

There is a keen demand for suitable holdings in settled districts, which is being met by the acquisition and subdivision of estates. Crown land remaining for future disposal and situated in the more isolated districts is, wherever possible, being surveyed and offered for selection, and the selectors are given every assistance and encouragement during the first few years of backblock settlement.

Owing to the development of the fruit industry in New Zealand a demand has arisen for land for fruit-farms, a matter which is kept in view by the Lands and Survey Department when subdividing new blocks for settlement.

Applications by lessees for the purchase of the freehold of their holdings under the Land Laws Amendment Acts are numerous, and during the past year 494 settlers, occupying 93,547 acres, converted from leasehold to freehold, paying a sum of £174,412. In addition, 423 selectors still hold, under deferred-payment license, an area of 84,762 acres, which they are purchasing on this system. The annual instalments amount to £11,344.

SWAMP-LAND RECLAMATION.

During the past year the development of swamp lands in the Hauraki and Rangitaiki Plains has been actively prosecuted, special legislation having been passed in both instances to authorize increased expenditure. These areas are now becoming reproductive, and will in the future make a vast addition to the products of the Dominion. The reclamation of the Waihi Swamp is also in hand, so that altogether the operations of the Department cover some 190,000 acres.

As a result of the successful operations, the Chief Drainage Engineer's services have been much in demand throughout the Dominion, advising as to the practicability of similar projects.

KAURI-GUM LANDS.

The area recommended by the Kauri-gum Lands Commission out of the kauri-gum reserves—viz., 71,000 acres—has now been withdrawn from reservation, and steps are being taken to subdivide and place this land on the market at the earliest possible date. The subdivision of an area of about 30,700 acres is now nearing completion.

The passing of the Kauri-gum Industry Amendment Act, 1914, has been beneficial to the kauri-gum industry, and has afforded a much-needed relief during the crisis following on the declaration of war. A report giving full details of operations since the Act was passed will be laid before Parliament.

LAND FOR SETTLEMENTS.

Owing to the unsettled condition of affairs abroad the operations during the latter part of the past year were somewhat restricted. The area dealt with was 50,211 acres, valued at £356,686. It was offered in fairly small areas and eagerly competed for. The keen demand is no doubt partly due to the high prices ruling for all products.

COOK ISLANDS.

The principal work of development of the Islands during the year was the establishment of a system of education similar to that of the Native schools in New Zealand. Two schools have been opened at Rarotonga and one at the Island of Aitutaki. Buildings suitable for present requirements have been secured in which to conduct the schools, and houses have been provided for the teachers.

A most satisfactory feature in connection with the introduction of the system is the enthusiasm with which it has been received by the Natives, who are fully alive to its benefits. A large number of children has been enrolled, and the attendance is being well maintained.

The fruit industry continues to receive careful attention, and the experimental nursery is already proving of considerable value.

LAND AND INCOME TAX DEPARTMENT.

The net receipts for the past year in this Department amounted to £1,339,959, made up of—Land-tax, £799,641; income-tax, £540,318; and, compared with the figures of last year, show an increase of £18,237.