

The highest-priced land is to be found in the best dairy and fat-lamb districts.

In the Taranaki District, which is said to excel the world in the production of butterfat per acre, a dairy farm of between 50 and 60 acres was sold for £205 per acre at the "top of the boom." It is now said to be worth about £150 per acre, and prices of £100 to £150 per acre are common. At Cambridge a farm sold for £110 per acre was now quoted as probably worth £80 per acre, and at Masterton 200 acres of land, without any buildings upon it, was said to have realized £105 per acre.

At Whakatane, Gisborne, and Hastings—all magnificent districts in the North Island which we visited—land, with few if any buildings upon it, had realized up to £100 per acre, when prices were at their summit. Farms with good houses upon them were, of course, proportionately higher priced.

In the Hauraki Plains country (in the Auckland District) 1,173 acres of land had been bought for a soldier settlement at £52 10s. per acre.

At Omeheu, in Whakatane County, 486 acres were bought for returned soldiers for £40 5s. per acre, and another 1,009 acres for £27 per acre.

In the South Island, where the rainfall is rather less and the winters in many parts colder, the price of land is not quite so high as in the choicest parts of the North Island; but it is by no means low, and, as in the latter Island, it varies greatly.

In the South Island a good many pasture and mixed farms were seen that were worth in the neighbourhood of £30 per acre; others that were worth more, and many that were worth less. A big sheep-station that had been bought by the Government for £6 per acre was visited, as was also a large privately owned estate that had been divided and sold for from £4 to £12 per acre before the time of the land boom.

It must not be thought, however, that the whole or nearly all of the land of the country is valued as highly as the special areas referred to. As a matter of fact, a good deal of land can be bought at cheap rates.

For instance, in Whakatane County in the North Island, where such high prices have been given for some land, a block of 7,976 acres was bought for £2 per acre, and a large proportion of the 660,000 acres of Crown land now open for selection is being offered at almost nominal sums of from 5s. to 40s. per acre. Much, too, of the 1,100,800 acres that are being surveyed, or are about to be surveyed, will be disposed of on the same terms.

In order to facilitate the settlement of the poorer land, which was not being taken up satisfactorily, provision was made in the Land Laws Amendment Act, 1919, for the issue of freehold titles to poor land free, after compliance with certain conditions. Provision was also made for advances to the selectors of such lands to enable them to carry out improvements and bring the holdings into a state suitable for farming.

According to the Commissioner of Lands for the Auckland District, large areas of the poorer pumice lands in the Rotorua-Taupo district will be offered on similar terms.

We were not able to ascertain the average price of the farm land throughout the Dominion, but for the sake of comparison with the prices we have quoted it may be stated that, according to the Secretary for Agriculture in the United States of America,* the average value of farm lands in that country in 1922 was \$79 per acre, and in Canada \$40 per acre. Between 1914 and 1920 the average value of farm land in the United States of America increased \$35 per acre. |

It would be wrong to think that the price of land has been arbitrarily fixed regardless of the returns obtainable from cultivation, or that the lower-priced land is necessarily likely to prove more profitable than the more expensive land.

The booklet on Dairy-farming in New Zealand, published by the Department of Agriculture in 1921, says, "Land-values have a fairly close relation to the returns from the land concerned." The statement is made in connection with dairy land; but as far as could be ascertained it is equally true of other lands.

There is, of course, always great scope for knowledge and judgment in the valuation of land. Some districts may develop whilst others may not, and bargains may be made by good judges or fortunate persons. But on the whole the value of the different farms and of the different classes of land appeared to be fairly apportioned.

Whether the value of the whole of the land of the country is not too high is another matter.

In common with the rest of the world the value of land in New Zealand mounted up enormously after the war, owing mainly to the high prices for produce then prevailing, though the extensive purchases by the Government for the settlement of returned soldiers, and the speculation which was inevitable in such circumstances, also contributed to the rise.

Farmers are now finding themselves involved in the same difficulties as are being experienced in other countries, in consequence of prices of produce having fallen more rapidly than the cost of production, and it seems probable that the price of land will have to be reduced in accordance with the altered conditions.

The returned soldiers in New Zealand have been promised a revaluation of their holdings. The Under-Secretary for Lands points out that "owing to the falling-off in the demand for improved lands by discharged soldiers, and through the high prices asked for suitable properties, very few estates have been acquired by the Government for subdivision and closer settlement during the past year or two, as it has been recognized that it would be well to refrain from purchasing until the prices of land and farm-produce have become more established."

The fear of readjustments in the value of land need not, however, deter any would-be settlers from going to New Zealand, for any changes that are likely to occur will have taken place before they arrive and are ready to take up land. In any case, owing to the nature of the country and to

* Page 26, Report on the Wheat Situation, Washington, 1923.