

mentioned, have had a most anxious time, and until the values of stock and wool return to a parity at least with those of 1914 it is impossible to foretell what are the prospects of this class of farming. With regard to land-values and the prices of the primary products, it would be both fallacious and misleading to attempt to quote figures, and this will remain so until the finances and markets of the world again become stabilized and the present industrial unrest disappears.

*Land opened for Selection.*—The land offered comprised twenty-one allotments in the Tukurumuri, Akitio, Tiraumea, Pihautea, and Heights Settlements, of a total area of 10,841 acres, opened for selection by discharged soldiers, for which there were 156 applicants. A small area of 34 acres, education-reserve endowment, near Palmerston North, was offered in six allotments, and twenty-two discharged soldiers competed for them. In the Kaitieke, Ngamatea, and Makotuku Survey Districts thirteen allotments were offered to discharged soldiers, the area being 3,632 acres, for which there were 134 applicants. The balance of the Normandale Settlement, near Lower Hutt Railway-station, comprising 243 acres, was offered in fourteen allotments for cash or deferred payments, and twelve allotments, of an area of 209 acres, were disposed of. Sixteen small areas near Kakahi, upon many of which has been built houses for the workers formerly employed by the State sawmill, were offered by auction for cash or deferred payments, and all were disposed of, in most instances to the persons in occupation. Seventy-eight allotments in the Town of Tangimoana, which were laid off near the mouth of the Rangitikei River, for seaside residences, and upon many of which cottages had previously been erected, were offered for selection under town renewable lease, and fifty-nine have been taken up, nearly all those who had erected dwellings securing their sections.

*Freeholds.*—Of the total number of 149 tenants who converted 23,634 acres to freehold, considerably more than half were lessees in perpetuity, though the area dealt with represented about one-fourth of the total area; while the occupation-with-right-of-purchase tenants made up about one-third of the total number, with an area a little less than half the total area of the conversions.

*Land Board.*—The Board held twelve ordinary and four special meetings for the examination of applicants and ballot for land offered to discharged soldiers, also one special meeting to deal with matters in connection with Tiraumea Soldier Settlement. The sittings lasted over thirty-nine days, and the business comprised 2,931 items, about two-thirds being connected with the settlement of discharged soldiers.

*Revenue, and Arrears of Rent, Instalments, and Interest.*—The gross revenue was £462,376, of which £101,414 is accounted for by repayments and receipts under the Discharged Soldiers Settlement Act. There was also an excess of £2,816 in receipts for credit of the Waimarino Fire Relief Fund, and an excess of £4,724 in receipts from timber royalties. The amount for cash sales and freeholds did not reach the estimate by £10,748, but there was a considerable increase in the receipts from leases under special tenures, Discharged Soldiers Settlement Act, principally caused by the volume of business resulting from the purchase of land under section 3 of the 1917 Act.

The number of tenants in arrear holding under the Land Act tenures does not differ very materially from the returns for last year, there being 134, owing £2,902, an increase of twenty-six tenants, representing a sum of £1,387, principally in the pastoral-run, miscellaneous, national-endowment, and education-reserves tenures. Under the Discharged Soldiers Settlement Act 132 tenants owe £14,117, as compared with 120 owing £11,127 as at the 31st March, 1920; and, taking into consideration that the total rent roll under this tenure is £87,330, and that it has increased during the year by about £36,800, coupled with the difficulties the tenants have to contend with during the present financial crisis in meeting their obligations the position cannot be considered to be very serious. It will only be by dealing with each case separately and judicious postponements that a satisfactory result can be expected.

Regarding instalments and interest under the heading of "Dwellings" the figures show a favourable comparison with last year: whereas then the amount was £3,644, it is now £2,239, a reduction of £1,405. This result is largely due to the energies of the Inspector of Securities, who has closely investigated each case of arrears and brought about this satisfactory position. The accounts for farm advances do not compare so favourably, the arrears on the 31st March, 1920, being £3,599, and this year £14,580, the amount being principally interest for broken periods prior to the first instalment becoming payable. Close on two hundred new accounts for instalment mortgages were opened during the year, and the result above mentioned is principally due to the fact that no payments are required for mortgagors under section 2 of the Discharged Soldiers Settlement Act, 1917, until in some instances nearly twelve months have expired. Under the heading of "Current account advances" the arrears have increased from £7,941 to £16,425, and a great deal of this may be attributable to the present financial position. Every endeavour is made to reduce the interest owing where the settler is dairying, by insisting on a substantial quota of the milk returns, but not less than one-eighth, being paid by an order for deduction from the factory cheque.

*Land remaining for Future Disposal.*—The land available for immediate disposal consists of seventeen allotments in the Haunui No. 2, Almadale, and Pihautea Settlements, a total area of 1,054 acres, good dairy land; also seventeen acres in four small allotments in Pitt Settlement as residential areas. As soon as the necessary street-works in the Hall-Jones Settlement, near Lower Hutt, are completed, forty-one allotments, of a total area of 60 acres, will be opened for selection. An area of 7,811 acres of bush land suitable for grazing purposes when cleared will be offered during the year, in sixteen allotments, situated in the Hautapu, Maungakaretu, Ruahine, Makotuku, Whirinaki, Retaruke, and Owatua Survey Districts. Practically the whole of the Crown lands that are suitable and will become available in the future for settlement are covered with milling-timber, and it is estimated that within the next two years an area of about 9,000 acres of land, principally suited for grazing, and situate near the Main Trunk Railway, between Taihape and Taumarunui, at present held under milling licenses, will become available for settlement, and provide about thirty