vances are authorised by the Act, as the land does not satisfactorily come within the definition of Crown land. These leasehold interests afford in all respects as good a security for advances of money on mortgage as the leases of Crown lands. They are indeed alike in everything but in name.

It may be sufficient to add on this subject the following copy of a memorandum, in which the solicitor furnishes me with his opinion, as the result of many interviews with him respecting the risks of conflicts arising between the Land Boards of the colony and the Advances to Settlers Office, conflicts by which the securities of this office might suffer or lose their effect:—

"Memorandum for the Superintendent under 'The Government Advances to Settlers Act, 1894.'

"In cases of leases between private persons, if there be no payment of rent or breaches of the provisions of the lease, the Court has power to relieve against the forfeiture thereby incurred. A mortgagee's position would be that, to preserve his security, he could, under the same circumstances as the lessee, obtain relief from forfeiture. But as to leases under 'The Land Act, 1885,' and 'The Land Act, 1892,' I do not feel justified in saying that the same powers of relief in cases of forfeiture exist, because the powers of forfeiture are due to statutory enactment, and it does not follow that in such cases the Court could have power to relieve against a forfeiture, although it ought to be so.

"It must therefore be understood that in taking mortgages or leases under 'The Land Act, 1885,' and 'The Land Act, 1892,' a risk is run beyond the risk which is run by a mortgagee of an ordinary lease.

"It is not to be supposed that the Land Board, or the authorities administering the Land Acts, 1885 and 1892, will arbitrarily exercise the powers to forfeit leases with the knowledge that such leases are held by way of security under 'The Government Advances to Settlers Act, 1894,' but still it may be so, and the officers under the Land Acts may think that under those Acts they have no discretion. The position, consequently, of a mortgagee of a lease, under the two Land Acts referred to, is not as satisfactory as that of a mortgagee of an ordinary lease.

"A further difficulty arises in mortgages of leases under the Land Acts, 1885 and 1892, that the Land Board may refuse to consent to a transfer by the mortgagee in exercise of the powers of sale.

"Securities over leases under the Land Acts, 1885 and 1892, are not as satisfactory as they should be, because the action of the Land Board, or the authorities administering those Acts, may be antagonistic to the effective administration under the Government Advances to Settlers Act.

"Of course, I assume that, as both the Land Board and your Board are public departments, no conflict as to giving effect to your securities will arise; but, nevertheless, such conflicts may arise, and it is necessary that the relative positions of the authorities administering the Land Acts and your Board should be definitely settled, so as to avoid danger to your securities.

"The apprehended difficulties could have been avoided by a provision in 'The Government Advances to Settlers Act, 1894.' "E. STAFFORD.

"Wellington, 1st June, 1895."

"The Government Advances to Settlers Act, 1894," cannot but prove of substantial benefit to the colony. It has, however, only just completed its trial, and the office may consequently be regarded as only just emerging from the temporary or experimental stage. In these circumstances, the employment in the office of officials in the Civil Service—officials who regard their appointments as permanent—was hardly to be expected, even if the Government departments could spare such officials; and the clerical assistance necessary to the conduct of the Advances to Settlers Office has therefore obtained from temporary officials, whose salaries, with the allowance of £200 a year to the Superintendent, were, on the 31st May, at the aggregate annual rate of £1,417 in Wellington, and £452 in other parts of the colony.

The expenditure of the office on account of management up to the 31st May, exclusive of the payments on account of valuation for which the fees were remitted with the application for advances, but inclusive of the salaries of the Chief or Reviewing Valuers, was as follows:—

	£	s.	d.
Salaries ...	1,305	19	3
Monthly expenses...	136	10	7
Printing, stationery, and office requisites	390	7	10
Advertising	75	17	2
Law costs	5	5	0
Sundries...	8	19	6
Estimated rent	100	0	0
Total	2,022	19	4

I append returns showing, only in classified totals for each provincial district, the applications received up to the 31st May, and the business of the office in connection with these applications. From these returns it will be seen that the applications received were 2,016 for advances amounting to £843,188—that 796 applications for advances amounted to £423,051 were granted to the amount of £303,467 on a total security of £851,089, and that 532 applications for advances amounting to £203,414 were declined. And I should add that the amount of money actually issued from the office in payment of the advances authorised is £87,735.

J. K. WARBURTON,
Superintendent.