

*Transfers.*—There were in all 156 transfers of holdings during the year, covering a gross area of 277,565 acres, the number and areas of the several tenures being as follow: Perpetual leases, twenty-three, comprising 3,538 acres 2 roods 18 perches; occupation with right of purchase, seven, comprising 1,173 acres 1 rood 5 perches; lease in perpetuity (ordinary Crown lands), thirty-five, comprising 7,538 acres 2 roods 37 perches; land for settlements, thirty-seven, comprising 3,400 acres and 32 perches; occupation leases (Mining Districts Land Occupation Act), six, comprising 143 acres 2 roods 7 perches; small grazing-runs, twenty-two, comprising 39,743 acres 2 roods 38 perches; pastoral runs, twelve, comprising 220,832 acres 2 roods 18 perches; miscellaneous, fourteen, comprising 1,194 acres 1 rood 20 perches: totals, 156 transfers, comprising an area of 277,565 acres and 17 perches. The totals for the previous year were 138 transfers, comprising an area of 112,788 acres.

*Forfeitures and Surrenders.*—The total number of forfeitures and surrenders during the year, as shown in the table, was fifty-two, with an area of 74,401 acres, at an annual rental of £667 5s. 11d., as against a total for the previous year of forty-five holdings, and an area of 26,406 acres, at an annual rental of £331 2s. 2d.; an increase of seven in number, 47,996 acres in area, and £336 3s. 9d. annual rent. This increase is chiefly in small grazing and pastoral runs, which accounts for the much greater acreage. The number, however, is much smaller than the average for some years past.

*Land opened for Selection.*—The total area of land opened for selection during the year under the several classes of tenure amounted to 187,437 acres, as against 204,408 acres during the previous year. The greater proportion of this area was composed of pastoral lands under the small-grazing-run and ordinary pastoral-run tenures, the area comprised in estates opened under the Land for Settlements Act being 6,630 acres, as shown in the table. An area of 239 acres was also disposed of under sections 114, 115, and 117 of "The Land Act, 1892," and section 13 of "The Land Act Amendment Act, 1895." Ten subdivisions of the Highfield Runs Nos. 225B and 225C were opened as small grazing-runs on the 24th February, and the fact that applications for same were received from no less than 437 persons appears to indicate a very eager demand for comparatively small areas of land suitable for sheep-farming. For one of these small runs, containing 2,081 acres, there were 204 applicants; for another of similar area, 151; for another, 146; while for the remainder the numbers ranged from twelve to seventy-nine, the total aggregate number for the ballot being 996. That there is now so little of such country available in Otago may also account for the eagerness manifested by so many local residents in applying for additional areas. Another factor in the case is the very natural and laudable desire of many settlers to procure sufficient land to enable their increasing families to settle in the vicinity of their present homes, the large proportion of the applications above referred to being from or on behalf of the sons and daughters of farmers already settled in the district. It might in passing be suggested that in cases such as that just mentioned, in which the demand is so keen, it would tend to more prosperous and satisfactory settlement if the Land Board were empowered to examine applicants and discriminate, as is done under the Land for Settlements Act, before allowing them to go to ballot, the desideratum being to secure the fittest and most likely to become successful settlers.

*Lands open and to be opened for Selection.*—The land now open for selection in this district comprises scattered sections mostly of inferior quality. A large number of sections in the Martin's Bay district are open, but owing to distance, want of communication, and inaccessibility they remain year after year unselected. In the southern bush districts there is a large area open, most of which has been taken up at one time or another and has passed back into the hands of the Crown. In a great many cases improvements have been effected, and it is perhaps owing to the fact that valuations have to be paid that the land is not readily applied for. The progress of settlement in these districts is dependent, I feel sure, in a large measure, on the proposed extension of the Catlin's Railway. In Tautuku district all the unselected sections have been withdrawn in the meantime, on account of the valuable sawmilling timber known to exist thereon, which will be utilised as the railway and roads open up the country. Part of Patearoa Runs Nos. 248 and 248A, in Maniototo County, is now being subdivided into smaller areas for disposal as small grazing and small pastoral runs, and smaller areas to meet the wants of miners and other residents in that locality, and Run 226, St. Bathans's, is also being cut up for smaller settlement and pastoral areas. The present licenses, however, continue in force up to the 1st March next, but it is expected that the disposal of the greater part of the proposed subdivisions will take place within the financial year, so that the new tenures may begin immediately on the expiry of the existing licenses. Some 12,000 acres of Moutere Run, Leaning Rock district, have also been reserved for subdivision into small grazing-runs. A portion of Matakanui Run, containing nearly 2,000 acres, will also be surveyed and offered principally under the Mining Districts Land Occupation Act; and in the vicinity of Tapanui about 1,000 acres will be offered for close settlement in areas varying from 15 to 150 acres.

With regard to land for settlements, the only land at present in view for disposal, apart from areas unlet in the estates already open for selection, is that of St. Helens, lately known as "Kenton Farm," containing about 538 acres, adjoining Elderslie, to be offered in three allotments. Other lands to be dealt with during the year include pastoral lands the licenses of which expire in 1905; a total area of 144,897 acres at present held under seventeen pastoral licenses, chiefly in the Tuapeka County; pastoral lands at present open for application, comprising an area of 42,287 acres, in Lake, Tuapeka, and Maniototo Counties; also the lands indicated in the "Land Guide," aggregating approximately 54,500 acres.

#### *Selections during the Year and Tables of Transactions.*

In glancing at the year's transactions, as set out in the various tables, the following remarks may not be considered devoid of interest:—