

Only a small area of Crown land was opened for selection during the year. The area of such land sold for cash during the year was 5,441 acres, the number of purchasers being forty-one. By far the most important cash sale was that of an area of 5,117 acres in the Waipori watershed to the Dunedin City Corporation. The sale was made under the authority of special legislation, the Corporation acquiring for the special purposes of water-conservation and afforestation. The work of tree-planting has already commenced and is being pushed forward vigorously. In time to come this area will be a very valuable forest, and the future citizens of Dunedin will have good cause for gratitude to the Councillors and officials who were responsible for such a commendable municipal enterprise. Crown lessees to the number of seventeen acquired the freehold of their leases during the year, the area being 1,681 acres; but there were no conversions from leasehold to freehold of national-endowment land. The special facilities for the acquisition of the fee-simple provided by the amending Act of last year are not, so far, being availed of to the extent one would expect, the cause being probably attributable to the prevailing depression.

The work of the Land Board during the past year was fairly heavy. Twelve ordinary meetings were held, each occupying two days, and two special meetings were convened to deal with urgent business. The most important business that is brought before the Board for adjudication is unquestionably that of transfer of leaseholds. Although fresh land settlement is not taking place at a rapid rate, transfers of existing holdings are rather numerous. During the year 311 applications for consent to transfer were considered. A few were refused owing to the excessive amount of consideration-money or to the obvious unfitness of the proposed transferee to shoulder the financial burden involved. For purely pastoral properties, on which little or no cultivation is done, the ruling prices for goodwill of the leases are still very high. It is a reasonable inference that a considerable portion of the goodwill is represented by the low rentals, yet when it comes to a question of renewal of the lease the Department has the utmost difficulty in getting anything like the rentals the goodwills indicate to be reasonable. Arbitration on the renewal of small-grazing-run leases has been freely resorted to, with results that cannot be considered entirely satisfactory from the Crown's point of view. I suggest that the present method of arbitration is unsatisfactory, and that there should be associated with the arbitrators as umpire a person not connected directly or indirectly with sheep-farming, one who is absolutely independent and is accustomed to weigh the pros and cons of a case—a Magistrate for preference.

The total gross revenue from all sources (excluding Discharged Soldiers Settlement Account) amounted for the past year to £171,040, this sum representing an increase of £2,062 over the revenue for the previous year. The arrears of rent show a decrease of £1,148 as compared with the figures for the previous year. These figures must be regarded as highly satisfactory. They indicate clearly that the Crown tenants in Otago are prosperous in spite of the temporary depression.

## SOUTHLAND.

(N. C. KENSINGTON, Commissioner of Crown Lands.)

Farming conditions have on the whole been satisfactory so far as production is concerned in this district, but market prices have been disappointing. A good winter was experienced for general farming, but, in common with other parts of the Dominion, Southland was subject to a very cold snap in the early spring. Fortunately lambing had not become general, consequently no heavy losses were reported; but the dairy-farmers suffered by the late spring, and their returns for the start of the season were correspondingly small.

The pastoralists on the high country have had a good year, and it is noticeable that more attention is being given to improving the class of sheep. The extended term of the license now offered has given more inducement in this direction, and also to improving the carrying-capacity by surface-sowing. The rabbit pest is receiving more attention; but the interest displayed in the destruction of this pest may largely be governed by the excellent market prices offering for rabbit-skins.

The small payments made for butterfat has been very disappointing and depressing to the dairy-farmer, and it would seem that more attention will have to be given to mixed farming by the curtailing and heavy culling of the dairy herd and the addition of a few good breeding ewes and sows, as by so doing more stability to the annual revenue of the small farmer will be given than by the dependence on dairy returns only. The prices for fat lambs was on the low side, a drop from 2s. to 3s. a head being experienced from last year. The reduced price offered appears to have had the effect of inducing owners to keep more ewe lambs, culling out and putting more aged ewes on the market. Fortunately wool showed a rising tendency, and good sales were effected; also a higher percentage in weight appears to have been obtained, probably due to the more extensive use of top-dressing being general. In some instances flocks of over one thousand sheep averaged a cut of 10 lb. of wool per sheep. The wet spring and summer had the effect of producing abundance of feed, and a large quantity of meadow-hay was successfully saved in good condition. Southland farmers have not given a great deal of attention to saving meadow-hay in the past, probably on account of the difficulty experienced owing to climatic conditions, and the feeding of turnips and threshed straw has become general. Last year those who attempted to save meadow-hay had disappointing results and it is pleasing to note that good encouragement has been given this year, as a short spell of good weather at New Year enabled the grass to be well saved. The turnip crops are looking well and ample feed for the coming winter seems assured.