

return per cow. There are such strides being made in the Waikato district with herd-testing that the individual poundage or butterfat per cow is largely increasing, due to the weeding-out of unprofitable cows each year.

The prices for dairying products as far as the present season has gone appears likely to be up to the average of the last three preceding years.

Fat and store steers have been in short supply during the greater part of the year, and the value for same have been exceptionally good. There is a slump in the price of these animals at present, due to the drought conditions in the Poverty and Hawke's Bay districts; but this will be altered as soon as rain sets in, as there is a dearth of this class of cattle in the Auckland District, and supplies have to be largely drawn from the above-mentioned districts.

The price for wool, although not nearly so good as the preceding season, is above the average, while the values for sheep are much lower than last year. Pigs have maintained good payable prices during the season and are as usual a profitable side line to the dairying industry. Horses suitable for town or farm-work, notwithstanding their restricted use, are still in demand at fair values.

While the prices for all classes of stock and farm products have been satisfactory on the whole, there is still little demand for unimproved or partly improved land. Careful consideration is given by the Land Board to every application received, for it is recognized that to be successful a settler must be of the right type with practical experience and sufficient capital to enable him to undertake the development of his holding and thus have a reasonable prospect of carrying on with success.

The gross revenue received during the year amounted to £274,642, being an increase of £19,712 on the previous years figures. Of this amount the sum of £148,823 represented payments on account of interest and principal under the Discharged Soldiers Settlement Act. The total number of conversions to the freehold from other tenures, either for cash or on deferred payment, was ninety-eight, and the amount realized from this source was £20,583.

Twelve meetings were held by the Land Board during the year, the number of cases dealt with being 1,851.

Very little new land was opened for selection during the year, the total area opened being 6,990 acres, which comprised chiefly forfeited or abandoned holdings.

GISBORNE.

(E. H. FARNIE, Commissioner of Crown Lands.)

General Conditions of Settlement.—The year has been one of varying conditions. The season started well, but from October onwards very little rain fell in the Southern and coast parts of the district, with the result that by the end of the year the pastures were practically non-existent. Both sheep and dairy farmers were unable to carry their stocks, which in many cases had to be sacrificed. This particularly applied to dairy-farmers on the Poverty Bay flats. Cows which were worth £12 to £15 at the beginning of the season had to be sold for less than £2 and sent to the freezing-works. A very large number of cattle (estimated at twenty thousand) had to be driven over into the Opotiki County, where, fortunately, there was still an abundance of feed. These drought conditions are more fully dealt with later in this report. Prices of wool fell considerably from last year's and may now be said to be stabilized.

Bush farmers experienced a very favourable season. On account of the dry spell there was no difficulty in obtaining satisfactory burns. Many farms in the Opotiki County came back on the hands of the Department or the mortgagees through the inability of the holders to carry on. I regret to again have to report that most dairy-farmers do not seem to be making any serious effort to improve their herds.

Noxious weeds have been fairly well kept down, but special advances had to be made to cope with the blackberry menace in some cases. Thanks once again to the energy of the Rabbit Board that pest is non-existent in this district.

Lands opened for Selection.—Very little land was opened for selection during the year. Several of the forfeited holdings in the Opotiki County were reoffered for selection at the request of the State Advances Office, which was interested, but only two sections were selected.

Arrears of Rent, &c.—Thanks to the continued persistent pressure on the part of the Land Board, the amount of arrears of rent, &c., in this district has fallen off considerably. The arrears are mostly owing on holdings in the Opotiki County, and these are being allowed to stand over pending the operations of the Deteriorated Lands Committee. Once again the tendency on the part of many Crown tenants to allow their rent arrears, &c., to accumulate without making any explanation or any offer to pay must be noted. It has not been found necessary to grant very many postponements during the year. The tendency on the part of many tenants to give preference to the financial institutions instead of meeting responsibilities to the Government is again noticeable; but in time, no doubt, defaulters will be educated to the fact that the Government is entitled to at least the same consideration as the other interested parties.

Many deferred-payment-license holders took advantage of the provisions of the Act and obtained relief in the extension of their licenses to thirty-four years. A large number of soldier holders of small-grazing-run leases availed themselves of the recent legislation enabling them to have their licenses extended. The Land Board in its recommendations endeavoured to grant extensions up to the one date in all cases, as it was deemed inequitable to grant ten years' extension in the cases of