

have now been in occupation of their farms on an average of from four to five years, so that their experimental term of farming is past, and those who have not the inclination or desire to make good as farmers should, in their own interests, take stock of their position. The majority of soldier settlers are taking a keen interest in their work and the welfare of their stock. The revaluation of Current Accounts is now in hand for transmission to the Dominion Board for general decisions, and this overhaul of accounts should place the settler on a firmer financial footing.

Those soldier settlers who are dairying are steadily improving their herds, and, where funds have permitted, have gone in for top-dressing. Many of those dairying took over indifferent herds, and it is taking some time to cull out and generally work up a payable herd. The improvement of flocks is also becoming noticeable, and sheep more suitable to the class of country farmed are being secured. Many soldier settlers are not, unfortunately, giving proper attention to winter feeding, with the result that heavy losses have been the result, with poor lambing returns.

A number of settlers have found it impossible to carry on with fruit-farms acquired by them, the cost of spraying, cultivation, and general expenses, with the low market price offering, making it impossible for them to make a living. In many cases it has been found necessary, where orchards have been abandoned, to cut out the fruit-trees in order to protect adjacent orchards from pests, and the uncertainty of the fruit-market made it an unpayable proposition to attend to the necessary cultivation and spraying. In this respect I may mention that the loss sustained by the Crown on orchard properties acquired by soldier settlers and afterwards abandoned is small compared to the losses sustained by some private companies and individuals, who have found it necessary to abandon and pull out orchards owing to the small returns received during the past years. Those soldier settlers who have managed to keep going are faced with good prospects; for last season's crop the reports of the prices obtained for exported apples being most encouraging.

The number of farms abandoned during the year totalled twenty-two, these figures including a number of fruit-farms. The number sold during the year, principally to civilians, totalled thirty-eight.

MARLBOROUGH.

(J. STEVENSON, Commissioner of Crown Lands.)

Some of our soldier settlements are not showing the improvement one would expect. On Erina and Goat Hills, where the settlers are engaged in sheep-farming, the season has been good, and settlers should have done well. The rabbits have caused a good deal of trouble at Goat Hills. On the agricultural settlements of Moorlands and Alberton the season has been good; crops well up to average, though somewhat reduced by the ravages of the caterpillars. Prices for produce have been fair, although chaff was about 40 per cent. lower than last year.

In some instances the soldier settler still fails to realize his obligations to the Crown. Even in cases where the Dominion Board's finding exempts them from any payments of rent for two years, leaving only Current Account interest to meet, the greatest difficulty has been experienced in getting this comparatively small annual payment, the settlers stoutly maintaining that they cannot pay even this amount. It seems that the liability to the Crown takes second place, probably because they have been so generously treated in the past in the ordinary way, and then still further by revaluation and remission of rents. There is still a tendency on the settler's part to be lavish in the expenditure of the Department's money, either by way of improvements or implements and stock. That is to say, not enough consideration is shown by him in actual or proposed expenditure, and the desire to make a bush section into a modern and up-to-date farm in one or two years outweighs his sense of proportion. This calls for extra caution and vigilance on the part of the staff.

Under the Discharged Soldiers Settlement Account the amount of loans outstanding at the close of the year was as follows: Current Account advances, £58,280 9s. 6d.; instalment mortgage advances on farms, £231,869 16s. 6d.; and instalment mortgage advances on dwellings, £98,367 0s. 8d. Receipts during the year amounted to £27,371 14s. 10d. Arrears of interest on Current Account, £3,094 3s.; arrears of instalments on farms, £3,934 6s. 4d.; arrears of instalments on dwellings, £260 6s. 7d.; making a total of £7,288 15s. 11d. Postponements of principal and interest in force at the end of the year amounted to £9,199 11s. 9d.

WESTLAND.

(W. T. MORPETH, Commissioner of Crown Lands.)

Nothing of outstanding interest has occurred during the year in this district in connection with soldier settlement. Relief has been granted to thirty-four returned soldiers, and the amount written off Capital Account is £5,340. There are still a few cases which require further adjustment. Receipts for credit in the Discharged Soldiers Settlement Account amount to £8,884. Four farms came back into the Department's hands during the year, and two have been disposed of.

CANTERBURY.

(G. H. BULLARD, Commissioner of Crown Lands.)

The conditions have favoured soldiers settled on sheep-farms, and in a good many cases those farming the lighter lands, owing to the season suiting such land. The competent and hard workers on sheep-land, both pastoral and pastoral-agricultural, have had good results, which should put heart into them. There are still a few whose success is doubtful, and the time is coming when, after the liberal concessions that have been granted, they should either pay up or turn to another occupation. Some, in common with other people, are still hampered by past debts, while a good many are still looking for further postponements, and the difficulty of getting a share of returns sufficient to pay charges due to the Crown still continues. In a few cases, in order to help them, abandoned properties were added to surrounding holdings to increase the areas where the land is mainly only fit for sheep-farming. The revaluations have been completed, except in a few cases of appeals. The failures are rather greater among those on suburban areas, where intensive farming is required, and the average colonial in many cases does not seem to take very well to this. In a few cases, however, we have