

*Land Sold.*

As already-stated, there has been a falling-off in land sales—only a little over one half the area sold as compared with the year ended 30th June, 1879, and still less as compared with the year preceding that. This, in a great measure, is due, no doubt, to the financial depression; but weight must also be given to the fact that the easily-accessible and most valuable Crown lands have been generally taken up. In the Canterbury Land District, for instance, there is very little Crown land remaining that any one would care to purchase at £2 an acre. In the Otago Land District, where the land is £1 an acre, there are large areas that, were the country all open for selection, would readily fetch that price; but the land there is nearly all held on pastoral lease, and, as it is expensive to extinguish the grazing right, only a very restricted area of suitable land is under offer for sale at any one time. Under this restrictive system the Crown lands in Otago have been more conserved than in any other land district, and, partly as a consequence, the most valuable public estate in the colony, comprising 6,000,000 acres of open grass-country, still remains there intact.

As we may not expect any great revenue from the sale of land in Canterbury, Otago, or Southland for the next two or three years, and the other land districts, having mostly forest lands, are not likely to help very materially, it is evident that the land revenue from sales cannot be expected to rise very much above the £150,000 of the year ended 30th June last.

The pastoral rents, and deferred payments, and miscellaneous from leases and royalties, added to this, will produce a total revenue of £330,000, which sum may be assumed as the normal amount of land revenue that may be relied on for the next few years. Should the 20,000 acres of open land on Waimate Plains (exterior to the Native reserve recommended by Sir William Fox and Sir Dillon Bell) be sold this year, then the revenue from sales during the current year may reach £200,000 or £250,000.

It is not to be assumed from the diminution of revenue from land sales that the settlement of the country is to stop. It only means that, from price, leases, compulsory-improvement clauses, and other conditions affecting the various land districts, the inducement to select large estates from the Crown lands as an investment is, for the present, gone. The settlement of the country will undoubtedly proceed, but it will mostly be by those who avail themselves of the settlement clauses of the Land Acts, 1877 and 1879. A large and growing revenue is being derived from this class of settlers. As the payments are spread over a number of years—from three to ten and fifteen years, at the will of the settler, and according to the class of land—the receipts for any one year do not, of course, amount to so great a total as if the land were purchased by one immediate payment.

*Settlement Clauses.*

Deferred payments, agricultural lease, homestead, village and small-farm settlements.—During the past twelve months, under these several clauses of the Land Acts, the great work of settling 718 persons or families on 95,000 acres has been accomplished. This is a marked increase of 50 per cent., both in settlers and acreage, as compared with the twelve months ended 30th June, 1879. Among the causes contributing to this result may be mentioned the passing of "The Land Act 1877 Amendment Act, 1879," which, by reducing the minimum price at which deferred-payment lands may be offered from £3 to £1, set free several blocks, that have since been taken up at £1 5s., £1 10s., £2, and higher, per acre. Another cause is the necessity imposed on heads of families to look out for something independent of employment on wages, which has become in all branches, public and private, more precarious than formerly. To meet the wants of such persons blocks have been opened in nearly every land district, and are now under offer, and more are in course of preparation and will shortly be opened. During the current year there is likely to be considerably more settlement under these clauses than in the year just closed.

Although the deferred-payment system proper was only introduced in 1873, and for a year or two was kept within very narrow limits, it has now assumed very large dimensions. On the 30th June last, 1,862 persons held 258,534 acres on deferred payments, the annual payment of fees due on which, being instalments of price, amount to £54,100. Up to that date, 575 persons, representing 97,113 acres, originally taken up on deferred payments, had fulfilled all conditions and converted the land into freehold. Of this number, 115 persons, representing 13,778 acres, have done so during the past twelve months, in the exercise of the option which is open to the deferred-payment settler of discharging in one payment the balance of half-yearly payments, if he has held the land for three years and fulfilled the improvement conditions. Not included in these enumerations, there were, on 31st March last, in Nelson Land District, 135 persons, holding 14,387 acres on a yearly payment for fourteen years of £1,170, each payment being an instalment of price. This is known as the 10-per-cent. clause (*see* section 8, Appendix E, "Land Act, 1877"). Under it the Land Board has power to fix the price of land as low as 10s. per acre. Having fixed the price, the selector is allowed fourteen years to pay it; the yearly payments being a sinking fund of 10 per cent. for that period, when the land becomes freehold. The selector has the right of completing the freehold at any time within the fourteen years on paying up the balance of sinking fund. There are no conditions of improvement or residence; so that in Nelson the deferred-payment system is not on the principle of requiring the selector to improve the land as a condition of his getting it on easy terms of payment. But, instead, the Government becomes the money-lender, and charges a total of 40 per cent. for the accommodation given. It is an expensive system to work; for the country gets spotted over in isolated sections, and, being mostly a bush-country, the cost of survey is necessarily high.

Agricultural-lease system of gold fields.—Under it 60 persons took up a little over 10,000 acres during the year, which, with former leases still current, make a total of about 100,000 acres now under lease. This system had its origin in the effort to enable the settler and miner to co-exist in the same locality. In that respect it has answered very well. As the term "lease" implies, it is not a purchase, like the deferred-payment system. The agricultural leaseholder rents the ground for seven years, and his interests are made subsidiary to the miner, who can enter on the ground for mining, or, if need be, require the withdrawal of the leaseholder on payment of improvements. The Governor may, after