removing it, but, on the contrary, that a great benefit would be conferred on a large number of men in this district who live principally by their labours in the forests.

JOHN HAY,
Commissioner of Crown Lands.