

bright, and farmers have been unable to prepare their land for cropping owing to its baked state in consequence of the long drought. In addition to these drawbacks the settlers have at present to contend with a very serious slump in prices of produce, and great difficulty in getting money from the financial firms. Settlers who are depending on sheep for a livelihood are in a very unfortunate position, this year being a particularly bad one for them.

Speaking generally of the farming prospects of the district, the outlook at present is not promising, and should the winter be rough it will tell on stock, owing to scarcity of feed. There would have been a record area put under wheat this coming season, but owing to the long dry spell farmers have been unable to prepare as much land for cropping as would have been the case under more favourable conditions.

The total number of Crown tenants on the books on the 31st March, 1921, was 4,045, occupying an area of 4,244,283 acres, and paying a rental of £287,642 per annum. The total revenue received was £488,165, being £172,253 in excess of the amount for the previous year. Included in these figures are primary and secondary educational endowments of a total area of 71,407 acres, occupied by 232 tenants, who are paying an annual rental of £28,825.

Land opened for Selection.—Fifteen settlements, comprising 117 sections, were offered for soldier settlers, of which twenty-two were not taken up owing to T.B. men not being satisfied as to situation, but there will be no difficulty in disposing of these lots otherwise. One pastoral run, 3,403 acres, a subdivision of a larger run, was taken up by a soldier. A further seven lots, comprising 702 acres of miscellaneous Crown lands, were also opened. There were eight auction sales, at which were disposed of township sections, reserves, &c., comprising 4,003 acres.

Freeholds.—During the year thirty-three selections, comprising 785 acres, were alienated under freehold tenure. In addition to these, deferred-payment licenses were issued over eight holdings, comprising 4,130 acres.

Land Board Work.—The work of the Land Board has continued to be very heavy. There were twenty-two meetings during the year, extending over forty-nine days, and the Department is indebted to the members for their untiring services. 489 applications to transfer were dealt with, thirty-three of which were refused.

Revenue and Arrears.—The revenue came in very well during the year; the arrears still showing a decrease as compared with the previous year, as has been the case in the last four years. It is only owing to steady and persistent attention that arrears can be kept down.

Lands remaining for Future Selection.—These comprise 22,943 acres, of which 1,364 acres are reserved for returned soldiers, divided into twenty-two sections. There is a pastoral run of 21,200 acres, being a subdivision of a larger area, to be opened for soldiers, and the balance are township sections, &c.

OTAGO.

(ROBERT T. SADD, Commissioner of Crown Lands.)

Last season in Otago was not very favourable. The winter was mild, with not much snow on the high country, and there were no serious losses of sheep; but the winter was followed by a very cold backward spring, with cold south-west rains and high cold winds; this weather caused considerable losses of lambs in the paddocks. Cold broken weather was experienced up to the middle of December, after which the weather became much warmer, but too dry, especially in Central and North Otago.

The crops in North Otago were above the average, especially wheat; there were some fine crops in this district round Papakaio, Otekaike, Tokarahi, Elderslie, and Totara. The oat crop is not so good, although there are some fair crops; the price, however, is down very low. There were good crops of barley and wheat in the central part of the district, and the prices are good; barley went to 46 bushels, and wheat to 45 bushels and in one case to 52 bushels. The turnip crops are generally much below the average; there are some good crops in the southern part of the district and round Heriot, but in parts of Central Otago, owing to the dry weather, the crops are very poor and in some cases a failure. Generally the grain crops have been fair, but there has been a great shortage of grass. The dairy-farmers have had a fair season owing to the high price of milk, but their receipts have been much affected by the dry season and consequent scarcity of feed in some localities.

Owing to the high prices paid for land during the last year or so, a good many settlers sold their land, and had in some cases to buy in again at still higher prices. This procedure and the high prices ruling for stock and produce has caused an undue inflation of land-prices, and now that there is a serious drop in the prices of wool and stock it is difficult to see how some of those recently settled can make a success of their farms. No doubt the old-established settlers, after having had a number of good seasons, will be able to stand the drop in prices, but those recently settled, amongst whom there are a number of returned soldiers, will find it difficult to hold their own. No doubt the price of wool will be low for a year or so, but fat stock should command a fair price.

The principal work in general administration has been the transfer of Crown leases, and in several cases, owing to the very high consideration, these were declined, to prevent an unduly heavy burden being placed on the incoming tenant. The present slump in prices now shows the wisdom of this course. Generally the prospects of sheep-farmers are not good, but those engaged in dairying or grain-growing, especially wheat and barley, should get good returns.

The flax industry, owing to low prices of fibre, has declined to a great extent.

Rabbits are very numerous in Central Otago, owing to the dry season, and probably also to the drop in the price of skins; numbers of owners have been fined for failure to keep them in check.