

SMALL GRAZING-RUNS.

Renewed leases were granted for a further term of twenty-one years, at greatly advanced rentals, over nine holdings, of an area of 12,676 acres.

INSPECTION AND PROGRESS OF SETTLEMENT.

Owing to the stringency of the money-market, the settlers have had to considerably curtail their expenditure, and, as a consequence, the area of bush felled for the year was greatly reduced; however, in spite of this, a healthy spirit of prosperity appears to permeate the whole district. The value of the improvements effected by selectors is still largely in excess of the amount required by the conditions under which the lands are held. There was keen competition for all lands opened for selection during the year, and most of those who were successful at the ballots are very well satisfied with their present position and prospects.

In the Gisborne district the two freezing-works were unable to cope with the supply of fat stock offered. It is pleasing to note that there is every prospect of a freezing-works being started at Tokomaru Bay, and this will not only be a great boon to the surrounding districts, but will also relieve the two freezing-works already established at Gisborne.

The total number of defaulters for non-residence is seventy-seven; a great number of these are single women, who under the condition of the Act can claim exemption from personal residence, while in some cases it is owing to the isolated position of their selections, and the want of improved access, which will shortly be remedied by the construction of the necessary roads.

The total number of inspections made by the Crown Lands Ranger for the Napier portion of the district was 416; this includes 207 special inspections, covering an area of 59,476 acres. The total value of improvements as required by the Act is £30,452, and the value of improvements effected £72,970. The number of stock was 30,597 sheep, 3,662 cattle, 419 horses, and 815 pigs.

The Crown Lands Ranger for the Gisborne portion of the district reports that he inspected 279 holdings. The total value of improvements required was £106,496, the value of those effected being £457,878.

ARREARS OF RENT.

Considering all the disadvantages the tenants have been subject to in various ways for the last twelve months, it is very gratifying to this Department that so few arrears of rent exist; taking the number of tenants as a whole, but $2\frac{1}{2}$ per cent. are in arrears, amounting to a sum of £565 11s. 6d., which from an annual rental of £81,308 is highly creditable.

FORFEITURES AND SURRENDERS.

Since the introduction of the system of examination of all applicants applying for land, insuring thereby a better class of settlers, remarkably few forfeitures and surrenders have been dealt with. From the permanent tenures only five holdings were resumed and four surrendered.

TRANSFERS.

The number of transfers this year shows a decrease of twenty-nine from last year. The main reason for this is due to the action of the Land Board in enforcing compliance with the conditions of the Land Act—that is to say, occupation of fulfilment of conditions for a period of two years—thus reducing the speculative tendency.

DISPOSAL OF REMAINING CROWN LANDS.

It is proposed to offer for selection about 54,000 acres, included in which is the Tamaki Block, situated near Dannevirke, containing 4,397 acres, which is now under survey, and will probably be open for selection late in the spring. This land is well adapted for dairying.

The remaining portion of Piripiri Block, 3,177 acres, will be available at the end of the year, when the existing timber-cutting rights will expire.

It is proposed to dispose of portions of the Aorangi Block, of 831 acres, to the adjoining settlers in the Mangatahi Settlement, in order to get better fencing boundaries and water-supply. The balance of the area will be thrown open under the optional system.

In the Nuhaka district is an area of 2,248 acres, being an expired small grazing-run which the Land Board retained for subdivision for settlement. The land is improved, and is good sheep country, which will be offered in two allotments for selection.

In the Ngatapa Survey District an area of about 15,000 acres is now under subdivision for closer settlement; this block was originally included in Pastoral Run No. 47, held under license by Messrs. Hutchinson Bros. The country is at present covered with forest, which, when cleared, will make good sheep-farming country, and will be readily taken up. The projected line of railway between Gisborne and Rotorua will pass within a few miles of this block, and, from the present rate of progress in the extension of the present line in that direction, it will not be very long before the settlers in this locality will be within easy reach of railway-communication with Gisborne.

There is upwards of 19,000 acres, divided into areas varying from 2,000 to 7,000 acres, which, when ready for disposal, will be offered as small grazing-runs. These lands are situated in the Hikurangi, Tuahu, and Tutamoe districts.

RESERVES, FORESTS, ETC.

During the year under review 892 acres has been permanently reserved. Out of this area 816 acres was set apart as educational endowments, and the balance for miscellaneous purposes.