

the freehold still weighs with the public, notwithstanding that the rent in this case is 1 per cent. higher than is the case of leases in perpetuity. The two systems have been in force for so short a time, however, that such a comparison can have no great weight attached to it.

If the small holdings are excluded, and only those selections taken which may be said to represent farms, it will be found that the average sized holding selected during the past year—including cash, deferred payment, perpetual lease, occupation with right of purchase, and lease-in-perpetuity, but excluding special-settlement associations—will come out as 247 acres per holding, or a decrease of 27 acres compared with the average of last year. If, however, the special-settlement associations are included (the mean area in each settlement cannot exceed 200 acres), then the mean sized farm selected during the year comes out at 222 acres. If we take all classes of lands selected, excepting pastoral and small grazing-runs and town lands, the average size of the selections will come out as 190 acres per selector. Increase in the size of holdings is likely to become the rule, rather than the contrary, wherever the optional or free selection system is adopted, from the simple reason that the lands left in the hands of the Crown are mostly suitable for fairly large holdings. This arises from the broken nature of the remaining Crown lands, which are not suitable generally for agriculture, but rather for pastoral and dairying purposes. It was pointed out in last year's report, and it cannot be insisted on too strongly, that the lands the Crown still holds are practically pastoral land, much broken, bush-covered, and difficult of access. The want of agricultural lands, even if bush-covered, is daily felt throughout the colony.

The number of selectors of Crown lands during the past twelve months, taking all classes excepting pastoral lands, but including small grazing-runs, was 2,588; but including pastoral licenses and miscellaneous leases, the total is 3,071. Confining the comparison to the first of the above figures, it will be seen that the number of selectors was 634 more than for the previous year. This increase is due largely to the number of selections in special-settlement associations. Had it been possible to hurry on the surveys at greater speed this number would have been larger, for, although a number of association blocks were completed so far as survey was concerned at the end of the year, the ballots could not take place in time for the results to be included in this year's report, but they will appear in next year's.

The average price at which the rural lands have been disposed of for the past year, excluding some suburban and village settlements, is—for cash lands, about 16s. per acre; perpetual-lease land, about 12s. per acre; deferred-payment lands, about £1 2s. per acre (or without the 25 per cent. added, about 16s. per acre); lease in perpetuity, about 17s. per acre; and occupation with right of purchase, about 15s. per acre.

The area of land which was thrown open for selection during the year was as follows:—

New lands offered for the first time	...	...	...	501,412 acres.
Lands previously open, but readvertised under the Act of 1892	...	...	...	878,162 "
Pastoral lands	...	...	...	1,138,970 "

The area of land surveyed into sections for settlement amounted to 612,469 acres, out of which 284,406 acres were land thrown open for selection previous to complete survey. This area includes lands previously alienated, the surveys of which were on hand at the date of last report. On the 31st March last the area then open for selection, either as surveyed or unsurveyed land, was 904,737 acres, as follows:—

	Surveyed. Acres.	Unsurveyed. Acres.	Total. Acres.
Auckland ...	119,150	235,590	354,749
Taranaki ...	4,718	15,230	19,948
Hawke's Bay ...	13,606	26,111	39,777
Wellington ...	8,668	22,566	31,234
Marlborough ...	383	1,105	1,488
Nelson ...	41,074	200,733	241,807
Canterbury ...	5,065	8,703	13,768
Westland ...	12,032	84,810	96,842
Otago ...	6,844	...	6,844
Southland ...	97,800	480	98,280

Much of this land is of inferior quality, and will only be absorbed gradually when the supply of better lands fail, or otherwise from time to time as settlers wish to increase their holdings near which these lands may be. It is difficult to form an exact estimate of the Crown lands remaining for future dealings for close settlement purposes. Whilst the total estate, exclusive of purely pastoral land, is about four million acres, there is probably not more than half that amount that may be considered as settlement lands—that is, country suitable for holdings up to 2,000 acres, and where the soil is tolerably fair as to quality. Of purely agricultural lands, the Crown owns very little.

The land selected by the Midland Railway Company up to the 31st March, in accordance with the terms of the contract, was 48,192 acres, which, added to the amount selected prior to the 31st March, 1892—140,491 acres—makes a total of 188,583 acres. In addition to this is the land held in trust under clause 28 of the contract, which amounts to 84,262 acres.

The following lands were reserved for public purposes during the past year:—

Recreation	...	...	...	1,770 acres.
Domain (Wanganui River-banks)	...	...	...	33,033 "
Primary education	...	...	...	5,486 "
Forests	...	...	...	4,504 "
Miscellaneous	...	...	...	3,022 "
Endowment under Act	...	...	...	10,000 "

The islands of Lloyd, Anxiety, Secretary, and others in the West Coast sounds, were also reserved,