

1935.
NEW ZEALAND.

LAND FOR SETTLEMENTS ACT, 1925

(REPORT ON THE).

Presented to both Houses of the General Assembly pursuant to Section 109 of the Land for Settlements Act, 1925.

The LAND PURCHASE CONTROLLER to the Hon. the MINISTER OF LANDS.

Department of Lands and Survey, Wellington, 1st August, 1935.

SIR,—

I have the honour to submit a report on land-purchase operations for the year ended 31st March, 1935.

Owing to the unstable prices for farm-produce, the marketing problem, and other difficulties it has not been deemed advisable to embark on any extensive scheme of land purchase during the past four years. Any areas offered which have been considered suitable for settlement under the Small Farms (Relief of Unemployment) Act have been diverted for that purpose, and this fact, combined with the serious difficulties that have surrounded land-purchase operations, has slackened the pace of settlement under the provisions of the Land for Settlements Act.

An area of 10 acres adjacent to the Remuera Settlement, in the North Auckland Land District, was purchased under the Native Land Act. Particulars thereof are to be found in Table D attached hereto.

As indicated in last year's report, share milkers were established on ten farms on the Galatea Settlement, and results have been for the most part satisfactory. Pending an improvement in the economic situation as affecting the dairying industry the offering of sections in this block has been further postponed, and no further share milkers have been installed. The Department's farming operations on the settlement have met with satisfactory results, and the stock capacity has materially increased through development. Over 18,000 sheep, including 9,000 breeding-ewes, 840 dairy cows, and 2,600 run cattle are being wintered, and it is estimated that by shearing-time there will be approximately 27,000 sheep on the station.

The Tapuwae Block is at present wintering 4,250 sheep and 700 head of cattle, and has responded well to development. In addition to having provided full interest on purchase and development costs, the area has returned a substantial profit, and it has also been possible from revenue to effect considerable improvement to pastures which existed at time of purchase.

Following development, the carrying-capacity of the Kakariki Block has materially increased, approximately 11,000 sheep and 1,400 head of cattle at present being run on the property.

Development operations on Brinklands Settlement are practically completed, but it is not proposed to subdivide and offer the area for selection until the prospects for small mixed-farm holdings are more encouraging. In the meantime the land is being successfully farmed by the Department, and is providing more than the annual interest charge on the capital expenditure involved.

During the year the four sections of the Arthurlton Settlement, comprising sheep-farming areas, in the Otago Land District, were selected.

Tables are attached giving particulars of the properties considered and land acquired during the year, together with Revenue Account and Balance-sheet. The usual statement (duly certified by the Controller and Auditor-General) required under the provisions of section 109A of the Land for Settlements Act, 1925, of the moneys received into and paid out of the Land for Settlements Account during the year will be found in parliamentary paper B.-1 (Part I), being the Abstract of the Revenue and Expenditure of the Public Account for the year ended 31st March, 1935.

I have, &c.,

W. ROBERTSON,

Land Purchase Controller.

The Hon. the Minister of Lands.

TABLE A.—NUMBER OF PROPERTIES CONSIDERED DURING YEAR ENDED 31ST MARCH, 1935.*

Land District.	Number.	Area of Estates offered.	Land District.	Number.	Area of Estates offered.
		Acres.			Acres.
North Auckland ..	3	2,217	Nelson	1	1,221
Auckland	3	3,726	Westland .. ..	..	..
Gisborne .. ..	..	..	Canterbury .. ..	..	..
Hawke's Bay	3	11,900	Otago	2	4,350
Taranaki .. ..	..	..	Southland	1	344
Wellington	2	2,325			
Marlborough .. ..	..	..	Totals	15	26,083

* Not including Native lands for general settlement considered pursuant to section 7 (3) of the Native Land Amendment Act, 1932.

