

Practically the whole of the settlements are fairly well roaded excepting those in the bush areas in the northern part of the district, where the Government is now carrying out a fairly progressive roading policy, and in a few years there should be reasonably good roads. There is one striking example to the contrary, which should have particular and prompt attention from the Department: this is the Otomakapua 1A Settlement, where the settlers have no proper roads, and have to sledge their cream for a distance of fully two miles. The settlers state that when they took their holdings they understood the settlement was to be roaded forthwith.

There are certain sections near Ohakune on which there are timber rights over bush areas. These sections are of small area, and have to be fully developed to enable the settlers to make a reasonable living. They have to pay rent and rates, but on account of the timber rights they are unable to develop the sections to their full carrying-capacity. We consider such settlers are severely handicapped, and some effort should be made to cut this timber out as soon as possible.

On most of the bush sections in the northern part of the district the settlers are exempt from rent and rates for four years from date of selection, but there are a few sections that were all in bush when selected that have not got this exemption, although in most cases it will take much longer to bring them into profitable occupation, as the land is of very poor quality.

Finance.—The lack of capital is a serious handicap to a great number of settlers, and the maximum loan of £750 allowed on partially improved places is altogether inadequate in cases where the settler, besides having to build, stock, and fence, has to spend money in improving the land before he can make a success of his holding, even at a moderate rental; and, as already mentioned, better homes are in many cases required for settlers with families. In reference to Crown lands all in bush when selected, we understand that the maximum loan is £1,500 for improvements and stock. This is inadequate, particularly so as the earlier improvements were effected at abnormally high cost. Owing to the high prices paid in boom time for labour, material, &c., the amount expended did not allow of sufficient improvements being done to bring the properties into a profitable state of occupation, and until they can get to this stage settlers have no prospect of meeting their liabilities. These far-back settlers require sufficient area in grass and fully fenced to allow them to carry at least eight hundred sheep. As they have no capital of their own, this stage cannot be reached unless further financial assistance is given, without which the settlers will in most cases have to abandon their holdings. This will be against the interest of the country and settlers alike. We noticed a number of the farms were understocked, and some had no stock. We understand that the necessary stock could not be procured owing to finance being unobtainable from the Department. This means failure to the settlers and loss to the Department, as pasture insufficiently stocked, in the case of second- and third-class country, very quickly goes back into fern and second growth, which considerably decreases the carrying-capacity and value of the improvements. We cannot too strongly stress the futility of making advances for felling and grassing, &c., and then failing to provide for stocking. Finance for stock should not be limited to a fixed amount, as it is most important that all farms financed by the Department should be fully stocked up regardless of the amount required. A more flexible system in dealing with stock advances is badly needed. When a settler requires further stock he should be in a position to buy whenever he sees a good opportunity to do so, without having to write to Wellington for authority to purchase, as this too often causes long and vexatious delays, good opportunities to buy are lost, and in the meantime the grass is running away. We understand that in many cases, owing to delays in getting replies to their letters, the settlers have to visit Wellington to interview the Land Board in regard to finance and other matters. For the far-back settler this is a heavy expense that he cannot afford. We are of opinion that the Crown Lands Ranger should be placed in a position to give authority for the purchase of stock, and to advise the stock firms accordingly.

Many settlers we met complained that they were unable to obtain a statement of their accounts, and we are of opinion that they should have a detailed statement of their position from the Department periodically, say, every six months, to enable them to check all transactions.

When going over various settlements we found considerable inconsistency in the valuation, some sections, though varying considerably in contour and quality, being valued practically the same; in other instances sections of similar quality ranging considerably in value, thus giving one settler an advantage over another.

Failures.—We are of opinion that approximately 7 per cent. of the settlers we visited may be termed straight-out failures; of the balance, some are undoubtedly successful, while others, although in arrears with their payments, should, under normal conditions, when placed on a sound footing, eventually prove successful.

In regard to residential and suburban holdings with small areas of land occupied by settlers with outside occupation, these are in a large measure successful, especially when the present high cost of building is considered.

We are of opinion that, taking the settlers as a whole, they have been generously treated by the Department, and in the majority of cases the settlers themselves acknowledge this.

MARLBOROUGH LAND DISTRICT.

Summary.

Settlers would have done better with more initiative and more capital. In very few cases was a "waster" to be found amongst the settlers. The Department stated to be liberal with financial assistance. Large percentage of holdings extremely uninviting. In most cases, after taking possession, settlers were confronted with the slump, when they lost heart. Imperfect supervision responsible for money not being well spent. To carry on successfully settlers should erect more subdivisional fences, fell bush, burn, and surface-sow. Suggest that stock accounts be taken over