

generally easy to steep hill country varying from good to fair and inferior grazing-land, was subdivided finally into six sections, and offered in November last. Capital values of the sections ranged from £8,000 to £14,000; and, as a considerable amount of capital would be required to stock and further improve the sections, it was decided that applicants must be possessed of capital amounting to at least 10 per cent. of the capital value of the section applied for, together with the amount required to pay the first half-year's rent. There were some eighty-six applications, and all the sections were selected at the ballot. The Waimarama Block was originally purchased by the Crown from the Native owners, subject to a lease existing at the time of purchase. This lease lately expired, thus making the land available for offering for selection. The block contains a total area of 3,900 acres, and was subdivided into six sections. The land is mostly in Native grasses, but is generally well watered, and enjoys the reputation of being exceptionally fine sheep-country. Some two hundred persons lodged applications, and those who succeeded in drawing sections at the ballot should have little difficulty in making a success of their undertaking. The opening of this block again proved the keen demand that exists for really good grazing-land, but it is, however, only occasionally that the Department has an opportunity of offering grazing-country of the quality and favourable situation of the Waimarama Block.

It has again been found during the past year that many persons desirous of selecting Crown sections had little or no capital available, and it is, of course, difficult for the Department to place such applicants satisfactorily. Under the existing law applicants must be in a position to deposit the first half-year's rent or instalment, and they must also satisfy the Land Boards that they have a reasonable prospect of being in a position to improve and stock the land they wish to select. Unless, therefore, an applicant possesses a small amount of capital, or is in a position to raise the same, it is not at present possible for the Department to assist him in his desire to settle on the land. There are doubtless many men of sound experience who are grievously handicapped by the lack of even a small amount of capital, and it may yet be possible to devise some means of assisting these to obtain farms of their own.

Certain proposals in connection with the offering of new areas of Crown lands are dealt with in this report under the heading "Settlement of Undeveloped Areas," while the question of the purchase of private estates for subdivision is briefly discussed in parliamentary paper C.-5, the annual report under the Land for Settlements Act.

EDUCATIONAL ENDOWMENT.

An area of approximately 813,000 acres of educational endowments under the administration of the various Land Boards is leased to some 4,043 tenants, who pay a total annual rental of £131,098. A considerable number of applications have been received from various lessees, pursuant to the provisions of section 26 of the Education Reserves Act, 1928, to surrender their existing leases and obtain in exchange therefor new leases perpetually renewable for terms of twenty-one years, with full protection at the end of each renewed lease for the then value of unexhausted improvements effected by them.

FORFEITURES AND SURRENDERS.

In the case of Crown areas held under permanent tenures, the following forfeitures and surrenders occurred during the year:—

				Number.	Area. Acres.	Annual Rental. £
Forfeitures	..	..	..	370	156,304	8,696
Surrenders	..	..	..	172	190,278	7,843
Totals	..	..	..	542	346,582	£16,539

The total forfeitures and surrenders represent 1·819 per cent. of the number of settlers holding permanent leases and licenses. The total area of 346,582 acres involved appears large, but it includes approximately 167,000 acres of pastoral-run country.

Forfeitures and surrenders of miscellaneous and temporary leases numbered 482, covering a total area of 62,093 acres.

RECEIPTS.

Receipts have been well maintained, the total from all sources (excluding, of course, Discharged Soldiers Settlement Account receipts) being £1,290,856, an increase of £19,035 on last year's figures. The sum of £341,694 was derived from ordinary Crown lands, £647,632 from lands held under the Land for Settlements Act (including Hutt Valley Settlement and Cheviot Estate), £135,859 from the national endowment, and £131,400 from the education endowment.

Cash received on the conversion of leaseholds to freehold tenures has shown an increase of approximately £41,000.

The following table gives the relation of this freehold revenue to total receipts during the past five years:—

		Conversions to Freehold.	Amount yielded therefrom. £	Total Receipts. £
Year ending 31st March, 1925	..	341	98,344	1,272,724
„ 1926	..	305	107,148	1,297,488
„ 1927	..	304	76,570	1,245,338
„ 1928	..	261	69,276	1,271,821
„ 1929	..	317	111,119	1,290,856

Of the 317 conversions to freehold during the year, 249 were in the North Island districts.