

(in part at least) on account of the cost of clearing, grassing, and fencing. It will be of distinct benefit to the settlement of the district when these lands are made available for general application by the settlers of the Dominion, or by those who are arriving from England and other countries.

*Freeholds.*—During the year a total number of 247 sections were alienated as freeholds, the aggregate area being 62,728 acres, and price realized £98,326, the exercise of the statutory right under the occupation-with-right-of-purchase tenure representing approximately one-half of the total.

The extension to new tenures of the right of acquiring the freehold, which has been granted by recent legislation, will probably produce a considerable volume of business in this district in the coming year, although there has been no immediate rush of applications. In the Te Aroha mining township the first applications are being submitted to the Warden for his prior approval in terms of the law before being lodged in this office. In respect of the Rotorua Township and suburbs only one application has been received, but here the position is complicated by the existence of numerous subdivisions and subleases, and the various interests will no doubt require adjustment before applications are made. The right conferred on discharged-soldier settlers of acquiring the freehold of national-endowment lands will probably not be exercised to any considerable extent until the settlers become fully established and have completed most of the initial expenditure necessary to bring their holdings into a payable condition. The regulations in connection with the freehold of lands in the Native townships, such as Te Kuiti, Otorohanga, and Taumarunui, have been gazetted after very full consideration, and, although meeting with considerable opposition in some quarters, the attention which has been given to all the interests involved merits at least a reasonable trial before the scheme in its present form is declared unworkable. A large number of applications have been received from Taumarunui, more than half the lessees in the township having given notice of their desire to acquire the freehold. The renewal of the right of freehold in favour of holders of leases in perpetuity of settlement lands has already been exercised in a few cases, and will probably be made use of freely when the financial conditions improve.

*Land Board Work.*—Fifteen meetings of the Land Board, covering twenty-three days, have been held. The aggregate number of items of business dealt with was 3,226, an average of 215 per sitting. Included in these were—applications for fee-simple, 138; transfers, 503; applications for land, 654; applications by discharged soldiers for assistance to purchase properties or erect houses, 860; applications for advances for improvements and stock, 625; miscellaneous, 446. The first-named item would have been much larger but that, in respect of statutory rights of freehold where the fulfilment of the conditions of the lease is not an essential prerequisite, the Board has by resolution given general authority for dealing with them, in order to avoid delay and facilitate the purchasers' financial arrangements. More than half the total amount of work transacted by the Board has concerned the settlement of discharged soldiers, to which special consideration has been given, in order to assist the settlers in all reasonable ways to make a success of their undertakings, while at the same time protecting the large financial interest of the State.

As the first two years of the Board's jurisdiction over the district as now constituted expired on the 31st March, an election for the Crown tenants' representative for the ensuing two years was held in March. There were four candidates, the successful one being Mr. E. F. Andrews, a member of the Auckland Returned Soldiers Association. The sitting member, Mr. A. R. Harris, who thus retires, was a member of the Board for eighteen years, during which time he did a very large amount of useful work. His sound judgment in all matters affecting land settlement, and his intimate knowledge of the district, rendered his presence on the Board of very great assistance to myself and his colleagues, while his fair-mindedness and kindly consideration for all who had business to transact with the Board made him respected by all who met him.

*Revenue and Arrears.*—The gross revenue of the district for the year was £363,853, out of which £129,869 was received for the Discharged Soldiers Settlement Account as principal and interest on amounts advanced for the purchase of properties, or for stocking and improving the same, and incidental thereto. The other principal items were revenue from ordinary Crown lands, £97,301; from land for settlements, £77,415; Hauraki Plains, £30,529; national endowment, £11,560; and education endowments, £4,066.

The total number of tenants at the close of the year was 4,770, occupying an area of 1,243,768 acres, and paying a rental of £107,500 per annum.

The arrears at the same date amounted to £13,319, owing by 508 selectors. A very large proportion of these is incidental to the more recently established holdings, the development of which at any time taxes the resources of many of the settlers, while during recent years this condition has been aggravated by the exceedingly high costs of practically every form of material required by the new settler. The breaking-in of new lands in the Auckland District is, even under favourable conditions, an expensive process, in spite of optimistic statements sometimes published to the contrary, and during this process it is essential that as much reasonable leniency as is possible should be given to new settlers in regard to payment of rent.

*Land remaining for Future Selection.*—In my report last year I indicated that the principal fields for the future settlement of the district would lie in the pumice areas of the central region, between Rotorua and Taupo, and extending westward to the Waikato River, and on the hill lands lying between the fringe of settled country along the Main Trunk Railway from Otorohanga to Taumarunui, and extending easterly to the Waikato River, where it touches the western boundary of the pumice country. Surveys are now in hand of the first block of pumice lands to be opened under what is known as the "homestead system," providing for free grants of land subject to fulfilment of occupation and improvement conditions, to assist which advances will be provided by the State. On the hill country eastward from Otorohanga a block of about 16,600 acres has been under survey, and is ready to be opened as soon as necessary provision has been made for roading.