

None of these forfeitures was of any magnitude, and the resultant loss in revenue was small. Fifteen tenants surrendered the leases of their sections, one of these tenants being a new settler on Conical Hills Settlement, who abandoned his farm of 436 acres without any real attempt to test the worth of his holding. The section has since been relet. The other surrenders do not call for special comment.

TRANSFERS.

Transfers of leases were granted during the year as follows :—			No.	Area. Acres.
Lease in perpetuity (ordinary)	...	...	44	12,371
Lease in perpetuity (land for settlements)	...	...	50	9,339
Renewable lease (ordinary)	...	...	12	1,850
Renewable lease (land for settlements)	...	...	5	5,009
Occupation with right of purchase	...	...	17	1,448
Small grazing-runs	...	...	35	136,225
Perpetual leases	...	...	14	1,996
Occupation leases	...	...	16	512
Pastoral runs	...	...	19	319,809
Miscellaneous licenses	...	...	38	5,456
Education-endowment leases	...	...	24	1,558
Totals	...	...	274	495,573

EDUCATION ENDOWMENTS.

In dealing with these lauds the Land Board, while not overlooking the interests of closer settlement, affirmed the principle of obtaining the highest revenue for education, and in cases where deemed advisable the lands comprised in expiring leases were disposed of by auction under the provisions of the Public Bodies' Leases Act, 1908. The term of lease fixed for rural lands was twenty-one years, with perpetual right of renewal, at a rent to be fixed by arbitration at the end of each term of twenty-one years. The term of lease for town lands was twenty-one years without right of renewal. In a number of instances it was deemed desirable to grant the outgoing tenants a renewal of lease for twenty-one years at rentals fixed by the Board, the lessee having an option either to accept a renewal of lease at the end of the term of twenty-one years (said rent to be fixed by arbitration) or to have a lease offered for sale by auction, and so on from time to time in perpetuity. In most cases the rent obtained was considerably greater than the former rent. During the year rents were paid punctually in advance, and the total of arrears at the end of the year was comparatively small.

There are several small reserves in the Otago District (principally quarter-acre township sections) which are unlettable and unproductive of revenue. I suggest that statutory power be conferred on the Land Board either to sell such sections or to exchange them for other land from which an income could be derived.

E. H. WILMOT,
Commissioner of Crown Lands.

SOUTHLAND.

The total number of tenants now on the books in this district is 3,118, and the total area leased, including endowments, is 2,180,871 acres 3 roods 15 perches, while the annual rental amounts to £42,382 13s. 10d. The gross revenue received for the year was £52,890 1s. 8d., which is slightly under last year's revenue, but exceeds the estimate by £3,075.

LAND TENURES AND TRANSACTIONS.

An area of 611 acres was sold for cash to twenty-four purchasers, while tenants under the various tenures acquired the freehold of the following areas: Perpetual lease, two lessees, area 162 acres; occupation with right of purchase, nineteen licensees, area 3,146 acres; lease in perpetuity, thirteen lessees, area 5,472 acres; occupation with right of purchase (improved farms), two licensees, area 160 acres; perpetual-lease village, three lessees, area 38 acres; lease in perpetuity, village, twenty-one lessees, area 278 acres.

The selections under the occupation-with-right-of-purchase system numbered forty-five, and the area selected 8,987 acres. The renewable lease (ordinary) selections were thirty-one, with a total area of 6,075 acres; while an area of 2,067 acres was selected on the renewable-lease land-for-settlement tenure by eleven applicants.

The only transactions under "Pastoral Run" heading were two selections of Crown runs and one national-endowment selection. These runs were held formerly, and were sold twelve months ago with possession on 1st March last. Sixty-nine temporary and miscellaneous licenses were granted over an area of 7,269 acres, and incidentally it might be mentioned that this tenure is very useful in Southland, as it enables reserves and Crown lands which cannot be offered on permanent tenures to be leased to tenants at a nominal rent, subject to all existing rights and to the destruction of weeds. During the year fifty-one education-endowment leases, embracing an area of 6,166 acres, expired, while there were thirty selections, covering an area of 3,901 acres, and twenty-five renewals with an area of 4,897 acres. There are now 779 tenants of education-endowment lands, with a total area of 337,492 acres, and an annual rental of £14,352, and it has been found that both the administrative and office work in connection with these lands is and will continue to be very considerable.