

Lands for future Disposal.—Omaunu Block, in Whangaroa County, 2,000 acres, will be opened when the necessary cost of road-construction is justified.

Tokawhero Block: Some 2,033 acres of this block is now open at a reasonable price, but possibly the absence of the necessary finance for these ventures at the present time has prevented any one applying.

Kerikeri Block, of 6,700 acres, was proposed to be opened in small areas after draining, but owing, however, to the discovery of a vast underground bar of volcanic rock the cost of draining would be prohibitive, and the land must now be offered as small grazing-runs.

Riverhead Block (10,000 acres): As foreshadowed in my last report, some 8,000 acres of this has been handed over to the Forestry Department, and it is proposed to open the balance for settlement when finances will permit.

Te Kuri Block, North Kaipara Heads (18,000 acres), and Taipa Block, Mangonui (3,000 acres), are both suitable for tree-planting.

Waioneke Block (3,500 acres) is ready for opening when we can secure the right applicants who are willing and reasonably capable of making a success of it.

Motutangi Block (5,000 acres) has been reported upon by the Drainage Engineer, and the cost of draining and keeping back the sand would appear to make the cost greater than the land can repay, but there would be no objection to opening it at the complete risk of applicants. They would be given an area of dry land and could mutually do their best with the rest.

Kai Iwi Block (5,650 acres), south of Mangonui Bluff: This land is very poor indeed, except perhaps 1,500 acres on the coast, which is suitable for a grazing-run; but the beautiful lakes in this block are a great asset, and should repay the cost of a road thereto if the immediately adjacent lands are planted as a scenic reserve.

Kapiro Block, between Kaeo and Ohaeawai (17,500 acres): It is hoped to make special experiments for agriculture on this block.

Otaika Block (4,700 acres) and Poroti Block (3,300 acres): These blocks are nearly all gum land, and can nearly all be brought into grass; but, in conjunction with the Agriculture Department, we are testing it by actual farming to prove by an exact balance-sheet that this country can not only be brought into grass, but kept in good heart and made to pay more than interest on the whole outlay.

Parahirahi Block (9,000 acres): Parts of this block have been handed to the State Forest Service for milling prior to opening. The best of the balance will be thrown open, but the greater part is too poor, I think, to open yet. As it surrounds the Ngawha hot springs, it could be utilized with advantage for planting.

Birdwood Block, Swanson (700 acres): Experiments are still being carried on. Further areas along the road frontages have been grassed, and another three sections, comprising 87 acres, are being offered for selection with restrictions as to top-dressing. Up to date approximately half of this block has been developed and offered for selection.

Several other blocks have been surveyed and got ready, but until we are satisfied that the selectors have a reasonable chance of making good we hesitate to put them on to it.

Gum Lands.—The trouble with the gum lands is that at present they are practically in many cases a minus quantity—that is to say, that they are so full of deep holes that more than their value as land is required to fill these holes in. When that is done, the cost of manures, seeds, and the necessary workings at present wages, and the present state of the financial barometer, is such that the result hardly justifies the outlay. We are therefore not rushing their development until the situation improves. Experts have remarked that it would be inadvisable to attempt to bring in these virgin wastes when we have so much better land going back for the want of top-dressing, scrub-cutting, fencing, and fern-crushing. Later on the system of helping those who help themselves might with advantage be tried—that is to say, if a man first put his own capital and labour into an area and proved himself a genuine worker and settler some further financial assistance might possibly be arranged for him; but great care must be taken not to induce people to make their homes upon land and afterwards have to abandon same as economic failures.

We are experimenting with a certain amount of success on gum lands at Swanson and Puwera, and apparently Mr. White has done so at Waipapa, but time alone will show whether the returns justify the expenditure. While a good price was being got for the gum north of Kaitia, we were able to settle a lot of the adjacent lands as homesteads as an additional source of income to the gum, but with the failure of the gum these people are now in a parlous state, pinning their faith for the time being in what the Kauri-gum Control Board may be able to do for them.

AUCKLAND.

(K. M. GRAHAM, Commissioner of Crown Lands.)

The year ended has been a most unusual one from a farming standpoint, due to the vagaries of the weather. Following a very mild winter, the spring was marked by a prevalence of high winds and cold frosty snaps which retarded the growth of grass, resulting in a poor hay crop and decreased dairying returns during the flush portion of the season. Forage crops for autumn and winter feeding are scanty, and unless the latter season is very mild the outlook for dairy and store stock is not very promising.

Notwithstanding the poor spring and the lower dairying returns in the flush season, there is, as far as the Auckland District is concerned, no decrease in the total production as compared with the previous year. This will, I think, be due to an increase in the number milked or to a better individual