

The Heathfield Settlement on the Chasland River was settled last year, and is now occupied by twenty-seven settlers who hold 2,254 acres, of which 639 acres have been felled, burned, and grassed, and when stocked there will be grass enough to feed cows sufficient to supply a dairy factory. Twenty houses have been built in this settlement.

In Southland two farms are in operation, and others are being arranged; one is situated on the Waikawa River, the other on the Waiau. Thirty-eight settlers have been located and have felled, burned, and sown 376 acres out of their aggregate holdings of 3,164 acres.

When not engaged on work connected with their sections, the settlers are employed, so far as possible, on co-operative roadworks in their neighbourhood. The system of employing the men for part of their time on road or other works, leaving them free to devote the rest of it to their own sections, is being introduced wherever possible, and will become the rule.

It is quite too early to draw any conclusions as to the success of this class of settlement, but if the selectors can be found in partial employment to enable them to tide over the first few years, there seems no reason why a large number of people, who otherwise would have no chance of securing homes for themselves, should not do so under this system. Very much depends on the class of selector; those without previous experience to guide them are likely to have a hard struggle, but to men who are accustomed to bush farming, if they can manage to stock their lands, the system seems to open for them a chance of becoming settlers of a useful class.

#### RESERVES.

Table V shows the total area reserved in the several land districts during the year, and the following figures classify them under different headings:—

	A.	R.	P.
Recreation ... ..	1,861	2	14
Primary and secondary education ... ..	5,145	2	6
Forest reserves, plantations, &c. ... ..	12,729	1	8
Miscellaneous ... ..	1,342	3	19
Total ... ..	<u>21,079</u>	<u>1</u>	<u>7</u>

The attention of Commissioners of Crown Lands has been drawn by circular to the advisability of recommending for reservation all places where there is attractive scenery, or places of historical interest connected both with the European occupancy of the country and that of the Maoris who preceded us. Something has been done in this direction already, and it may be noticed that under the Tongariro National Park Act of last session, power was given to set aside a considerable area as a special "playground" for the people, and a Board appointed to have charge of the same. Up to the present time there has been no reason to call the Board together. The total area included in the Park is 62,300 acres, most of which the Crown has acquired to date. Under the Little Barrier Island Purchase Act of last session, power was given to acquire that island, which contains about 7,000 acres, for the purpose of making it a reserve for defence, and for the preservation of the native fauna and flora. The Australasian Association for the Advancement of Science recommended this course some time ago, and it has been strongly supported also by the Auckland Institute, and many individuals who have the preservation of the native fauna at heart. The title of the Crown to the island is now complete, and the preliminary notice of reservation has been gazetted. Reports on this island, and on Resolution Island, in Fiord County, will be found in the Appendix. On both islands there are resident caretakers.

#### SETTLEMENT CONDITIONS, ETC.

The Commissioners of Crown Lands report that the conditions as to improvement of Crown lands held under lease are generally well carried out, and are usually in excess of the requirements of law. The Crown Lands Rangers have their hands very full now, so many of the systems under which lands are alienated requiring periodical inspection, and, moreover, they are required to perform other duties in addition. In Canterbury especially, the preliminary reports required under the Land for Settlements Act has added very materially to their duties. Attached to some of the Commissioners' reports, to be found in the Appendix hereto, will be found some interesting details as to the amount of improvements made. Whilst the improvement of the land is well up to date, the residential conditions are not so fully complied with. In many cases this arises through the want of good access to the lands, and therefore settlers are inclined to take advantage of the extreme limit of time allowed before removing their families, an operation which is expensive in itself, and usually implies increased household expenditure until good communications are established with the centres of population.

#### PASTORAL RUNS.

Including pastoral runs properly so called, small grazing-runs, and grazing-farms in Cheviot, there were 123 runs, covering an area of 585,898 acres, taken up during the year. These are spread fairly over the colony, but most of the pastoral runs are in Otago and Westland. Table R contains full particulars as to this class of settlement.

In view of the fact that the leases of a large number of runs in Marlborough and Nelson will fall in in 1896, preparations are now making to arrange the new runs on a better basis as to boundaries. Four survey parties are at work making a topographical survey of this large extent of country, and obtaining detail information to guide the department in dealing with the cases. Much alteration is wanted in the boundaries of the runs as they exist at present, for, through want of information when the country was let in 1867, they were arranged on lines which are generally incapable of being fenced. These leases contained clauses giving the lessees the right of purchase, and this right will probably be taken advantage of to a certain extent during the current year.