Total loss on deferred p	payments			•••		£ 168,134		d. 11
Total loss on perpetual 5 per cent.) .:.	lease (rent	£2,040	11s. 3d.,	capitalised	l at 	10.011		
						£208 945	5	11

The above figures are only an approximation, for some payments had, of course, been made on perpetual leases at their full values, which would tend to reduce the above amounts—how much it; would take some time to work out.

THE NAVAL AND MILITARY SETTLERS' AND VOLUNTEERS' LAND ACTS, 1891 AND 1892.

Last session an amendment of the first of the above Acts was made by Parliament, which authorised the continuance and extension of the previous Act. As, however, the time for receiving claims only expired on the 31st March last, a number of them have not yet been reported on by the Commissioners. The number of claims which have been received and reported on up to date is: Auckland, 181; Nelson, 6; Westland, 3; Canterbury, 42: total, 232; and there are many more to follow. The results will appear in next year's report. Up to the 31st March last no applications had been received, under clause 8 of the Act of 1892, to have blocks of land set aside in order that applicants might settle together in one place, but one such application from a few individuals has come in since. The following table summarises the transactions up to the 31st March, 1893, under the Acts quoted:—

_			Uı	nder Act of	Under Act of	Total.	
Auckland District				$\frac{1891}{210}$	$   \begin{array}{c}     1892. \\     45   \end{array} $	255	
	• • • •	•••	• • • •		10		
Taranaki District	• • •	• • • •	• • •	48	1	49	
Hawke's Bay District		• • •		74	34	108	
Wellington District	4.4.*			183	42	225	
Marlborough District				11	3	14	
Nelson District	•••			4	10	14	
Canterbury District	•••	• • •		9	3	12	
Otago District	• • •	• • •	•••	62	9	71	
Southland District	•••	•••	•••	16	10	26	
Westland District		•••		11	12	23	
				628	169	797	

The money-value of these 797 remission-certificates is £31,246 10s. Of these certificates, fifty-five have been exercised in the purchase of land, representing a value of £2,315.

Three hundred and fifty-seven certificates have been surrendered in exchange for debentures in accordance with the provisions of section 9 (1) of the Act of 1892, representing a money-value of £11 735 10s

The complete lists of names of claimants under the Acts of 1891 and 1892 have already been published, the former in a return to an order of the House of Representatives (H.-36), dated the 13th July, 1892, and the latter in a return presented by command of His Excellency (H.-36a.). H.-36c. furnishes the names of claimants to whom cash-payment has been made for scrip, amounting to £4,685 10s.

Applications under the Act of 1892, other than those whose names appear in the schedule to the Act, having been dealt with subsequent to the 31st March, 1892, do not appear in this return.

## STATE FORESTS.

The State forests include all classes of forest reservations, whether for timber, climatic, or other purposes. The area that has been reserved is considerable, but still not enough for the future wants of the colony, especially for milling timber. The time is not so very far distant when a real difficulty will be experienced in obtaining marketable timber within reasonable distance of the towns, owing to the rapid destruction of the forests that is going forward through settlement operations. It is in the nature of things that the finest timber grows, as a rule, on the lands best suited for settlement, and hence it is the first to disappear under the process of clearing.

It has often been stated that the most valuable crop the land ever bears is the timber growing on it in a state of nature, and this will be forcibly brought home to any one who travels through the country along the new road from Hunterville to Karioi, and thence to Pipiriki, on the Wanganui River. It is grievous to think that the splendid pine-forests in these localities will, in a few years disappear under the axe and fire without producing any return from the trees themselves.

The total area of State forests at the date of last return was 1,318,933 acres. Since then the following areas have been resumed for settlement purposes in accordance with law: Hawke's Bay, 18,100 acres; Marlborough, 185 acres; Southland (Stewart Island), 143,950 acres; Southland, 25,735 acres; whilst 4,504 acres, have been added to the forests. This leaves the total area of forest reserves—timber, climatic, and other purposes—at present as 1,136,467 acres. The reservation of the banks of the Wanganui River and the wooded islands in the Sounds, although reserved for other purposes, has the effect of increasing the forest areas that have been preserved.

The department has at the present time three officers whose duties are more especially concerned in the protection of the northern kauri-forests from fire and depredations, whilst at the same time they assist in ordinary Ranger's duties. No fires have been reported during the year. That portion of the Puhipuhi Forest which was burnt some five or six years ago has been sown with grass, and 2,479 acres of it let for depasturing purposes, at a rental of £47.

The amount received for kauri-gum licenses during the year was £99 10s. The present system of collecting the fees is very unsatisfactory, and it is hoped that the Commissioners now inquiring into this subject may be able to make some practical recommendation in regard thereto.