

I think it will be admitted that the above figures demonstrate the correctness of my view as to the satisfactory outcome of the past year's transactions, when due weight is given to the altered circumstances as affecting the character and position of the lands available for selection during the several years respectively, the total area dealt with, the amount of revenue, which exceeds that of any of the preceding eleven years, and also that the number of Crown tenants (19,594) has been reached by successive substantial increments.

The practice has prevailed throughout the annual reports of comparing the three main systems of tenure—viz., occupation with right of purchase, lease in perpetuity, and cash purchases, as represented by the respective selections where lands are opened under the optional system (Part III.) of "The Land Act, 1892," which allows selectors to take up land according to their individual wishes. The results since the passing of the Act are furnished in

TABLE E.—LANDS OPENED ON "OPTIONAL" SYSTEM, showing Choice of Tenure.

Year.	Occupation with Right of Purchase.		Lease in Perpetuity.		Cash.	
	Number.	Area.	Number.	Area.	Number.	Area.
		Acres.		Acres.		Acres.
1892-93	161	54,271	126	55,320	325	35,785
1893-94	461	108,133	447	151,324	249	33,200
1894-95	398	75,477	336	87,374	174	33,323
1895-96	431	84,967	415	89,144	169	26,030
1896-97	277	59,647	278	62,229	90	9,835
1897-98	380	81,414	299	76,953	65	6,680
1898-99	458	109,949	362	99,262	114	17,824
1899-1900	395	117,771	348	111,108	95	16,510
1900-1901	673	262,729	295	97,138	127	37,862
1901-1902	447	128,893	241	65,468	237	26,739
1902-1903	403	118,557	285	108,065	79	15,348
Totals...	4,484	1,201,808	3,432	1,003,385	1,724	259,136

It will be noticed that the selections under the occupation-with-right-of-purchase tenure are greatly in excess of those on lease in perpetuity, but that the disparity in area is only 10,492 acres. The number of cash selections, 79, totalling 15,348 acres, is no doubt accounted for by reason of the fewer number of people who prefer to pay for land right out, in order that, after effecting improvements within the prescribed seven years, they may secure the fee-simple.

#### CASH SYSTEM.

It will be observed that the falling-off in the cash sales commented upon in last year's report is also a feature of the transactions in the year 1902-3. The only opportunity afforded the public of directly acquiring the freehold of Crown lands is when town, suburban, and village lands are submitted to competition by auction for sale for cash; or in cases where small areas of rural lands are allowed to be acquired under special circumstances recommended by the Land Board and approved by the Minister under sections 114, 115, and 117 of "The Land Act, 1892"; or where advantage is taken of exercising the right of selection on the cash tenure from amongst areas opened under the optional system (Part III.) of "The Land Act, 1892."

The 17,188½ acres alienated by the Crown is contained in 154 town, 83 suburban, and 134 rural sections, of which 100, comprising more than half the total area, are in the Auckland District. In every one of the land districts, except Hawke's Bay and Westland, town and suburban lands were sold; and, in all, rural lands ranging from 242 acres upwards were disposed of for cash. The practice, which so generally prevailed in the colony, of submitting rural lands at auction is now rarely resorted to, the exception being in cases of lands of special value (section 118). The usual way in which those who prefer the freehold acquire land is under Part III. of the Act (section 136).

The total area of Crown lands which have been converted into freehold by sale since the foundation of the colony is 14,730,635 acres, to which has to be added 9,778,484 acres reserved or specially granted, making a grand total of 24,509,119 acres.