9 C.—1.

Milling licenses have been granted over seven areas, comprising about 2,180 acres. The total price of the timber sold during the year—payable over various periods—is about £5,340.

Two lessees of pastoral runs, comprising 2,834 acres, were offered renewed leases for seven

years under section 56 of the Land Laws Amendment Act, 1913.

The number of applicants during the year was 922, and the Crown land taken up on all tenures comprised 28,457 acres, by 213 selectors.

LANDS TO BE OPENED.

As detailed below, it is anticipated that an area of about 59,669 acres will be available for settlement this year. Since the beginning of the present financial year the Gorge Block, 2,794 acres, and the Kaipaore Block, 1,505 acres, have been offered and disposed of. Steps are now being taken to place in the market the Haurangi Block, 11,313 acres; Hurupi Block, 3,555 acres; Tupapanui Block, 450 acres; areas reverting to the Crown in Hikawera and Tablelands Settlements, 1,433 acres; Rising Sun and Puketoi Survey Districts, 1,652 acres; a small grazing-run in Momahaki Survey District, 2,397 acres; and other lots in various districts, comprising about 4,570 acres.

The survey of an area of over 30,000 acres, the unsold and remaining portion of the Waimarino Block, is now well advanced, and I hope to be in a position to offer it also on optional

system before the close of the current year.

Particulars are being prepared for the sale by auction of nine lots of milling-timber recently appraised within easy distance of the Trunk Railway, near Horopito and Pokako Stations. These lots comprise a total quantity of about 89,366,500 superficial feet, and the proposed upset royalty will aggregate about £47,100.

With the increasing demand for milling-timber now apparent there is every probability of these lots and others which will be appraised being taken up by millers during the present year.

VILLAGE SETTLEMENTS.

These may be said to have arrived at a stage when they are merged into the ordinary settlement conditions; all required improvements have been made, most of the holdings being improved to the fullest extent. They have served the purpose of affording persons of small means to make a beginning, and gradually improve their position, and some have done so well as to be able to take up farming on larger areas. It is in this class of holding that advantage has been taken by many to convert their lease in perpetuity to fee-simple. Some of the settlers supply the local creamery or dairy factory, others cultivate gardens and orchards, while others in sawmilling districts work at the local mills.

IMPROVED-FARM SETTLEMENTS.

The only settlement in this district that is subject to regulations under the Lands Improvements and Native Lands Acquisition Act, 1894, is that known as the North Waimarino, which lies to the west side of the Main Trunk Railway, and extends from Raurimu to Taumarunui, though not in an unbroken frontage. It was allotted in October, 1909. Owing to the establishment of the dairy factory at Piriaka, and in a great measure to the assistance to the settlers by the Government in the matter of dairy cattle, the dairying industry has made great strides in the settlement. The factory ended the previous year with an output of 10 tons of butter from thirty-two suppliers, while this year there are seventy-four suppliers, with already an output of 40 tons, and two months more of the season still to go.

The stock, 1,705 in number, include a few horses as well as the young stock and dairy cattle,

and show a most satisfactory increase of nearly six hundred for the year.

There are sixty-seven settlers actually residing on their holdings, making, with their families, a total of four hundred, a slight decrease on last year's numbers, owing to the fact that many of the elder children are getting of an age to go out as wage-earners.

There are still ten settlers unable to go into residence, as the milling-timber has not yet been

removed from their sections.

Most of the bush felled early in the season has been burnt very successfully, and in cases where the settlers secured their own grass-seed and sowed in January there is an abundant supply of young winter feed.

There are, as last year, ten sawmills in the settlement, cutting together some 100,000 ft. of

timber daily.

There has again been a considerable increase in the improvements effected by the settlers at their own expense, and many of them have most comfortable and roomy residences, with attractive surroundings. Most of them now seem on the highway to a good living, but several are having a hard struggle. principally due to the slender financial standing of the holders on taking up their sections.

RANGERS' INSPECTIONS AND REPORTS.

The Rangers on the west-coast part of this district made 487 inspections during the year, covering an area of 144,652 acres.

On the holdings inspected, the value of improvements required was £62,549, while the value actually effected was £172,699, or £110,150 in excess of requirements.

Similarly on the east coast the value of the improvements effected exceeded the requirements by £54,054, the figures being £89,084 and £35,030 respectively, and the inspections made numbered 601, of an area of 120,833 acres.