

*Cash.*—The transactions recorded in the tables, including perpetual leases made freehold, show an increase in number over the previous year, being ninety-six as against fifty-three. The area sold and revenue received were, however, somewhat less, being 2,289 acres and £2,057 12s. 9d., while for the previous year the figures were 3,458 acres and £2,652 5s. 10d. respectively. It will be seen that the greatest number of sales took place under the head "Suburban"—viz., sixty-two. Under the optional system there were only five selections, covering an area of 786 acres, the average price being a little over 8s. per acre. There was, however, comparatively speaking, but a small area opened for optional selection.

*Deferred Payments.*—The area now held on deferred payments is less than at the 31st March, 1902, by 2,485 acres; and the number of selectors fewer by seven, completions of purchase accounting for the difference.

*Perpetual Leases.*—By exchanges, forfeitures, and surrenders, and areas made freehold during the year the holdings under this system have been further reduced to 251 in number and 48,595 acres in area, the amount of rent received being nearly equal to the amount of annual rent payable.

*Occupation with Right of Purchase.*—The selections under this tenure numbered sixty-two, covering an area of 9,259 acres, as against twenty-three in number and 4,991 acres during the previous year. It should be mentioned, however, that the year's selections include some 6,456 acres, by forty-four selectors, originally taken up under the improved-farm-settlements scheme.

*Lease in Perpetuity.*—The ordinary lease-in-perpetuity selections number twenty-two, covering an area of 6,030 acres, as compared with thirteen with an area of 3,848 acres in the previous year. The total area now held is 165,182 acres, by 638 selectors, at a total annual rental of £4,900 1s. 10d. The year's selections include 640 acres, by four selectors, originally taken up under the improved-farm-settlement system. The selections, therefore, under this and the occupation-with-right-of-purchase tenures include an aggregate area of 7,096 acres, by forty-eight selectors, formerly returned under the head of "Improved-farm Settlements," the balance under the two systems—namely, 8,193 acres, by forty selectors—representing the actually new selections, as against thirty-six selections, with an area of 8,840 acres of new selections, during the previous year. This is a falling-off as compared with past years, which is, as before pointed out, consequent upon the limited area of suitable Crown lands now available in this district for notification under the optional system.

*Mining Districts Land Occupation Act.*—The transactions under this Act have been a trifle greater than during the previous year, an area of 1,034 acres by twenty-six selectors having been taken up, as compared with 528 acres by twenty-three selectors; the total now held being 5,612 acres, by 158 selectors, at an annual rental of £215 17s. Efforts have been made during the year to insure compliance with the residence condition, and the forfeiture of more than one lease has been declared for non-compliance. In respect of lands likely at some not far distant date to be required for mining or be affected by mining interests, the system appears to afford a satisfactory method of securing the occupation for useful purposes of Crown lands that would otherwise remain waste, and at the same time of affording to miners and others residing within mining districts beneficial conveniences or privileges in the shape of grazing for milch cows and horses and for gardening.

*Village Settlements.*—For reasons given in former reports there is still a gradual diminution of village-settlement holdings in this district, there now being in respect of ordinary Crown lands 221 holdings with an aggregate area of 3,447 acres at an annual rental of £345 3s., as against 232 holdings with an aggregate area of 3,734 acres at an annual rental of £371 3s. 10d. on the 31st March, 1902. Under land for settlements there are thirty holders, 413 acres, at a rental of £317 3s. 10d. per annum. The decrease for the year has thus been ten selectors, 268 acres, and £7 17s. 6d. in annual rental. The value of improvements effected on the lands in occupation at 31st March was as follows: Ordinary Crown lands, £11,271; land for settlements, £2,910; total, £14,181; Crown lands showing a small increase of £10, and land for settlements £838, as compared with last year's returns.

*Small Grazing-runs.*—The area leased under this system during the year was much greater than in 1901–2—viz., sixteen selectors, 25,962 acres, rental £615 1s. 4d., as contrasted with five selectors, 11,801 acres, and £207 17s. 2d. annual rental. Included in the year's transactions are four renewals of expired leases over an area of 8,004 acres. The new country proclaimed as small grazing-runs, comprising ten subdivisions of two of the Highfield runs, referred to under the head "Lands opened during the Year," was all disposed of after keen competition. The following are the respective areas now held under this class of tenure: Ordinary Crown lands, 266 selectors, 534,338 acres, £12,461 7s. 4d. rental; endowment lands, ten selectors, 14,728 acres, £328 9s. 10d. rental; land for settlements, three selectors, 3,667 acres, £401 18s. 10d. rental: total, 279 selectors, 552,734 acres, and £13,191 16s. annual rental. The present average rentals per acre per annum of the three divisions of small-grazing-run leases are as follows: Ordinary Crown lands, 5·5d.; endowment lands, 5·3d.; land for settlements, 2s. 2·3d. The receipts for the year were: Ordinary Crown lands, £12,188 12s. 8d.; endowments, £309 3s.; land for settlements, £405 3s. 5d.: total, £12,902 19s. 1d.; the total increase over the previous year being £705 8s. It must be noticed that the arrears of rent under this tenure are much greater in proportion than under any other of ordinary Crown lands. As stated in my remarks with regard to rebates, I am of opinion that they would have been considerably less if the operation of the Crown Tenants' Rent Rebate Act had been extended to this class of tenants.

*Pastoral Runs.*—Sixteen runs were let during the year over an area of 140,937 acres, at an annual rental of £1,781 19s. 6d., the number being less by three, the area less by 233,304 acres, but the annual rental greater by £876 18s. than during the previous years. After deduction