H.—9.

In illustration of the progress settlement is making on the gold fields, I cannot do better than quote the facts narrated by Mr. Warden Carew, of Tuapeka. He says—"A remarkable feature of progress in real settlement is to be gathered from the transactions respecting land, during the period reported on. The number of agricultural leases granted during that time is ninety-seven, covering an area of 8,053 acres 3 roods 21 perches, and sixty-five applications, for 6,911 acres 2 roods 4 perches, are now pending, which await survey and other preliminary matters before they can be granted. The holders of forty-eight leases, over 1,830 acres 1 rood 34 perches, which had run over three years, have purchased their holdings, and thirteen other applications, to purchase 405 acres, are before the Waste Lands Board for approval. The provisions under section 62, "Waste Lands Act, 1872," by which the holder of an agricultural lease, three years in possession, is admitted to the benefits of the system of purchase on deferred payments, is being largely availed of. The interpretation given to this section allows the holder of a lease under the Gold Fields Act (after three years) to obtain a Crown grant in fee simple on payment of 17s. 6d. per acre, which may be paid in fourteen instalments, extending over seven years. Strange to say, if the holder wished to purchase the same holding, without deferred payment, under section 74 of the Act, the price would be 20s. per acre. In addition to the leases granted under the Gold Fields Act, fifteen applications, for 2,318 acres 1 rood 26 perches, have been granted under section 50, "Waste Lands Act, 1872." The holders of these allotments, after residing thereon for thirty months out of the first three years, and effecting certain improvements on the land, will become entitled to leases under deferred payments. Another block of land of 2,500 acres has lately been thrown open for settlement on this system, and there is also an area of 43,000 acres for selection under the Agricultural Lease Regulations. A considerable portion of this land is rough, hilly country, and the whole of it, until applied for on lease, is commonage to the surrounding miners and other settlers. The number of cattle depastured on this land for the past year, or rather the number for which assessment was paid, is as follows:-Cattle and horses, 2,485; sheep, 15,000. The total quantity of land which has been leased, in holdings of from five to two hundred acres, up to the end of last month, was 33,176 acres 3 roods 31 perches, and about 20,000 acres granted in fee simple and on deferred payments."

The anomaly pointed out by Mr. Carew, between the terms upon which land may be obtained on the system of deferred payment and by direct purchase, is worthy of consideration.

Mr. Warden Simpson, writing from the Dunstan district, says,—"This district, the greater portion of which is unfit for agriculture, can never make any great strides in that direction. The Teviot and Black's divisions are the only places where any large area of ground fit for cultivation exists, and certainly in the former, settlement must be said to have advanced considerably within the last twelve months. Every section fit for cultivation available has been eagerly pounced on. At Black's some additional land has been leased, but chiefly to old settlers. this district four deferred payment blocks under the Otago Waste Lands Act have been thrown open during the year, viz., Teviot, Blocks III. and IV.; Black's, Tiger Hill, Block V.; and Hawea, Block II. Block III., Teviot, contains about 1,400 acres, of which about 850 have been taken up, the balance being rather indifferent land. Block IV., Teviot: No land has been taken up. I presume the reason to be that it is rather hilly and broken, with a good many rocks distributed over it, making cultivation very difficult, even if the soil were good, and that is only Block II., Hawea: No land has been applied for in this block, which is good land, The only reason I can give for its not being applied for is its great Block V., Tiger Hill, contains 2,500 acres. Of this about 1,300 but a little short of water. distance from any market. That the deferred payment system is in favour with the people, is acres have been taken up. evidenced by the fact that all the holders of agricultural leases under the Gold Fields Act who could do so, have applied to have their leases exchanged for leases under the Otago Waste Lands Act, whereby they get the advantage of the deferred payment. While on this subject, I would remark that much more land would be taken up if the limit were extended from 200 to 500 This extension would be particularly advantageous in districts where the land is inferior, and I think it would be a good rule to regulate the classification of land, by fixing the limit of good land at 200 to 300 acres, and of inferior land so much more. Independent of the settlement on the blocks, since the new Waste Lands Act came into force, there has been a good deal of settlement in a scattered way throughout the district by miners and others, who had, with the consent of the runholders, squatted, and cultivated small patches where convenient to their works, or for other reasons. In some cases these persons have paid as high as £3 an acre to acquire the freehold. The runholders' consent was required by the Board in all these cases, and as a rule it has invariably been given. Some 200 acres have been taken up in this way."

Mr. Warden Beetham, of Queenstown, remarks,—"The district has this year produced a

Mr. Warden Beetham, of Queenstown, remarks,—"The district has this year produced a very large quantity of grain, which has been roughly estimated by competent persons as sufficient to supply its requirements, both as to internal consumption and export, for the next two years, while in the absence of a practicable outlet for grain or produce to the coast, prices are expected to be so low as to be unremunerative to the farmer. The wheat and barley grown in the Wakatipu is I believe equal, if not superior, to that grown in any other portion of New Zealand, and it undoubtedly will, on the completion of the Winton and Kingston line, form a very noticeable feature in the exports from this district. As it is, in the absence of an outlet to the seaboard, produce vastly in excess of the quantity required here will be next to unsaleable, and thousands of acres of valuable agricultural land will in consequence be left unimproved."