

In Southland the area of Crown Lands open for selection, is over a million acres. It is mostly the hilly and back-lying portions of the runs which are leased at 2d. per acre, subject to the right of free selection. Under this system the extensive inland plains were taken up in large purchases, principally at 20s. per acre. The frontages being secured to the rivers and plains, there was no necessity on the part of the large freeholders to purchase the back country, and now that it is so much afflicted with the rabbit pest and the price has been increased to £2 per acre, there is still less inducement. The sale of this country is likely to be very tardy. The forests in Southland, as also in Otago, are not opened by the Land Boards for sale until they have been cut over by the saw-millers and woodmen, who pay either royalties, rents, or license fees, for their privileges.

In Nelson, Marlborough, and Westland, the other three land districts of the Middle Island, the land sales are very small, the aggregate for the three being only 11,935 acres, realising £8651. In the Nelson district, there is an area of nearly 6,000,000 acres, over which selection may be made. But as this country is mountainous with many of the valleys and sides of hills forest-clad, it does not attract settlers who can purchase on immediate payment the open grassy lands of more favoured districts. There was for many years, and up to 1878, a system of leasing in vogue in this land district, by means of which a selection of land up to 10,000 acres could be held on payment of 5 per cent. of its assessed value at date of application, with a pre-emptive right to purchase at any time during the currency of the 14 years' lease, at a price per acre, to be fixed by the Land Boards in accordance with the law in force at the time of purchase. The Commissioner points out that the Land Sales Act of 1877, by raising the minimum price of land to 20s. per acre, will bear heavily on a considerable number of lessees who took up poor land, relying on the Board continuing to have the power to fix the price at 10s., or even less, per acre. About three hundred (300) lessees holding an aggregate area of over four hundred thousand (400,000) acres are so affected. Another system of lease, or more properly speaking a deferred payment system without residential or improvement clauses, was and is still in force; by means of it the applicant gets the land for a term of fourteen years at an annual rental of 10 per cent. on the declared value of the land for sale. At the end of the term, or at any time before, on payment in one sum of the balance of the total amount of the fourteen annual payments, he becomes entitled to the Crown Grant of Land. The only restriction on this system is that no greater quantity than 320 acres shall be leased to any one person. These very easy terms of payment encourage settlement in bush districts, and in localities where the land is poor. But it need not be disguised that they also lead to the land being taken up in advance of the real settler, and its being held as a mere speculation. There ought at least to have been an improvement clause. This would not have hindered one iota the real settler, while it would have deterred the speculator, or compelled him to improve the land. The increase in price, co-operating with the fact that former selections have pretty well monopolised the choice spots and frontages along roads and rivers, has very materially diminished the number of applications since the 1st January, and it is quite certain that but few applications will be made during the current year.

In Marlborough, there is an area of about a million acres open for selection. It is the hilly and mountainous part of the district, and as the plains and low-lying country which skirt it, have been purchased years ago, there is no inducement for anyone, not already possessing land contiguous, to make selection. Under these circumstances, the price of land fixed last session, renders the possession of the back country quite secure to the present lessees, whose term expires in 1882, with right of renewal for fourteen years at double rental. The present rental is about 1d. per acre. So that it is much more advantageous for the lessees to pay rent than to buy the land, even although the price were only 2s. or 3s. per acre. The only part of the Marlborough district where a little settlement is taking place, is in the valleys, and around the margin of the Sounds. But the country being all bush, the progress is very slow.

Westland, and that part of Nelson known as the South West Gold Fields, form together one long narrow strip of country along the West coast, covered for the most part with dense forest, intersected by numerous large rapid rivers, which are sustained in volume by the very humid climate which there prevails. The occupation and cultivation of the soil under these and other natural obstacles, necessarily proceeds but slowly, and settlement is very secondary to the mining interests, which are the staple of the West Coast.

The North Island is divided into the four land districts of Auckland, Taranaki, Hawke's Bay, and Wellington. The absolute sales in these are—

		A.	R.	P.	Purchases.		
Town Lands	...	108	3	16	to 224	Cash Received.	Scrip.
Suburban	...	621	0	23	" 45	£121,910 10 6	£24,836 2 4
Rural	...	136,963	3	32	" 841		

The average price of £2 7s. per acre for rural land in Auckland, is due to the high prices realised for the sale of the Patutahi Block, Poverty Bay District.

The area under the administration of these four Land Boards, aggregates five million acres. A large proportion of this is forest land, and it is the usual practice not to open land for selection until after survey. At present there are upwards of 40,000 acres in Auckland District, and a similar area in Wellington District surveyed and ready for selection, but withheld by the Land Boards in expectation of roads or tracks being formed to open up the Blocks.

Table No. 3—Refers to the disposal of land on settlement conditions. These are; the Homestead Deferred Payment, and Agricultural Lease systems.

The Homestead system is only in operation in Auckland, where 57 approved applications absorbed 11,000 acres for the twelve months. The settler under this system makes no payment for the land, the only cost to him being the expense of survey. On the fulfilment of conditions, which are five years residence, and the cultivation of one-third of the selection, if open land, and one-fifth, if bush land, the Crown Grant is issued, and the selector may then proceed to make another selection. Regarding this, the Land Board recommends "that a provision similar in its effect to the one inserted under the Deferred Payment system, to prevent a person obtaining more than one selection, should also be introduced in relation to the Homestead system. At present it is open to a person who has already acquired land under