C.—1

NATIONAL ENDOWMENT.

The area in the national endowment was reduced during the year by 51,174 acres. Fuller particulars are given in parliamentary paper C.-14.

Of the area set aside, 6,897,765 acres were held on lease or license at the 31st March by 4,455 tenants, paying an annual rental of £138,780, while 1,692,240 acres (partly, however, covered by existing leases) had been set aside as provisional State forests.

FORFEITURES AND SURRENDERS.

Crown tenants numbering 432 had their holdings forfeited for non-compliance with the conditions of their leases and licenses. The area was 222,480 acres, and the annual rental £16,190. In addition 175 tenants surrendered their leases over an area of 140,672 acres, with an annual rental of £5,393. These figures appear large; but, as was the case last year, a considerable proportion comprised lands held under miscellaneous and temporary leases and licenses, while several large pastoral runs swelled the total area. Nevertheless the figures indicate a certain healthy tightening-up of conditions generally, and also an increasing inclination on the part of those tenants who for various reasons have been unable to make a success of their holdings to make way for stronger men.

RECEIPTS.

Receipts have been well maintained, and total from all sources £1,329,074, an increase of £120,652 over last year's figures. This, of course, excludes Discharged Soldiers Settlement Account receipts. The sum of £421,665 was derived from ordinary Crown lands, £514,358 from lands held under the Land for Settlements Act (including Cheviot Estate), £163,169 from the national endowment, and £124,014 from the education endowment:

endowment, and £124,014 from the education endowment.

Seven districts have returned increases. Taranaki has again shown a falling-off in the amount received for the purchase of West Coast Settlement Reserve lands, while Nelson shows a considerable reduction owing to the revenue from coal leases being now collected by the Receiver of Coal-mines Revenue. The creation of the Gisborne District has naturally reduced the returns from Hawke's Bay. Cash received for purchase of freeholds has shown a marked increase on last year's figures. The following table shows the relation of freehold revenue to total receipts during the last few years:—

		•	Number of Freeholds acquired.	$\begin{array}{c} \mathbf{Amount} \\ \mathbf{yielded} \\ \mathbf{therefrom.} \\ \mathbf{\pounds} \end{array}$	$egin{array}{c} ext{Total} \ ext{Receipts}. \ ext{ } \pounds \ \end{array}$
Year	ending 31st	March, 1921	 878	320,025	1,735,483
	,,	1922	 335	71,520	1,215,040
	,,	1923	 249	57,809	1,208,422
	,,	1924	 373	104,076	1,329,074

It may be remarked that the freehold tenure generally appears to be more appreciated in the North than in the South Island.

REBATES.

For prompt payment of rent 16,671 Crown tenants were granted the usual rebate in terms of section 116 of the Land Act, 1908, and section 55 of the Land for Settlements Act, 1908. The total amount granted was £46,633.

Postponements.

Postponements of payment of rent were granted to 344 tenants during the year, involving £56,663. At the 31st March £54,942 remained postponed on account of 313 tenants. A great number of former postponements have been brought to charge, and, unfortunately, the majority of these now figure under the heading of arrears.

ARREARS.

Rents in arrear at the 31st March amounted to £544,448, an increase of £186,223 from last year. A large proportion is owing by discharged soldiers holding Crown leases, and the position in this respect will show a great improvement when the work of the District Revaluation Committees and the Dominion Revaluation Board bears fruit. As regards the civilian settlers, no doubt a great many who paid high goodwills are having a hard struggle and will require sympathetic treatment, while a certain proportion of the weaker men are gradually being displaced. The following shows the progressive increase in the arrears of rent owing to the Department during the last few years:—

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Year ending 31st March,	1920	 		51,801
12	1921	 		63,460
***	1922	 		167,838
•	1923	 	٠,٠	358,225
,,	1924	 		544,448

The Department has made every effort to effect a reduction; but the position is admittedly a difficult one. It might be placed on record that a great number of tenants generally regard the Crown as the last debtor that should be paid, and this attitude is extremely difficult of removal, and accounts in no small measure for the volume of arrears. However, judicious pressure will be applied where necessary, and no effort will be spared to improve the position. In passing it may be mentioned that