selections under these conditions, whilst it has at the same time a beneficial effect in stopping speculation. The advantages of the system are that it enables the department to place blocks of land in the market in less time than if previously marked out in sections, and also allows the selector to take up just so much land as suits his wants; but at the same time the cost of survey is somewhat

Hitherto very little trouble has arisen through conflicting applications, and generally the system seems to be one which applied under proper restrictions has been and will be conducive of

good results.

The area which has been proclaimed and was open for selection on the 31st March last, either as surveyed or unsurveyed lands, was 970,000 acres, whilst it is estimated that 363,000 acres were in course of preparation at the same date, and which will come in for settlement before September.

A general summary of the land transactions of the department for the year is as follows, full details of which will be found in the appendices:—

	O1 11111011 11111											
					N	Tumber o	\mathbf{f}			Cash and S		
							rea.		on Current and Past			
					or Selectors.				Transactions.			
							Α.	R.	Р.	£	s.	d.
Tc	own lands		• • •	•••		132	70	0	15)			
St	ıburban		•••			46	211	0	13	59,460	14	3
$\mathrm{R}\iota$	ıral					365	46,641	2	28)			
$\mathbf{D}\epsilon$	eferred payme	$_{ m nt}$				304	41,376	2	37	46,312	13	7
Deferred payment, village settlements						75	782	1	26	3,424	8	8
S_{Γ}	ecial-settleme	nt associa	ations		• • •	46	4,970	1	3	10,649	0	3
Vi	llage settleme	nts, cash				159	656	1	15	2,548	4	5
$\mathrm{P}\epsilon$	rpetual lease					756	236,905	3	7	19,075	17	11
Αş	grīcultural leas	se		• • •		1	53	$\cdot 1$	5	1,150	10	6
Village gettlements nemetual lease						76	1,729	1	33	173	17	5
	llage homeste					20	270	0	35	2,154	7	4
	nall grazing-ru			•••		35	60,340	1	11	10,088	6	11
	storal runs					273	3,734,296	0	34	153,399	11	8

For particulars as to land and territorial revenue, reference should be made to Table Q, where all details are given. As selections under the perpetual-lease system are increasing rapidly, and replacing cash or deferred-payment selections, the result is that the Land Fund must decrease whilst the territorial revenue augments. As the whole cost of administration and survey of both classes of land are defraved from the former fund, besides other matters under Acts of Parliament, it does not meet the whole of the charges against it, and this will probably continue to be the case until some adjustment is made between the two accounts by which a portion of the cost of administering the lands from which the territorial revenue is obtained is borne by that fund. In addition to the administration of the ordinary Crown lands, the department has during the year dealt with considerable areas in the shape of endowments, the whole charge for which falls on the Land Fund, a due proportion of the proceeds of which should in all fairness be credited to that Fund. This fund has again been decreased during the year by the exercise of £14,631 12s. 6d. of scrip, mostly issued in fulfilment of engagements under the Forest-trees-planting Encouragement Acts, a considerable amount of which has yet to be presented, and will possibly come in during this year. The current year may also witness a considerable increase under the heading of scrip, should the results of inquiries under the Naval and Military Settlers' Land Act receive parliamentary sanction.

Reserves.

During the year 17,928 acres of land have been reserved for various public purposes, as set forth in the following list:

				A.	R.	Р.
58 primary-education	reserves			 11,775	1 2	28
24 municipal reserves		• • • •	•••	 13	0.8	39
30 recreation reserves	• • •	•••		 1,186	3 8	30
5 forest reserves		•••		 1,717	1	0
206 miscellaneous reser	ves	• • •	•••	 3,235	2	7
323 To	otal			 17,928	1 1	[9

In addition to these, the islands in Lakes Te Anau and Manapouri have been made recreation reserves.

SETTLEMENT CONDITIONS, TRANSFERS, ETC.

The area now held under enforced improvement conditions is so large—amounting to 1,829,695 acres, occupied by 9,394 selectors—that it forms no inconsiderable portion of the duty of the department to see that the conditions under the Acts are carried out. These duties are performed by thirteen Crown lands rangers, with occasional assistance from the forest rangers and officers of the Survey Department.

The reports furnished by the Commissioners of Crown Lands go to show that, on the whole, the conditions are very well adhered to, and in nearly all cases residence is complied with, and more improvements have been made than is required by law. As far as can be judged, there seems to be a more general attention given to pursuits connected with the utilisation of land than has been the case for some years past, the market offered by the frozen-meat trade being no doubt a considerable factor in this improved state of affairs.

The Commissioner of Crown Lands for Taranaki — a district in which the deferred-payment lands form the bulk of the holdings-furnishes some figures on the subject of improvements, which

are worth quoting :-