Lands open for Selection.—During the past year no new areas have been offered for selection, but endeavours have been made to dispose of a number of properties which have come back into the Department's hands, and, on the whole, a fair measure of success has been attained.

At present there is an area available for selection of 16,930 acres.

The number of new tenants during the past year amounted to 109, with selections of 16,729 acres, which shows a decided increase from the previous year.

Land Board Work.—Meetings of the Land Board were held on twenty-one days during the year, the cases dealt with numbering 1,136. I need hardly state that the members of the Board have always given their closest attention to the business before them, and I wish to place on record my appreciation of their valuable assistance.

Revenue and Arrears.—The total Crown lands revenue received for the year was £81,202. Arrears total £10,524, and postponements £5,845, inclusive of rents postponed by the Dominion Revaluation Board. The total revenue received is considerably less than last year, and a percentage of the decrease is without doubt due to the tendency of Crown tenants to now anticipate the concessions possible through the Deteriorated Lands Act in respect of rental payments.

Freeholds.—Freeholds acquired under the provisions of the West Coast Settlement Reserves Act brought in £26,944, and purchases of Crown areas amounted to £10,370, showing a slight increase

from 1924-25.

Land remaining for Selection.—The available Crown land in this district comprises for the most part steep wooded country without formed access. A large area of this class of country lies in the vicinity of the Wanganui River, and until definite information is available concerning the prospect of holding this class of country in grass it is considered inopportune to place the land on the market for selection. There are several other small blocks in various parts of the district, and the placing of this land on the market is somewhat dependent on the acquisition of road access through land already alienated. As the demand for this class of country is not appreciable no immediate action is proposed towards placing these areas on the market.

WELLINGTON.

(H. W. C. Mackintosh, Commissioner of Crown Lands.)

General.—From the point of view of the man on the land the year just passed cannot by any means be said to have been an unqualified success. The winter of 1925 was cold, wet, and stormy, and these conditions obtained throughout the spring and early summer. Consequently pasture did not come away well, and work in connection with planting crops, &c., was so hindered that in many cases agriculturalists were forced to abandon their cropping programmes altogether. Prices, too, for wool and fats were not maintained on last year's standard, and many farmers found that sheep fattened for freezing and otherwise barely realized the purchase price. This does not apply universally throughout the district, however, and in some parts settlers had a fair year, although their balance-sheets showed only a small margin available for maintenance and the bringing of new areas into profit.

Those engaged in dairying began operations for the season under poor conditions. The cold, wet spring militated against all growth, and in consequence the milk-supply suffered both in quantity and in test. The weather took up during the summer months, and the season promises to end under happier auspices. It is estimated that it takes from 35 to 40 per cent. of the dairy-farmers' income to meet annual obligations, and with a curtailed income it will be apparent that he has not much left to live on after he has provided for improvements and fertilizers that are so necessary to maintain or increase his yield. It is becoming increasingly recognized that the first essential of successful dairy-farming is the proper culling of the herd. The price obtained for culls is so poor, however, that the small farmer is confronted with the difficult problem of providing means to replace with superior cows.

The pastoralist, on the whole, has had only a fairly successful year. Following on the high price paid for wool in the preceding year there was a sharp rise in the price of sheep. This price was not maintained, and cases are reported where 37s. 6d. was paid for sheep that realized only 25s., as fats when the freezing-works opened. Wool averaged 1s. per pound—about half of the previous season's prices—but even this price showed a working profit. Cattle, too, are at a low ebb, and it is predicted that for the next year or two the pastoralist will have to administer his affairs with utmost care in order to pull through.

The settlers in the interior, far from markets, and on country that requires heavy expenditure in fighting second growth and fern, are now engaging the interest of the Department. In order to bring help to these men legislative authority has been taken (the Deteriorated Lands Act, 1925) whereby in deserving cases reductions or remissions of rent may be granted and advances made to purchase fencing-materials and manure.

It is anticipated that conditions of settlement on these areas will be materially improved when

the Committees to be set up under the Act quoted have completed their labours.

The gross revenue for the year was £508,889, which shows a small increase of £265 over last year's figures. Included in the gross revenue there is a sum of £309,240, which was received on account of interest and principal under the Discharged Soldiers Settlement Act. The arrears still amount to a considerable sum, and will no doubt be fairly large until settlers become firmly established and prices are more stable.