

gross receipts are estimated at £71,825, the sum of £54,901 8s. 2d. coming under ordinary Crown lands and endowments, and £16,923 11s. 10d. under land for settlements.

*Rebates of Rent.*—The granting of rebates initiated last year has been continued, and without doubt has had the effect of inducing tenants to pay their rents more promptly than hitherto, and also of reducing the amount of arrears, many lessees, in order to obtain the benefit of the rebate, having paid up what they were owing. The system appears to give general satisfaction, except in the case of small grazing-runs, some of the holders under that system, and perhaps not without reason, considering that their circumstances and position are as much deserving of the concession as the other classes of settlers. The amount granted in this district during the year was £1,043 7s. 7d. I am still of opinion that this measure should be regarded only as a means of securing prompt payments of rent, and not as a means of relief, and that it would be better if the Act fixed the amount or percentage of rebate. I might, however, add that the allowances made by the Receiver of Land Revenue and myself appear to have given satisfaction.

*Land opened for Selection.*—An aggregate area of 204,408 acres was opened for selection during the year as per Table No. 2, the area under each head being less than during the previous year, there being practically no new lands included in the year's operations. There appears to be still a fair demand for good agricultural land, and many of the present tenants are desirous of extending their holdings.

*Land to be opened.*—My remarks under this head in last year's annual report will apply equally on this occasion, as the land to be dealt with will chiefly be what is already in the market, or such as may fall in by expiry, surrender, and forfeiture. The two Highfield Runs, notice to resume which has been served on the lessees, Messrs. Ross and Glendinning, will be cut up during the year for closer settlement, and will, if possible, be disposed of before the close of the financial year. The area of these two runs, Nos. 225B and 225C, is 13,717 acres, which will be dealt with chiefly as small grazing-runs. That there is now in this district no further low-lying country that can safely be taken from pastoral runs for closer settlement is a fact becoming more and more apparent every year, and the sooner it is faced by all concerned the better will it be, in my opinion, for the future administration of the public estate. The mountain country, of which there is so large an extent in this part of the colony, can only be utilised if it has with it a certain amount of land that can carry stock in the winter season when the high land is covered with snow, and for lambing purposes. The lands to be dealt with during the current year, apart from the runs above mentioned, are as follow: Pastoral lands the licenses of which expire in 1904, a total area of 199,751 acres; pastoral land at present open for application, and to be dealt with before the 31st March, 1903, about 50,000 acres; under the Land for Settlements Act, about 8,350 acres; also the lands open as indicated in the Land Guide, an aggregate area of some 120,000 acres.

*Selections during the Year.*—Reviewing the year's transactions in the order of the tables, I have to remark as follows:—

(a.) *Cash.*—Under this head the transactions were fewer than the previous year, there being thirty-eight as against forty-six in number, 977 acres as against 1,997 acres in area, and £663 5s. 10d. as against £1,140 1s. 3d. in revenue. Cash sales are always uncertain, and as very little land of first-rate quality has been opened under the optional system the transactions are necessarily limited in number.

(b.) *Deferred Payments.*—The holdings under this system have been reduced during the year, by completions of purchase and otherwise, from sixty-one to fifty-two, and the area from 16,557 acres to 15,434 acres.

(c.) *Perpetual Leases.*—These have decreased from 286 to 262, and the area held from 55,510 acres to 51,167 acres. The amount of rent received was £1,988 2s. 7d., as against £2,506 19s. 2d. the previous year. The area made freehold during the year was much greater than anticipated, being 2,480 acres 2 roods 10 perches by fifteen selectors, as against 240 acres by two selectors the previous year. This increase would seem to indicate a growing desire to acquire the fee-simple of the land.

(d.) *Occupation with Right of Purchase.*—There were twenty-three selections under this tenure during the year, with an area of 4,991 acres, being about half the number and quantity taken up in 1900–1. Notwithstanding this fact, however, the number taken up as compared with the number taken up under the lease-in-perpetuity system, during both last year and this, points to the fact that the occupation-with-right-of-purchase system is being looked upon with greater favour than formerly. Deducting two forfeitures and five surrenders, there are now 168 holders occupying 31,750 acres, as against 152 selectors with 27,690 acres last year.

(e.) *Lease in Perpetuity.*—The selections under the ordinary lease-in-perpetuity system have been only thirteen, with an area of 3,848 acres, as against twenty-five with an area of 5,217 acres the previous year, the total now held, after deducting forfeitures and surrenders, being increased from 615 to 624 (including two exchanges from perpetual leases), and the area from 159,574 acres to 163,408 acres. The total annual rental at the present time is £4,665 10s. 4d., as against £4,587 16s. 8d. at the 31st March, 1901. Thus the selections under this and the occupation-with-right-of-purchase systems during the year, including exchanges, have only aggregated thirty-eight in number and 9,736 acres in area, as against seventy-five with an area of 16,343 acres the previous year. This falling-off is a further indication of the limited area of suitable Crown lands now available in this district for notification under the optional system.

(f.) *Agricultural Leases.*—Transactions under this head now call for but little notice. During the year there was only one renewal and one made freehold, leaving the number held the same as before, but the area a little less—viz., 508 acres, at an annual rental of £30 6s. 3d.