

Waimarino country, subdivided into suitable blocks as small grazing-runs, and having the boundaries marked on the ground, as I am informed the country would be applied for if the holdings could be identified on the ground. I also propose to have the rest of the Waimarino Block explored to see whether a suitable block cannot be opened for selection on the optional system.

There is a very great demand for good bush-country, and a large quantity could be easily disposed of under the existing land regulations, but until further purchases have been made from the Natives we have not got the Crown land necessary to supply the evergrowing demand for it.

A new village homestead settlement has been laid out at Mangamahu, and can be disposed of as soon as the plans are lithographed, and several other small blocks can be cut up for this purpose. Now the great press for getting the farm homestead associations blocks ready for settlement will be somewhat relaxed, and allow of my taking one of the surveyors off the work to get the other surveys completed.

*Rangers' Reports on Improvements.*—As the present Crown Lands Rangers in this district—Mr. Lundius, at Feilding, on the West Coast; Mr. Tone, at Pahiatua; and Mr. McKerrow, at Eketahuna, in the Forty-mile Bush—have now for the first time fairly overtaken the arrears of inspections necessary to see whether the improvements had been effected which are required under the various systems upon which land has been taken up under the previous Land Acts, I append a table compiled from their reports showing the results of their inspections for this year. The result can but be considered most highly satisfactory, for though there are a few defaulters, who from various causes are somewhat behind with their improvements, a great deal of it is owing to the laxity of the inspection in the past, owing to the one Inspector being unable to overtake the work, the lessees believing it was immaterial when the improvements were made, and in hundreds of cases not knowing what improvements they were required to make, or when they had to be done, to comply with the provisions of the Land Act. This has now been remedied by sending particulars of the improvements required of them to comply with the conditions of their lease or license.

The holdings inspected during the year only include those in which the improvements were overdue, or of those who had applied to purchase their land, inspections taking place, as near as can be arranged, sixty days after the improvements should have been effected, as provided by the Land Act. Thus, the improvements reported are really less than now actually exist, as those inspected in the early part of the year have by this time further improvements effected on their holdings. I only point this out to show that, great as the value of the improvements is shown to be, they must be less than now actually exist on the ground. The inspections made this year do not, of course, include the whole of the land under occupation, because in some cases the inspection—say, for the fourth or sixth year—does not fall due till next summer, so they are not included; but the year's inspection includes at least one-half of the land taken up under the various systems, and the result obtained will probably closely approximate what will be found to be the result when the rest of the holdings are again inspected next year, except in the case of the special-settlement holdings of which this year's inspection cannot be held to give a fair average of what the final result may be, because most of the inspections for the sixth year's improvements of lands held under this system are now falling due, and they will be included in next year's report, only comparatively few coming within this year's operations, except those who are behindhand with their fourth year's improvements, and who having been called on by the Land Board to effect further improvements were re-inspected to see whether they had now made sufficient improvements to comply with the conditions of their leases. Thus, many defaulters come within the year's operations without including those who have effected more than the improvements required.

In taking the country lands, deferred-payment, perpetual-lease, and special-settlement lands, I find the gross area required to be cultivated of those inspected was 27,577 acres, whilst the area actually cultivated was double—55,323 acres. The other improvements required amounted to £30,893, whilst those effected amounted to no less than £179,806.

Under second-class land, perpetual leases and small grazing-runs, the improvements required are of money value only, and under the old Act are comparatively small, amounting to £9,737; but the value of the improvement effected is £40,887, or over four times the amount required. Against this the whole of the defaulters under the four systems are only 3,703 acres short in the area of the cultivated land required, and £2,207 in other improvements, a mere nothing in comparison with the excess of improvements shown by those who have carried out more improvements than were required under the Act. Of the 1,033 sections inspected, 338 were occupied by the lessees. In the other cases double improvements are being effected; 286 were holding by transfers from the original applicant, and 129 had been made into freehold.

In the 264 village-settlement holdings inspected the area required to be cultivated amounted to 1,110 acres; that found to exist was 2,275 acres, just double the amount required. The value of other improvements required was £2,259; those effected amounted to £21,238, or nearly ten times the amount required by the conditions of their leases. In the village homestead special settlements where residence is compulsory 132 out of the 211 inspected were found to be residing, but a large number of the rest were inspections to see whether the first year's bushfelling had been done, residence not being compulsory until after the first burn.

In the other village settlements under the ordinary deferred-payment and perpetual-lease conditions double improvements are allowed in lieu of residence, as provided by the Land Act. In the village homestead special settlement seventy-seven transfers have been effected, but in the ordinary village settlements very few transfers have been applied for, but seventeen (being one-third of those inspected) have been made freehold.

*Forfeitures.*—The following is a table showing the forfeitures that have taken place during the year for non-fulfilment of the conditions under which the land was held:—