numerous advantages due to the improved conditions, have materially accelerated the progress of the settlements, insured their position, and made the outlook hopeful and promising. The tendency has been to cultivate poor lands, even if it be only to grow inferior grasses, to increase the pasture upon the better class of soils, and to develop to the utmost the productiveness of rich agricultural lands, so as to take full advantage of the payable and, in some cases, the high prices which are obtainable for the stock and crops produced by the industry of the agriculturalist and grazier. All this has led to more demand for land and the desire to reclaim unproductive and waste areas. There is no lack of employment, as the rural population have, in addition to the ordinary work found upon the lands in building, fencing, bushfelling, and cultivation, an opportunity, according to the locality, of taking part in mining, gum-digging, sawmill and flax-mill operations, &c., and also of obtaining employment upon the various public works carried out by the Government and local bodies.

The foregoing very imperfect summary of the position of the Crown lands settlements and their occupants shows conclusively upon what a secure foundation the long-continued prosperity of this colony has been built. It must be remembered that the older and well-established settlements are intermixed with the new ones, from the North Cape to the Bluff, extending over a range of latitude between 34 degrees and 47 degrees, and have the advantages of diversity of climate, physical characteristics, geological formation, soils, vegetation, minerals, and other essentials necessary to the maintenance of a race commensurate to the task of developing and utilising to the utmost Nature's resources and gifts. Hence New Zealand, with its tracts of rich agricultural and pastoral lands, its wealth in coal and other minerals, and its great advantages and facilities in water and land carriage, backed by the skill and industry of its people, as concentrated on agriculture, pastoral pursuits, and manufactures, stands secure in the abundance and variety of its industries and products, confident that a falling-off in the demands for or value of any one of these could rarely seriously impede the general progress and advancement of the colony.

## "THE BUSH AND SWAMP CROWN LANDS SETTLEMENT ACT, 1903."

This Act, passed last session, came into operation at the end of 1903 and provided more liberal conditions for the selection and settlement of bush and swamp lands. The principal provisions are as follows: Land opened under the Act is divided into three classes—(a) heavy-bush lands, (b) light-bush or swamp lands, and (c) scrub land, according to the nature of the vegetation existing on the lands opened for sale or lease. On heavy-bush lands the selector, after payment of his first half-year's rent, is exempt for further rent for a period of four years, whilst no rate can be levied or collected by any local authority on the land for the same period; on light-bush lands or swamp lands three years' exemption from rent and rates is allowed, whilst residence for the first five years may be dispensed with on swamp lands; on scrub lands two years' exemption from rent and rates is given.

In accordance with the above conditions, large areas of Crown lands in the ten land districts were reclassified and reopened for selection, together with several blocks of land opened for the first time. The Commissioners of Crown Lands for the districts have reported as to the manner in which the liberal provisions were availed of, and that in many instances areas of land were taken up that probably would not otherwise have been selected. In the Wellington District alone 14,625 acres were disposed of as a result of the Act, and it seems undoubted that the inducements now offered to selectors of bush lands will tend to settle the back portions of the country more readily and satisfactorily.

## REVENUE.

The Auditor of Land Revenue's report for the year, which is attached, brings into prominence the principal and more important points disclosed by his analysis of the revenue.

The territorial revenue	amount	s to		-	• • •			£247,842	7s. 5d.
and the non-territorial to	•••		•••		•••		•••	£249,368	16s. 11d.
making a gross total of	• • •	•••	• • •				•••	$\pounds497,211$	3s. 11d.
The distinction betwee	en the t	wo classes	is	$\mathbf{that}$	$\mathbf{the}$	former	includes	cash sales,	deferred-
payment-land sales, rents from pastoral runs, small grazing-runs, perpetual leases, leases in									
perpetuity, occupation with right of purchase, miscellaneous leases, reserves, together with									

timber royalties, transfer, lease, and survey fees; whilst the non-territorial comprises revenue from the State Forests Account, and receipts under special Acts such as the Cheviot Estate, Land for Settlements, Government Loans to Local Bodies, Native Township, Mining Districts Land Occupation, North Island Main Trunk Railway, Thermal Springs, Timber Floating, &c., and miscellaneous items under the heads of endowment revenue, Lake Ellesmere and Forsyth Railway, Crown grant and office fees, refunds to various votes, &c.