

Fruit industry: This industry is steadily growing, chiefly in Central Otago and North Otago. There are some good crops both of stone and pip fruits. Last season, owing to the sugar-shortage, the price of the stone-fruits was not so good as usual, but on the whole the prices realized were satisfactory.

Lands opened for Selection.—The total area opened for selection for the year ending 31st March, 1921, was 191,230 acres, consisting chiefly of special-tenure leases (soldiers'), 45,946 acres, and pastoral runs and small-grazing-run leases (also for soldiers), 145,260 acres. The following pastoral runs were subdivided and offered for discharged soldiers: Kyeburn, Puketoi, Ida Valley, Moutere, and Moa Flat Downs (all selected). These subdivisions of runs are only suitable for pastoral purposes—chiefly sheep. Also four estates in North Otago, which are all selected, and one estate near Waipahi (not all selected). A great proportion of these estates is ploughable, and the land generally is suitable for mixed farming. The Teviot Settlement, consisting of 22,000 acres of freehold land and 48,000 acres of leasehold pastoral country, was offered for selection by discharged soldiers, but only eight out of thirty-two holdings were selected. The reasons for the non-selection were probably (1) the drop in prices of wool and stock, (2) the decreased demand for land by soldiers, (3) the special condition regarding non-stocking for twelve months, (4) the very dry season, which gave the country a bad appearance.

Freehold tenures: Under this heading an area of 530 acres was sold for cash, in twenty-six sections, consisting of either town or suburban land sold by auction; an area of 8,749 acres was purchased by fifty selectors, chiefly lessees holding leases with a right to the freehold.

Land Board.—Owing to the large amount of work entailed by soldier settlement it was found necessary to hold two meetings a month, and most of them extended over two days. The term of Mr. James Smith expired in February, and he was reappointed.

Revenue and Arrears.—The revenue received from rents, &c., for the year ending 31st March, 1921, was £164,894, and repayments of advances and interest were received to the amount of £88,087. The arrears of rent amount to £2,169; number of selectors, 66. This amount includes nineteen forfeited leases, totalling £1,512.

Land remaining for Future Selection.—The Mount Pisa and Beaumont Runs have been subdivided, and will be offered for selection during the current year: total area for disposal, 169,000 acres, in twelve runs, and about 3,000 acres for small subdivisions ranging from 80 up to 200 acres. Wilden Run, 46,000 acres, in ten subdivisions, will also be offered.

SOUTHLAND.

(THOMAS BROOK, Commissioner of Crown Lands.)

During the earlier part of 1920, Southland, in common with other districts, experienced a sharp rise in land-values, due principally to the high prices obtainable then and for some time previously for all classes of farm-produce. While the prices for small areas of first-class land show a steady increase for some years past, this has been due mainly to a more widespread knowledge of the possibilities of this class of country under good management, and not to the operations of speculators. Pastoral lands were in keen demand until the fall in wool-values took place, and in some cases goodwills were paid which seemed scarcely warranted. Since December, 1920, when financial assistance practically ceased for prospective land-buyers, very few land-sales have been made, and it is too early to state to what extent, if at all, land has fallen in value here.

Southland has a great extent of fine agricultural land, and serious failures in crops or pastures from climatic conditions are unknown. A dry period in the early summer of this year resulted in light grain crops from a few small areas in the northern part of the district, but on the whole the season has been favourable. Present indications point to an ample supply of winter feed, and stock-owners generally seem disinclined to dispose of surplus stock at the present low prices.

The position of the Crown tenants compares favourably with that of the freeholders, and on the older selections are to be found many of the most successful and progressive farmers in the district. Recent selections consist chiefly of bush lands in the hands of men of limited means, who supplement their income from the land by engaging in outside employment, and consequently are not seriously embarrassed by the present market conditions. Development of this class of holding has been retarded by the high prices of fencing-wire, building-material, and grass-seed; but progress, if slow, is sure, and failures are rare.

The high prices which all classes of stock were realizing twelve months ago were maintained until September last, when a decline set in. Present prices of fat stock show a decline of about 40 per cent. in cattle, 50 per cent. in sheep, and 40 per cent. in lambs. The output of frozen mutton will probably be less than that of last year, but in fat lambs there is likely to be a considerable increase.

Dairy-farming, the brightest feature of the year's farming operations, has proved a great asset to Southland, which now has within its borders fifty-eight factories and about three thousand suppliers. The industry is making great headway, and the year's output will be approximately 800 tons of butter and 6,950 tons of cheese. Two industries worthy of notice are the manufacture of condensed milk at Underwood, and of sugar of milk at Edendale; but the former has been curtailed and more attention given to butter.

The grain crop is an average one, but grass-seed is likely to show a slight falling-off. The renewing of old pastures has not proceeded as fast as could be wished, but now that grass-seed and fertilizers are becoming more reasonable in price an improvement in this direction may be expected.