$Table\ R$ shows the lands reserved, alienated by Act, scrip, &c., the area for the year being 50,940 acres, bringing the total amount so disposed of since the foundation of the colony up to the 31st March last up to 587,311 acres.

Table S gives the number of selectors on the books, which at present stands at 847, exclusive of pastoral tenants; and if we add 123 holders of endowment lands this gives a total of 970.

Table T.—This table has been established for the purpose of showing the transactions in endowments, as distinguished from Crown lands proper. These endowments are vested in the Otago School Commissioners, the Southland Boys' and Girls' High School, and the Bluff Harbour Board, and the transactions fall under the headings of "Cash Lands," "Perpetual-leased," and "Pastoral Licenses." The total revenue received from all sources was £3,291 17s. 4d., and if we add this to the total revenue received from Crown lands proper we arrive at a grand total of £24,038 13s. 3d. for the year.

The following summary presents the most salient features of the year's operations—fractional

areas being omitted :-

System, &c.		No. of Selectors.	Area.	Amounts.		
Cash (including village settlements for cash)		59	6,981	£ 5,541	s. 16	d. 10
Deferred payment (including village settlement), new tra- actions	ns-	21	1,998	87	3	-0
Deferred payment (including village settlement) made fr	ee-	21	1,000	01	J	.0
hold		75	7,498	4,248	15	5
Deferred payment (including village settlement) remain	ing		Ĭ	4,240	10	J
on books		486	63,777)			
Perpetual lease (including village settlement), new tra	1	104	20,591	385	17	11
Perpetual lease (including village settlement), former ditto	• • • •	192	36,967	1,387		1
Village homesteads (perpetual lease), new transactions		8	58		16	3
" former "		57	618	134	15	6
Pastoral licenses, new transactions		22)	1,366,558	667		4
minutes in the second s	•••	$egin{array}{c} {\bf 132} { m J} \ {f 24} \end{array}$	(1	,	$\frac{17}{15}$	0
Miscellaneous leases and licenses, new transactions Coal, tin, grazing, &c., former transactions	• • •	$\begin{array}{c} 24 \\ 283 \end{array}$	$\frac{4,044}{21,861}$	$\begin{array}{c} 43 \\ 442 \end{array}$		4
State forests and timber licenses		$\frac{200}{22}$	2,886		$\frac{13}{18}$	6
License and transfer fees				121	9	Õ
Survey fees		•••		243		0
Miscellaneous		•••		319	7	$\frac{2}{2}$
Crown-grant fees	•••	•••		136		7
Endowment lands, as per Table I		•••	• • •	3,291	Ι (4
		1,465	1,493,837	24,048	13	3

Settlement Conditions.—The Ranger's reports go to show that residential and improvement conditions are being fairly well carried out. Two hundred and forty-one deferred-payment and perpetual-lease holdings, aggregating 45,184 acres, have been improved to the extent of 4,496 acres being brought into cultivation, valued at £5,134, with other improvements valued at £15,720, or a total of £20,854. Considering that the bulk of this area is second-class land, it will be seen that the improvements effected are considerably in advance of the minimum amount required by laws. Of the 241 selectors, 144 are residing, and, as some selectors hold more than one section, this must be considered fairly satisfactory when it is remembered that a very large proportion of the land in this part of the colony is low-lying and swampy, requiring a considerable outlay of capital or labour to reclaim, and being unfit for residence until this is done. Another feature which frequently militates against residence is the want of proper road-access.

Seven selections out of the 241 above referred to were declared forfeited for various breaches of

conditions, or about one in thirty-four, which does not seem excessive. There is no reason to suppose that much land is taken up for speculative purposes, or that deliberate evasions of the law are common, and only one such case has come before the Board lately.

Saw-mill and Timber Licenses.—The demand for these licenses continues active, and the New Zealand Pine Company's transactions especially are very large; but the department takes such steps as may appear necessary for guarding against areas being taken up for purely speculative purposes, and insists upon these being worked out within a reasonable time, and then surrendered for settlement purposes where suitable. Several cases of trespass, or illegal timber-cutting, have been brought under my notice by the Ranger, and fines varying from £10 upwards have been imposed on the delinquents. In the cases of some of the larger mill-owners these trespasses have been committed more in ignorance or carelessness of boundaries than with dishonest intent, but in other cases there is no escape from the concluson that the persons concerned were endeavouring to take advantage of rights acquired in the first instance under license in the usual way to pilfer timber to a considerable extent, hoping to escape detection owing to the forest being in out-of-the-way places. Several such cases have been placed in the hands of the Crown Solicitor for further action to be taken.

Demand for Land.—The demand for land continues to be large, and is expected to be still larger in a few months' time. It is true that there is a considerable area open, as shown in the