

The only lands suitable in the Auckland District comprised several small blocks, which were subdivided into 27 holdings, with an area of 4,667 acres. Taranaki provided the largest area of land for the purposes—viz., 19,014 acres, divided into 102 allotments—whilst Wellington could only supply 19 selections, containing 3,378 acres.

No less than 588 co-operative workmen applied for land under this system, and it would have taken 111,660 acres to satisfy their requirements. It being found impossible to do this, preference was given in most cases to married men. A selection was made of 418 applicants, the number being still further reduced in consequence of several leaving the works or obtaining land otherwise. The available sections were put up to ballot, when 123 married men and 20 single men, or 148 in all, secured holdings containing 27,059 acres.

It is unfortunate that at least 200 of the applicants were unprovided-for; but it was thought inadvisable to offer them land unless its quality was sufficiently good and the conditions necessary to successful settlement were obtainable. Arrangements have since been completed to enable the fortunate applicants to take possession of their holdings, and they will have the advantage of the most favourable conditions applicable to the lands of the colony, inasmuch as they will receive advances of money direct from the Crown to assist them to erect houses and fence off their gardens, besides receiving payment for the felling of bush and scrub; and they will also be provided with grass-seed to sow on the burnt areas. By this means it is hoped that a large number of the co-operative labourers will be removed from the labour-market and afforded an opportunity of establishing themselves and families in comparative comfort and independence.

A comprehensive and interesting report by Mr. J. E. March, Superintendent of Village Settlements, will be found in Appendix V. This officer was deputed by the Government to make the necessary inquiries to ascertain which of the co-operative labourers were desirous of taking advantage of the liberal terms offered by the Crown. Mr. March carried out his duties with zeal and discretion, and with the most satisfactory results.

The total number of selections made during the year 1903-4 was 106, covering an area of 19,436 acres. There are 43 distinct settlements, containing 510 holdings, of a total area of 61,664 acres. There are, in addition, 48 sections which have been allotted but not yet registered, of an aggregate area of 7,664 acres. The number of souls upon the settlements is 1,722. The lessees have felled 28,958 acres, of which they have laid down in pasture 28,598 acres, and there are 19,885 cattle and other stock grazing on the allotments. The value of the improvements amounts in all to £106,416, including Government advances of £54,127.

Some particulars were furnished in last year's report as to the localities and extent of the then-existing settlements of this class throughout the colony.

Small Grazing-runs (Table 16).

As will be seen by the table, this tenure was more in vogue in some districts than in others. Of the 39 runs taken up in 1903-4, comprising 105,050 acres of ordinary Crown lands, for which an annual rental of £1,599 is paid, 11 are in Hawke's Bay, 4 in Wellington, 5 in Nelson, and 15 in Otago. In addition, there were 19 selections under the Land for Settlements Acts, aggregating 39,736 acres, including 5 in Hawke's Bay and 12 in Canterbury. This tenure is well adapted to pastoral country of a superior class, such as is to be found in the South Island, and also to areas in the North Island which are not suitable for occupation in holdings under 2,000 acres. It is not clear why the tenure has not been more extensively availed of in the Auckland Land District.

The lessees on this tenure in the colony number 642, who occupy 1,338,490 acres of Crown lands, paying £26,921 yearly. Though there are only 72 tenants of small grazing-runs under the Land for Settlements Acts, holding 128,648 acres, they pay £17,398 annually, plainly indicating the superiority of the lands in the acquired estates under the latter Acts.

Grouping Crown lands, Land for Settlements, and the Cheviot Estate holdings of this class, we obtain a grand total of 762 tenants, occupying an area of 1,513,116 acres, the annual rental thereof being £50,944.

When the small-grazing-run tenure was first devised under "The Land Act, 1885," it was evidently intended that the right of renewal was to be dependent upon the conditions prevailing at the end of the first term of twenty-one years, and it was provided that should the land in the run be required for close settlement the lessee was to be compensated for his improvements, and the land subdivided and opened for selection in smaller areas. These conditions were modified by "The Land Act, 1892," inasmuch as a lessee thereunder has a right to renewal of his lease at