

Of the apparently large area taken up—115,864 acres—89,300 acres have been selected by farm homestead associations, leaving the comparatively small area already quoted, of 26,564 acres (or less than half the area taken up last year), as having been selected under the optional system. The total number of selectors, including farm homestead associations, was 678.

The only land open for selection at present is a few large sections in the Kapara Survey District, up the Waitotara River, and some broken country opened as unsurveyed land behind Waverley. This is the first experiment of the kind made in this district; and, although 18,530 acres were offered on the 16th March, only 2,840 acres were selected.

*Table B.*—The large number of purchasers for cash is accounted for by forty out of the forty-four having purchased town and suburban lands at auction.

As in previous years, it will be noticed that under the optional system the perpetual-lease tenure was again the favourite, the number of selectors having more than trebled any of those under the other systems. It is rather premature to predict which will be the favourite tenure under the new Act; but, so far, the occupation with right to purchase takes the lead.

*Table C.*—The land sold for cash during the year has been confined almost entirely to town land at Stratford, and suburban sections at Kaponga and Tarata, the average price per acre for the former being £57 18s. 6d., as against £73 5s. 9d. last year. Out of 350 Stratford town sections, offered, only sixty-two were sold, and very few realised more than the upset price.

*Table D.*—The area of deferred-payment land selected was considerably less than half what it was last year, but the revenue has not suffered in proportion, since an area of 12,377 acres was made freehold, as against 13,349 acres last year, the cash received being only £777 less than last year. Of course, this revenue is now a vanishing quantity; and, as we have only 633 selectors left on the books, at the rate at which freeholds have been acquired during the past two or three years, they will all be bought out in about six years. One section only was forfeited.

*Table E.*—Although the area taken up under perpetual lease and small areas—13,916 acres—is three times as much as that under deferred-payment system, it is only about a third of what was taken up last year. Twenty-three selectors, representing 6,820 acres, have acquired their freeholds during the year, as against ten last year, leaving now 439 selectors, holding 110,039 acres, which may be made freehold. As the desire to acquire the freeholds, dependent, of course, upon the general prosperity of the district, is steadily on the increase, it is probable that in seven or eight years all the land held under this tenure will be bought out. There were eight changes of tenure—six to deferred payment and two to lease in perpetuity. The revenue received during the year was £10,147 7s. 7d. (including £5,245 received for freeholds), as against £7,240 4s. 11d. last year. Nine sections were forfeited.

*Table F.*—So far, there have only been six selectors under lease in perpetuity, and two others have changed their tenure from perpetual lease. It is premature to predict the future of this system.

*Table G.*—As before remarked, so far, the tenure of occupation with right of purchase is the favourite under the new Act, there having been ten selectors, as against six under lease in perpetuity.

*Table I.*—Only three village sections for cash, of 1 acre each, all in Tarata, were taken up. This system has never been a popular one in this district, and it is more than probable that the balance of sections in Tarata open at present will be withdrawn and offered as ordinary town lands.

*Table J.*—The village settlements on deferred payments are all old transactions. Three out of the thirteen selectors have acquired their freeholds, leaving now ten selectors, holding 341 acres.

*Table M.*—Fourteen farm homestead association blocks have been taken up in different parts of the district, the most northern one being the Moanatairi, at the head of the Waitara River, and the most southern those in the Kaitangiwhenua Block, inland from Patea. They cover a net area of 89,300 acres, and include 449 members, with an average area of 198 acres per member.

The Milsom, Tanner, Oxford, Gatton, and Lepperton Blocks have been surveyed. Three of the Lepperton members have felled about 120 acres, and probably 50 acres have been felled on the Milsom Block. Several members of both the Milsom and Tanner Blocks have contracts on the Junction Road, which runs through these blocks.

Nine blocks yet remain to be surveyed. Of the blocks selected before the passing of "The Land Act, 1892," it is believed that all the members will elect to accept the lease in perpetuity in preference to the perpetual lease.

*Table O.*—The only new transactions in small grazing-runs was the disposal of 246 acres, in two sections, of some barren sand-covered land on the West Coast, between Hawera and Patea, which the adjoining proprietors wished to acquire and plant with sand-grass, &c., to protect their freeholds. The Land Board could see no other way of letting them have the land on a reasonable lease than by offering it as small grazing-runs at 3d. per acre rental.

As all the land opened under this system has been taken up it may be considered advisable to open up a further area on the Whenuakura and Patea Rivers.

*Table Q.*—*Miscellaneous Leases and Licenses.*—Two timber-cutting licenses in the Ngairi Block are still in force, the amount received having been £116 8s. 2d., which will in some measure recoup the Crown for the annual rental of £200 paid to the Natives for the lease of this block, which lease has such a short time to run (about fourteen years), and the power to renew it appears to be so doubtful, that the Land Board has been unable to devise any feasible scheme to insure settlement on the land. The only logical way out of the difficulty appears to be to acquire the freehold.

The miscellaneous leases consist, as hitherto, principally of reserves leased for fourteen, ten, and seven years; also unoccupied pieces of Crown land which it is undesirable to sell, and which have not yet been reserved for any special purpose; also vacant town sections let on yearly tenancies, terminable by three months' notice. There are seventy-six lessees, holding 839 acres, and bringing in an annual rental amounting to £232 18s. 4d.

*Table R.*—The total revenue received during the year amounts to £28,294 19s. 9d., or £2,545 in excess of last year's. The largest surplus was on the cash sale, £6,289 4s. 1d., including per-