

to be paid on the capital value of the land, an advance equal to one-fifth of the rent payable to the Crown. In other words, if the capital value of the land is fixed at £1 per acre, the applicant under this system is willing to pay 1s. instead of 9-6d. per acre, or nearly 2½d. per acre per annum, for a period of from ten to twenty-five years, for the right to become the occupier of the land in fee-simple. The total revenue collected exceeded my estimate by £8,201; but, as I explained when sending it in, a large proportion of the cash received is derived from lands taken up under "The Land Act, 1885," on perpetual-lease conditions, which are now being turned into freeholds, and it is impossible to form any reliable estimate of how many lessees are likely to do so. Thus, the total land revenue in this district can never be given with any degree of accuracy until the year's transactions are completed.

*Deferred-payment Lands.*—There are only 102 selectors under this system now on the books, holding an area of 22,578 acres and 11 perches, the yearly instalments of which amount to £4,905 0s. 9d. Twenty-eight persons completed their titles to an area of 6,342 acres and 11 perches; as against forty-two titles obtained last year, comprising an area of 8,613 acres and 17 perches. There were no forfeitures of selectors' interests under this system.

*Perpetual-lease Lands.*—Under this heading there are 475 selectors on the books, holding an area of 194,270 acres 3 roods 23 perches, the annual rental being £9,963 18s. 10d. There were eighty-nine freehold titles acquired during the year, for an area of 27,963 acres 2 roods 37 perches; the capital value being £26,940 2s. 1d. This is a decrease of seven titles, for 18,903 acres, over last year. The decrease is probably caused by the large number of these titles already made freehold; and they will probably steadily decrease in the future. There were three forfeitures, of 1,032 acres, under this tenure during the year.

The land taken up during the past year was either selected on occupation with right of purchase or under lease in perpetuity, and is as follows:—

*Occupation with Right of Purchase.*—One hundred and thirty-one selections were made during the year, of an area of 34,748 acres, bearing an annual rental of £2,150 2s. 8d.; and the interest of one selector, in 850 acres, was forfeited. There were only ten selectors in arrear on the 31st March, for £108 4s. 2d.

*Lease in Perpetuity.*—One hundred and five selectors took up 27,760 acres during the year, the annual rental being £1,061 6s.; and there were eight exchanges from other systems, of an area of 4,470 acres, the annual rental being £203 18s. 8d. There are now 189 selectors on the books, holding 55,639 acres, at an annual rental of £2,350. There were only ten selectors in arrear on the 31st of March, for £82 13s. 7d.

The large increase in the number of the selectors in these last two returns is mainly due to the large number of farm-homestead selections which have been forfeited and reoffered for selection under the ordinary conditions of the Land Act.

*Village-settlement Lands under Lease in Perpetuity.*—On this system, which is practically a continuation of the village-homestead special settlement system, there were 133 selections, of 2,689 acres, at an annual rental of £248 17s. 5d. There were twenty-two forfeitures, of 439 acres, during the year, and the total area now held amounts to 5,099 acres, by 151 persons, the annual rental being £859 7s. 1d., thirteen of these being in arrears with £68 15s. 10d. Land is readily taken up under this system in this district, and a very much larger area would be taken up if there was suitable land to offer under these conditions.

*Village-homestead Special Settlements.*—There are 155 selectors on the books, holding 1,923 acres, at an annual rental and interest on advances of £335 15s. 4d. The interests of five lessees, in 45 acres, were forfeited during the year. A sum of £10 was advanced for a house, the total advances made to 31st March being £6,561. The arrears amounted to £337 17s. 3d., owing by sixty-six selectors. A large number of lessees under this system converted their leases to lease in perpetuity during the year.

*Special Settlement Associations* comprise the following systems: Land selected on the deferred-payment conditions, under the special-settlement regulations of the 5th December, 1885; farm-homestead associations, under the regulations of the 15th December, 1891 (both of which have been repealed); and special-settlement associations, under sections 162, &c., of "The Land Act, 1892."

Under the first system there are still 226 selectors, in fourteen associations, holding 22,570 acres 1 rood 25 perches; and the number of selectors residing on the land is ninety, representing an area of 8,868 acres. The others are making double improvements in lieu of residence. There were 110 freehold titles acquired during the year, for 10,988 acres, and twenty-eight persons in arrear with their instalments, amounting to £215 15s. 10d.

Mr. Lundius, Crown Lands Ranger on the West Coast, reports, with respect to the old deferred-payment special settlements in his district, as follows: "As all settlements formed under this tenure have been taken up more than six years, very few inspections have been made. The settlers in these settlements are nearly all doing well. In the Birmingham and Awahou-Pohangina Settlements there are now creameries in full working-order, and in Feilding Settlement there is a cheese-factory, erected last summer. The settlers have found out by experience that some provision has to be made for feeding the stock during the winter months, and in all settlements a good deal of stumping and breaking-up of ground has been done."

Under the present farm-homestead system, thirty-six associations, held by 969 selectors, and representing an area of 196,966 acres 3 roods 10 perches, were shown in last year's return as on the books; and during the present year three further blocks, held by sixty-three selectors, of an area of 11,728 acres and 29 perches, of which the survey had been completed, were registered in the books, making a total of 1,032 selectors, for 198,694 acres 3 roods 39 perches. Of these, 393 have forfeited and surrendered their interests in 78,803 acres during the year, leaving 639 selectors still on the books, holding 119,891 acres 1 rood 18 perches. The amount received as rental during the year was £3,930 17s. 7d., and the arrears amounted to £683, owing by 127 persons.