

The revenue received during the year entailed the issue of 13,276 receipts, and in addition a sum of £42,575 was passed through the Deposit Account, entailing the issue of 2,236 receipts. Payments amounting to £14,056 were made into the Local Bodies' Deposit Account, and a sum of £14,760 was paid over to local bodies for providing and improving access to Crown leaseholds.

The arrears of rent owing at the close of the period amounted to £5,656, owing by 464 holders, the amount representing about $5\frac{1}{2}$ per cent. of the total annual rental.

TRANSFERS AND FORFEITURES.

The total number of applications for transfer dealt with by the Land Board was 670, of which 636 were granted and thirty-four refused. The most careful consideration is given by the Board to every case submitted, the circumstances of the application, fulfilment of conditions, amount of consideration and position and suitability of the proposed transferee being all fully scrutinized, so as to ensure as far as possible that the transaction is of a *bona fide* character, and that the incoming tenant enters into possession with reasonable prospects of success. It is always borne in mind that it is not the rent payable to the Crown that may prejudice the success of a transferee, but the amount of consideration in the form of goodwill paid to the outgoing tenant.

The area of land forfeited is considerably less than during the previous year, although the difference in actual number of holdings is very small. In my last report I pointed out that a very large proportion of these forfeitures resulted from the practice followed by many land-seekers of applying for Crown lands without first inspecting or otherwise satisfying themselves of their probable suitability. The first impression gained by the applicant when he subsequently inspects often fails to confirm his anticipation, and in disappointment he immediately throws up the holding. This class of case accounts for a much larger proportion of the forfeitures than does actual non-fulfilment of conditions.

LANDS IN MINING DISTRICTS.

The total area of land selected on the Coromandel Peninsula under the two mining district tenures was 12,296 acres in seventy-one holdings, as compared with the fifty-three holdings and 15,017 acres of the previous year. The total area now in occupation under these two tenures is 84,557 acres in 482 holdings. The freehold option now given to the holders of Hauraki pastoral licenses, coupled with a reduction of mining activities, and the prominence given to the excellent pastoral qualities of much of the peninsula land, are tending to create a renewed activity of inquiry for these lands.

RANGERS' REPORTS AND CONDITIONS OF SETTLEMENT.

The reports received from the Rangers during the year continue to be very satisfactory, and to disclose an excellent standard of fulfilment of conditions and *bona fide* settlement achieved generally by settlers in all parts of the district. The number of total defaulters was only about 7 per cent. of the number of holdings inspected, and out of the 18 per cent. who were in default of a partial character, either for deficient improvements or non-residence, the tenants are in the majority of cases using their best efforts to fulfil their obligations, which they recognize it is to their own interest to do, since the development of the holdings and the increase in value of improvements means bringing the property into a self-supporting and payable condition. In order to give them the opportunity of doing so the Land Board is always willing, for satisfactory reasons, to give tenants reasonable extensions of time in which to comply. It cannot be denied that in many parts of the district the difficulties of access, lack of schools, and other backblock disadvantages offer very real and adequate grounds for any reasonable consideration that can be shown to settlers engaged in the work of bringing new lands into productiveness. The lack of access especially presses hardly on the new settler in many localities, and it is much to be desired that arrangements should be made so that the construction of roads should at least be well under way by the time the lands are balloted, instead of being in the majority of cases commenced a considerable time afterwards, during which time the settlers' preliminary work on their holdings is handicapped by the additional difficulties of inadequate access.

The general extension of roading and railway facilities throughout the district, however, especially in the North of Auckland, is improving the position of many Crown tenants, even if the benefit is in numerous cases of a somewhat indirect character. The extension of the dairy industry, and especially of the home-separation system, has been also of incalculable benefit, especially to tenants who have not much capital to expend on their sections, as they are enabled to stay at home and improve their holdings, instead of having to leave home to earn money to keep their families and effect improvements. This has no doubt much to do with the rapid and satisfactory manner in which many of the holdings are being improved. A favourable season resulted in very good burns of felled areas being obtained, and the subsequent sowings have taken well. Some damage was caused in the north by the spread of bush and grass fires to an unexpected extent, but a number of settlers were enabled to turn this to advantage by being supplied with grass-seed upon easy terms of payment. The increased area laid down in grass has resulted in a very large increase of stock, and an enhanced output of fat stock, which, coupled with the record output of dairy-produce, has developed a prosperity in which the Crown tenants have fully shared. The advent of settlers from other parts of the Dominion still continues, more especially in the North of Auckland, and these bring fresh capital and methods into the district, benefitting not only the lands which they occupy, but the district at large. The extension of communication in the north is bringing within the range of profitable