

The number of Crown tenants is a constantly varying number, owing to the termination of some of the tenures included—such as pastoral leases, perpetual leases, and deferred payment, and the cash selections under the Act of 1892—which run out by purchase, or completion of the conditions under which they are held. In addition, there are the forfeitures and surrenders under a variety of headings.

The amount of land thrown open for selection or purchase is less than that for the previous year by about half a million acres, the decrease being principally in pastoral lands. The figures below include ordinary Crown lands, lands acquired under the Land for Settlements Acts, Cheviot Estate, forfeited and surrendered sections again thrown open for selection, &c., but exclude endowments. Most of this land was surveyed prior to being opened. The following are the areas:—

	Acres.
For Optional selection	178,760
Lease in perpetuity only	54,418
Village allotments	1,209
Cash lands (auction)	16,415
Other leases of Crown and reserves	49,485
Small grazing-runs	135,066
Pastoral runs	887,770
	1,323,123

Excepting in the estates acquired under the Land for Settlements Act, the bulk of this land is of second-class quality, for, as pointed out in previous reports, the first-class land remaining in the hands of the Government is small in quantity, scattered in many localities, and often difficult of access. The largest area in one block operated on last season was 38,300 acres in South Marlborough, which comprised lands resumed from pastoral leases by recommendation of the Classification Commissioners. The whole of this area was selected at once, most of it being let in small grazing-runs.

The lands preparing for selection are scattered in a great many different localities, and generally are in small blocks. Since the end of the year a large area has been thrown open and selected under the optional clauses of the Act in the Awarua Block, Wellington, in which part of the colony settlement has been advancing more rapidly than in others during the last few years; but the bulk of the Crown land there has now been disposed of. In southern Hawke's Bay, at Nga-paeruru, a large block is under survey and roading prior to being thrown open, whilst some of the lands acquired in the King-country are now being prepared so far as roads are concerned, with a view to opening them to selection; they are lands of fair quality, but broken.

It cannot be insisted on too strongly that the class of Crown lands remaining to be dealt with is, with few exceptions, only suited to occupation in considerable areas, and for pastoral purposes. It consists of broken forest-clad country which can never be ploughed, but much of it is nevertheless suitable for holdings of from 2,000 to 5,000 acres. From the nature of the country, and the frequently isolated positions of the blocks, the providing of roads necessary to give access to these lands is a costly and protracted process. For agricultural holdings in moderate areas, the estates acquired under the Land for Settlements Act must be looked to more and more.

The area of land granted to the Midland Railway Company at the date of last report was 191,155 acres, and no change has taken place since. Until the reservation connected with this railway is removed, no permanent settlement goes on within its limits.

FORFEITURES AND SURRENDERS.

The forfeitures during the past season are somewhat greater than for the preceding one; the figures for 1897 being 493, and those for 1898, 533. The total area forfeited was 234,986 acres, of which 146,606 acres were comprised in thirteen pastoral runs. The largest number of forfeitures were in the special settlement associations, on ordinary Crown lands; 138 sections, covering an area of 27,190 acres, having been so dealt with. The next highest numbers were in the improved-farm sections, where 114 selections were forfeited, covering an area of 9,566 acres. Under the optional system of selection there were altogether 107 sections forfeited, with an area of 27,844 acres. Included in the above figures are two forfeitures, 34 acres, in the Cheviot Estate, and sixty-three forfeitures, 3,664 acres, in the Land for Settlements estates. The number of surrenders was 171, covering an area of 544,235 acres, of which thirty-three pastoral runs, with an area of 502,285 acres, formed the major part in area. The rentals of these forfeited and surrendered sections amount, in round numbers, to something over £4,000 per annum. Lands thus forfeited or surrendered are again thrown open for selection as soon as possible, and are very generally reselected within a short time, so that, as a matter of fact, many of these forfeitures are much on the same footing as transfers. The reasons for forfeiture are noncompliance on the part of the selectors with the conditions under which the lands were taken up. Every consideration is given to individual cases by the Land Boards before forfeiture takes place, and due leniency is exercised in cases where the settler shows a real intention of occupying his selection. It is to be remarked on the subject of forfeitures that, under the Act of 1892, the conditions, a breach of which renders selections liable to forfeiture, are more onerous than under the previous Acts. For instance, under the older Acts, residence could be dispensed with in many cases if double improvements were made, which is not the case under the Act of 1892. Moreover, there are now a larger number of tenures that require improvement as well as residence as part of the conditions, which is illustrated by the following figures: In 1878 there were five; in 1888, eight; and in 1898, fourteen, classes or tenures of holdings which were liable to forfeiture. The inspections, also, are more strict, so that fewer lapses are passed over. Compliance with the conditions in some parts is rendered difficult by the great expanse of settlement beyond the limits of roads.

Details of transactions under these headings will be found in the Appendix.