

During the two months subsequent to the close of the financial year, the following areas have been allotted: Selwyn Settlement, 1,176½ acres to four selectors; Mangapouri Settlement, 2,371 acres to nine selectors; Mangawhero Settlement, 7,810 acres to seventeen selectors; Huinga Settlement, 588 acres to three selectors; Totara Settlement, 94½ acres to one selector: making an additional area of 11,452 acres allotted to thirty-one additional selectors.

The estates acquired but not opened on the 31st March, but which are now under survey ready for opening for selection, are: In the Hawke's Bay Land District—Otanga, near Dannevirke, of 4,028 acres: Nelson Land District—Wangapeka, of 4,480 acres: Otago Land District—Otekaike, of 17,767 acres; Ashley Downs, of 3,697 acres; and Airedale, of 2,662 acres.

Up to the present date some 149 estates have been acquired, of a total area of 1,017,588 acres, which are occupied by 3,869 selectors, who, with their families, number over 12,000 persons.

FORESTRY.

Accompanying last year's report was a separate paper on the State forests of the colony. This year I have dealt with "The Timber Industry of New Zealand"; and full details as to the quantity of milling-timber available in the different land districts, together with the number of sawmills in operation, and the annual output and cutting-capacity thereof, are given in a report (C.-4) which is also being laid before Parliament.

I may briefly state that it is estimated that at the present time there remains about 36,000,000,000 superficial feet of milling-timber growing upon Crown, Native, and private lands; that 411 mills are in existence, with an output during the past twelve months of 432,000,000 superficial feet; and that over seven thousand workers are employed in these mills, regarding which full information is supplied.

Full particulars of the operations of the reforestation branch of the Department, under the control of Mr. H. J. Matthews, will be printed separately as a parliamentary paper. A perusal of his report (C.-1B) on the various nurseries and plantations shows the efforts the Government are making to cope with the diminishing supply of indigenous milling-timber. Hampered as they are by a diminishing revenue from State-forest sources, much economy is necessarily being practised, as "The New Zealand State Forests Act, 1885," does not authorise any portion of these expenses being charged against the consolidated revenue.

SCENERY-PRESERVATION.

During the session of 1906 an amending Act was passed by Parliament, and as a consequence the new Scenery Preservation Board, consisting of the Surveyor-General, the General Manager of the Tourist Department, and the Commissioner of Crown Lands for each land district, was duly constituted. Meetings of the Auckland, Wellington, and Otago Boards have been held, and a number of recommendations for the acquisition and reservation of land for scenic purposes submitted to the Governor. Particulars of the year's proceedings, and of the numerous reservations made from time to time for the purposes of scenery-preservation, will be found in the annual report on scenery-preservation (C.-6) laid on the table of both Houses.

During the preceding twelve months 11,237 acres of land was gazetted under the Scenery Preservation Acts, making a total of 25,802 acres since 1904. The expenditure for the year amounted to £9,411 9s. 8d., which includes £8,096 3s. 6d. paid as compensation for land taken; and proposals for the acquisition and proclamation of further areas of land are now under consideration.

"WORKERS' DWELLINGS ACT, 1905."

In accordance with its provisions, the Land Boards of the Auckland, Wellington, Canterbury, and Otago Land Districts were handed over the following completed dwellings, viz. :—

| | Dwellings. |
|------------------------------------------|------------|
| Auckland (Ellerslie and Otahuhu) | 20 |
| Wellington (Petone) | 25 |
| Christchurch (Sydenham) | 12 |
| Dunedin (Windle) | 14 |

being a total of seventy-one dwellings, fifty-two of which were let at date of compilation of this report.

All new dwellings are being erected under the direction of the Hon. the Minister of Labour, and when completed pass to the control of the Land Board in whose district they are situated. Mr. J. E. March has been the Inspector to whom was intrusted the work of bringing under the notice of the workers the advantages offered them under the provisions of the Act.