with all other land in Canterbury, has been still further enhanced by the completion of the railway to the Waiau. Of the 71,700 acres reported upon, about 7,700 acres were cropped this year; 28,000 acres have been cultivated and are now in English grass; and about 36,000 acres remain in tussock. The permanent resident population numbers about a thousand souls. The stock wintered on the area under remark number 86,000 sheep, 1,000 cattle, 900 horses, and 200 pigs. A considerable number of fat lambs are annually sent from this estate, and a large number of store sheep are purchased from other parts of the district and fattened on the Cheviot farms. The permanent improvements are always on the increase, and now total £124,000.

T. N. Brodrick,

Commissioner of Crown Lands.

OTAGO.

The returns show that at the 31st March, 1912, there were 164 more Crown holdings than at the end of last financial year, while the increase in area held was 81,257 acres. The gross revenue received during the year amounted to £121,118 16s. 5d. The demand for land is still strong, more especially for pastoral country and for small areas for fruit-growing. The latter industry is rapidly increasing in Central Otago, and to meet the demand it will be necessary to provide, if possible, areas that may be subdivided into suitable lots for fruit-culture. With this end in view, it is proposed to make as early as possible an inspection of the Galloway and Earnscleugh Runs, on which such areas are said to be available.

Occupation with right of purchase is still the favourite tenure, showing a desire on the part of the bulk of our selectors for an ultimate acquisition of the freehold. Apparently, however, lease-in-perpetuity holders consider they have as good a tenure as they can secure, seeing that under that tenure only two have during the year availed themselves of the right of purchase, the area purchased being 3 acres. There have been no applications for exchange from this tenure to that of renewable lease

LAND TENURES AND TRANSACTIONS.

Four holders of ordinary perpetual leases over an aggregate area of 896 acres, eight licenses under occupation-with-right-of-purchase tenure of 1,528 acres, two holders of village-settlement perpetual leases comprising 66 acres, and two tenants of village-homestead allotments under the lease-in-perpetuity system of a combined area of 3 acres, purchased the freehold of their land during the year. A preference for the occupation-with-right-of-purchase tenure was shown by twenty-four selectors taking up 5,877 acres under this form of lease out of 6,709 acres taken up by thirty-two selectors under the optional system. No exchanges were made of leases in perpetuity for renewable leases. Thirty-one settlers took up 4,929 acres under ordinary renewable lease, and forty-one settlers acquired 10,153 acres under land-for-settlement renewable lease within the past twelve months. Of the latter, forty were successful applicants for subdivisions of Conical Hills Settlement, near Waipahi, which were offered to the public on the 25th March, 1912, and one was a selector of a holding of 499 acres in Matakanui Settlement, which had been surrendered by a previous tenant and reoffered to the public. Ten persons selected 36,679 acres of national-endowment small grazing-runs, twenty-one individuals became holders of ordinary pastoral runs totalling 80,905 acres, and four became tenants of 70,835 acres of national-endowment pastoral runs. One hundred and three applicants were granted yearly grazing licenses over 23,415 acres, and licenses for timber-cutting over 1,225 acres were issued to six persons.

ARREARS OF RENT.

The amount of rent in arrear at the 31st March, 1912, exclusive of the current half-yearly instalments payable in advance, was £1,178 1s. 4d. in respect of all tenures. Half of this sum is accounted for by the fact that payment of the rent of a number of settlers in North Otago was allowed to remain in abeyance for one year, out of consideration for the losses sustained by these settlers through the long drought of the summer of 1911. The position, therefore, is very satisfactory.

FORFEITURES AND SURRENDERS.

The largest forfeiture was that of a grazing license over 8,000 acres in Wilkin Valley. Although the yearly rent for the area was only £3 the licensee failed to keep up his payments regularly. Four occupation-with-right-of-purchase licenses over 808 acres were forfeited, two for non-payment of rent, one for non-compliance with conditions, and one for non-execution of lease; and two similar licenses over 572 acres were surrendered, one licensee averring that he was unable to fulfil the conditions of his license, and the other stating that "unforeseen circumstances" had arisen preventing her from complying with the conditions. One holder of a small grazing-run of 2,833 acres surrendered his lease. Five occupation leases over 156 acres bringing in a total yearly rent of £7 were surrendered for various reasons, and one of 20 acres at a yearly rent of £1 was forfeited for non-payment of rent. Three holders of 10 acres of primary-education endowment land of a total yearly rental of £3 15s. had their leases forfeited for non-payment of rent, and a tenant of a village-settlement section of 3 roods 32 perches under occupation-with-right-of purchase tenure lost his holding also through failure to pay a yearly rent of 6s. A gratifying feature of the year's business is the absence of any forfeiture or surrender of land held under the provisions of the Land for Settlements Act,