

First inspection, at end of second year:—

No. of Sections inspected.	Area.	Clearing required by Law.	Actual Clearing made.
249	33,914 acres	3,391 acres	7,878 acres.
6 in arrear	890 "	89 "	17 "

Second inspection, at end of fourth year:—

100 sections	12,159 "	2,411 "	4,651 "
2 in arrear	238 "	48 "	17 "

Final inspection, at end of sixth year:—

		Value required by Law.	Actual Value.
106 sections	11,179 "	£11,179	£17,961
11 in arrear	1,498 "	1,498	740

The reports from the other districts are generally of an equally satisfactory character.

Connected with the improvements effected on the lands held under the deferred-payment and perpetual-lease clauses of the Act are the transfers from original selectors to others, for it is only on completion of these improvements that the Land Boards allow of such transfers. For the past twelve months they were as follows for the whole of the colony:—

Deferred payment, 66 transfers, covering 9,637 acres.
Perpetual lease, 72 " " 21,159 "

PASTORAL LANDS.

During the past year a considerable area of pastoral lands has been dealt with, principally in Otago and Canterbury. These represent lands which had been previously held under lease, but of which the leases fell in during the year, or will do so this year. Altogether 273 runs, with an area of 3,734,296 acres, were taken up. Many of the boundaries of the old runs have been altered to suit the requirements of the country, and some have been withdrawn altogether from lease, on the recommendation of the Classification Commissioners appointed under the Land Act of 1888, to be utilised for closer settlement. The erection of the rabbit-proof fence in South Canterbury had a material effect in enhancing the rentals acquired in the runs north of it, whilst many of those to the south side, where the country is overrun by rabbits, failed to find bidders at all.

At the Canterbury sales, in May and June of 1889, the increase in rentals above those formerly obtained for the same country amounted to £6,018, and £7,970 above the upset prices fixed by the Board. In the thirty-one runs let for short periods at the same time within the Midland Railway area an increased rental of £1,004 was obtained, and in the ten runs let on behalf of the Canterbury College an increase of £1,827 per annum.

The fifty-two runs in Otago, offered in February, 1890, did not fetch their previous rentals by a sum of £1,122.

SMALL GRAZING-RUNS.

The figures below show in a condensed form the result of inspections recently made into the degree of compliance with the law as regards improvement and residence on the small grazing-runs. So far as figures are to hand, the table shows an improvement on the inspection made last year, but there are still some cases in which the residential requirements are not complied with, and these cases are shortly to be taken in hand by the Land Boards with a view to cancelling the leases, unless good cause can be shown for the non-compliance with the law by the selectors. Many of those taking up runs on this tenure seem to place a very wide interpretation on the clause which allows of residence within ten miles of the run if such residence be on freehold or leasehold land in the selector's own possession.

The terms on which this class of runs are let are so favourable that no one should find any difficulty in complying with the conditions of the lease.

This table is for a later date than that of the annual return, and therefore shows some differences in the figures.

District.	No. of Runs.	Area.	Value of Improvements.	Area cultivated.	No. of Holders residing.	Not residing, but within Ten Miles.	Not residing or fulfilling Conditions.	Exempt from Residence.
		Acres.	£	Acres.				
Auckland	10	25,205	3,025	2,040	3	1	2	4
Hawke's Bay	44	111,180	9,392	4,725	12	13	19	...
Taranaki	7	6,036	690	400	2	2	3	...
Wellington*	71	62,613	20,652	9,782	24	20	11	...
Marlborough	12	6,795	501	180	3	6	3	...
Canterbury†	7	13,350
Otago	133‡	282,502	44,704	6,508	69	41	12	11
Southland	1	200	Nil	Nil	Nil

* Sixteen runs not yet inspected. † Inspection not complete. ‡ Includes thirteen "Clutha River Trust" runs.

ARREARS AND REVALUATION.

Comparing the past year with the previous one, the number of selectors in arrear with their payments of instalments, interest, or rents, it is found that the actual number is less than it was