

At the present time there is no difficulty in meeting the demand by discharged soldiers for land. This, however, is attributed to the fact that many of the men returning to the Dominion are not physically fit, and cannot therefore undertake laborious farm-work.

Owing to the large increase in the number of applications received it is imperative that the amount authorized to be raised under the provisions of the Discharged Soldiers Settlement Act—namely, £500,000—be increased to £1,500,000, and legislative provision will be made accordingly.

Under the provisions of section 6 of the Discharged Soldiers Settlement Act, 1915, advances were authorized and made to discharged-soldier settlers from the inception of the Act to the 31st March, 1918, as follows:—

The advances made to 423 soldiers towards the improvement of their lands, for the erection of buildings, and for the purchase of stock and farming implements amounted to .. .. .	£ 144,274
Repayments on account of principal sums .. .. .	9,380
Balance remaining on mortgage in respect of principal at 31st March amounted to .. .. .	<u>£134,894</u>
Advances authorized to 668 soldiers amounted to ..	£190,911

#### LAND FOR ORDINARY SETTLERS.

In view of the fact that practically every section capable of occupation as a separate holding is being set aside with a view to its allotment to discharged soldiers, only a very restricted area has been made available for ordinary public selection. A considerable area, however, opened in previous years, is still available for application.

#### SWAMP-LAND RECLAMATION.

The reclamation of swamp lands at Hauraki and Rangitaiki Plains has been prosecuted as steadily as possible, but owing to war conditions it has been impossible to expedite development-work as much as it was hoped. Great improvements have been effected on the unwatered lands, and these are proving a valuable asset to the Dominion.

Under the provisions of the Swamp Drainage Act, 1915, reclamation-work is being proceeded with on the Kaitaia, Waihi, and Poukawa areas, but this development has been slow for the reason stated above.

It was found impossible to obtain delivery of dredges ordered in England some two years and a half ago, owing to the demands on the contractors by the Imperial Government for war materials. Inquiries in America show that dredging plants are unduly expensive, and no guarantee of delivery can be given.

Several other extensive areas of swamp land have been earmarked for development, but action is necessarily deferred until machinery and labour are available.

#### AGRICULTURE, INDUSTRIES, AND COMMERCE.

The outstanding features of the past year's operations were the maintenance, in spite of war difficulties, of a high standard of production, both as regards quantity and quality, combined with a continuation of remunerative prices. Large quantities of exportable produce have accumulated in store owing to insufficient shipping-space, and this necessitates careful consideration of future arrangements. The number of sheep and lambs slaughtered was less than for the previous year, but this was due to the later season, and the deficiency was made up by the end of June last.

With regard to the present year, the unusually heavy snowstorms experienced during July in the South Island caused considerable mortality amongst sheep, and this coupled with the shipping difficulties may result in a good deal of stock having to be held over till the following season, notwithstanding the increases in refrigerated storage already carried out or in prospect. The arrangements for the purchase of our wool, meat, butter, cheese, and other produce on behalf of the Imperial Government provide, however, a guarantee that the Dominion may confidently expect a continuance of prosperity throughout the year.