12 C.--1.

The position, however, of those settlers who more recently, with limited means, have taken up the more remote unimproved or even partly improved lands, without the advantage of drayroads, has been less satisfactory since the outbreak of the war, owing to the prevailing prices of labour, fencing-material, grass-seed, &c., and the majority of the defaulters in the matter of statutory improvements that have been dealt with by the Land Board from time to time have been settlers in this category. These, through the stress of the times, have been unable to secure the necessary labour to develop their holdings. For the same reason other selectors better circumstanced have been compelled to "mark time" and merely effect sufficient improvements to comply with bare requirements of their leases.

Sheep and cattle graziers have had a good season, but, owing to fat-stock buyers having to regulate their operations by the amount of space available at the various freezing-works, there was a considerable set-back on this account. This loss, however, was compensated for to a large extent by the high prices obtained for "stores." In the earlier part of the season, with a plentiful supply of feed, some dairy herds in the northern part of the district averaged over £2 per cow per month, an experience probably unique in the history of those parts of the country which are

not yet fully developed.

Lands opened for Selection.—A total area of 26,889 acres, representing sixty-one sections, was made available for selection, most of it for the first time, and in addition 292 acres of township and suburban areas were offered for sale or leasing by auction and tender throughout the year. In view of the general prevailing conditions, and also the decision of the Land Board to exclude from land ballots all single men of military age (not specially exempted from service), the competition in ballots during the year, especially for the unimproved country put on the market, has been quite as good as could be expected.

Lands to be opened .- The total area of the lands proposed to be put on the market during the current year amounts to 38,209 acres. It is proposed to make 18,122 acres available under the ordinary and special tenures of the Discharged Soldiers Settlement Act, 1915.

Education Endowments.—During the year twenty-one leases of education reserves expired by effluxion of time, and were relet, after revaluation, in most cases to the former holders. In some cases where the old leases were not renewable new leases were submitted for competition at revised rentals. In every instance the Endowment Fund has benefited very materially by the increased rents secured. The general appearance and position of the education reserves in this district is fairly satisfactory. In a few instances the Land Board is having difficulty with regard to the eradication of noxious weeds by the tenants. A number of the old leases are also without improvement conditions, and this, coupled with the fact that personal residence on the land is not compulsory, has had a tendency to produce slackness and neglect in the past.

Land Board.—The Land Board held twelve ordinary meetings at this centre, also one special meeting at Taumarunui in connection with a land sale and ballot at that place. During the year Messrs. W. W. Jones and A. Coxhead retired from the Board owing to removal from the district, and due acknowledgement of their services to the Department has been placed on record. One of the vacancies has been filled by the appointment of Mr. J. W. H. Martin, of Pukearuhe.

General.—Nearly seventy of our Crown tenants are known to the office to be on active service abroad in connection with the war, and in this matter the Land Board has given them every encouragement by granting where necessary an extension of time for residence completion of improvements, and fulfilment of other statutory requirements under their leases. number of them have also applied for a rental remission, provision for which was made by recent legislation, and such eases are now receiving the fullest consideration of the Land Board.

Indifferent road access, and in some cases the lack of it, is still a heavy handicap on many of the way-back settlers, a circumstance brought about as the result of settlement having gone too far in advance of reasonable roading facilities. In view of this, and also the ruling high prices of all farming requirements under present conditions, it is well worth considering whether it would be more politic to push on with roading in country already settled and to hold back the more isolated areas until at least a pack-track can be provided for every section before it is opened.

WELLINGTON.

(G. H. M. McClure, Commissioner of Crown Lands.)

The year has been a favourable one for farmers, notwithstanding the exceptionally dry summer; the spring was a moist one, and an abundance of pasture was available when the dry weather set in. Cereal crops were well above average yield, but prices were lower than 1915; turnips and rape were disappointing, but oats were heavy.

Dairying returns were at a high level, though in some of the newer districts the output was

lower owing to the continued dry weather.

Stock and wool realized very high prices, lambs fattened early, and fat sheep and cattle were turned off in large numbers. Pig-raising was a profitable industry. These unprecedented returns are, of course, owing to the demands on the resources of the Dominion caused by the European war.