class, but applicants for perpetual leases for second-class lands under "The Land Act Amendment Act, 1887," are gradually increasing in number.

Lands sold for Cash.—These purchases have been for lands proclaimed open for sale and otherwise, at prices varying from 10s. to 6s. An area of 6,124 acres 2 roods 20 perches has been sold to thirty-nine selectors. Many of these areas have been purchased by adjoining holders. The number

of these sales has nearly doubled that of last year.

Lands sold under Deferred Payment.—The only lands taken up under this tenure are under Appendix C of "The Land Act, 1885," without improvement conditions, but under which the price cannot be less than 10s. per acre. In this district this tenure seems to be rather more preferred than the deferred-payment tenure with enforced improvement conditions ruling second-class lands, although these lands can be obtained at a lower price per acre. The number of holdings taken up were forty-four, most of these being for areas from 51 acres to 250 acres, the average being 106 acres 2 roods 29 perches.

Perpetual-lease Lands.—The number of holdings taken up during the year was six, the area 2,172 acres 2 roods 38 perches, and the average upset rent per acre $3\frac{1}{2}$ d. Previously, only four had been taken up under this tenure. Towards the end of the year fifteen further applications have been made for second-class lands, showing this tenure to be gradually growing more in favour. Inspection of improvements done on the four above mentioned selections has been made by staff surveyors, there being no Rangers, and in each case they were largely in excess of the value required. Other holders have not yet completed their first year's period.

Village Homestead Special Settlement.—One selector has taken up an area of 5 acres out of

sections not previously taken up when first proclaimed in the village-homestead area at Mokihinui. During the year an additional area has been surveyed adjoining the previous one, and opened for application.

Pastoral Leases and Licenses.—Forty-one holders have taken up an area of 32,425 acres 2 roods 38 perches. Of these, twenty-six are holders of areas over 500 acres, amounting to 30,440 acres, and averaging 1,170 acres in size. These are nearly all located in rough mountainous country not fit for agriculture, and are mostly occupation licenses under Appendix C of "The Land

Act, 1885," terminable at three months' notice if the area is required for leasing.

Miscellaneous Leases and Licenses.—No coal, mineral, or flax leases or licenses have been granted during the year. The following table shows the output of coal, and royalties received, from mines held under Acts previous to "The Coal-mines Act, 1891:"—

		Royalty, 6d.	Less Dead Rent paid in advance.	Royalty received.
Grey Coal Reserve— Brunner Mine Coal-pit Heath Buller Coal Reserve—Westport Coal Company	Tons cwt. 76,969 1 69,224 0 192,606 11	£ s. d. 1,730 12 0 1,924 4 6 4,815 3 3	£ s. d. 480 0 0 250 0 0 620 0 0	£ s. d. 1,250 12 0 1,674 4 6 4,195 3 3

Owing to the coming into operation of the Act above mentioned on the 1st January, 1892, coal leases cannot now be granted by the Land Boards within duly-constituted mining districts, but will in future be dealt with by the Wardens and Minister of Mines. With respect to leases granted under previous Acts, the administration and collection of revenue (royalties) at present remains with the Board and Commissioner until atherwise provided for and it mostly the provided for any items of the provided for any present remains with the Board and Commissioner until otherwise provided for, and it would be desirable to bring the management of these under the same administration as those granted under the recent Act just passed.

Timber Licenses.—There have been only three small areas granted on the east side of main range. There has been an amount of illegal timber-cutting on the western side of main range, on which I have previously reported. This has been stopped, and back royalties collected amounting to £438 7s. 3d. Some of this has been on lands which are now being proclaimed mining reserves under the Midland Railway Company's contract, and will be dealt with in future by the respective Wardens; but it is necessary for the Government to provide regulations for saw-millers and timber-cutting on lands set apart for selection by the company which are not within millers and timber-cutting on lands set apart for selection by the company which are not within mining reserves. As these lands will be within duly-constituted mining districts, it is possible that timber-cutting may be administered by the Wardens under the provisions of "The Mines Act, 1891," and its regulations.

Revenue.—The revenue from Crown lands during the past year amounts to £22,320 1s. 7d., and that from endowments to Harbour Boards and other bodies to £15,157 13s. 2d.: total, £37,477 14s. 9d. I may point out that for the previous year, ending the 31st March, 1891, in spite of the large area withdrawn for selection by the Midland Railway Company, Nelson occupied the fourth place in amount of land revenue returned, and also in territorial revenue in the colony .

Area reserved and alienated, &c.—The area reserved for various purposes, and alienated

under Acts, scrip, &c., during the year amounts to 2,184 acres 2 roods 7 perches.

Conduct of Business.—Twelve meetings of the Land Board have been held for general business. Two Commissioners—Messrs. Hursthouse and Hamilton—completed their term of office. Mr. Bates was appointed in lieu of the former gentleman, and Mr. Hamilton reinstated for a further JOHN S. BROWNING,

Commissioner of Crown Lands.