TABLE B.—SUMMARY OF PRIVATE ESTATES ACQUIRED TO 31ST MARCH, 1935.*

Land District.	Number.	Area.	Purchase-money.
		Acres.	£
North Auckland	53	48,924	455,060
Auckland	75	376,073	1,243,775
Gisborne	26	86,380	790,131
Hawke's Bay	59	264,783	1,714,292
Taranaki	26	30,978	375,881
Wellington	155	160,828	2,350,297
Marlborough	22	224,090	755,482
Nelson	14	48,821	150,473
Westland	3	6,032	14,062
Canterbury	178	451,201	3,521,523
Otago	81	335,212	2,029,409
Southland	34	94,396	522,280
Totals	726	2,127,718	13,922,665

* Exclusive of purchases under the Native Land Act, 1931, for general settlement.

TABLE C.—RETURN OF PRIVATE LAND PURCHASED AND PAID FOR DURING PERIOD FROM 1ST APRIL, 1934, TO 31ST MARCH, 1935.

(For Native Land, see next Table.)

Name of Owner.	Locality.	Mode of Acquisition.	Settlement.	Area.	Amount paid.
..	A. R. P. Nil.	£ Nil.

TABLE D.—PAYMENT FROM LAND FOR SETTLEMENTS ACCOUNT PURSUANT TO SECTION 10 (1) OF THE NATIVE LAND AMENDMENT ACT, 1932, DURING PERIOD FROM 1ST APRIL, 1934, TO 31ST MARCH, 1935.*

Payee.	Land.	Area.	Amount paid.
Close and Dickeson Estate ..	Te Karewa No. 2, Herepoho A No. 2, Te Ahuahu No. 3A 1, Block XII, Omapere S.D. (Purchased as an addition to the Remuera Settlement.)	A. R. P. 10 0 31	£ 96

* Not including payments pursuant to section 3 (2) of the Native Purposes Act, 1934.

LAND FOR SETTLEMENTS ACCOUNT.
REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1935.

	General.		Cheviot.		Hutt Valley.		Total.	
Dr.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
To Interest on—								
Loans	403,569	11 6	5,638	8 7	..	..	409,208	0 1
Capital from proceeds of Crown lands	76,454	4 5	..	..	..	..	76,454	4 5
Value of Crown lands in estates	8,477	12 0	..	..	..	..	8,477	12 0
National Endowment Trust Funds	2,217	7 3	..	..	..	..	2,217	7 3
Cheviot Estate accumulated funds transferred	18,508	0 10	..	..	..	..	18,508	0 10
Deposits by lessees under section 208, Land Act, 1924	272	2 8	..	..	..	..	272	2 8
Capital from Land for Settlements Account .. .. .	..	..	..	..	4,973	15 0	4,973	15 0
Sundry charges <i>re</i> Loans—								
Expenses of raising loans	5,299	9 10	..	..	..	..	5,299	9 10
Stamp duty on transfer of stock	5	0 8	..	..	..	..	5	0 8
Management charges of New Zealand consolidated stock	360	6 5	..	..	..	..	360	6 5
Proportion of premium on loan conversions	2,563	0 0	..	..	..	..	2,563	0 0
Administration expenses—								
Estates	10,970	17 10	968	7 9	156	5 8	12,095	11 3
Land Laws Amendment Act, 1929	1,728	6 0	..	..	..	..	1,728	6 0
Rebates—								
Rents, &c., from estates	23,036	1 3	1,418	2 8	..	..	24,454	3 11
Rents and interest: Land Laws Amendment Act, 1929	182	6 2	..	..	..	..	182	6 2
Remissions of rent and interest—								
Land Board recommendations—								
Rents, &c., from estates	114,697	6 2	331	14 5	200	13 2	115,229	13 9
Rents, &c., under Land Laws Amendment Act, 1929	238	17 0	..	..	..	..	238	17 0
Under Mortgagors and Tenants Relief Act, 1933—								
Rents, &c., from estates	10,904	6 2	553	16 9	..	..	11,458	2 11
Rents, &c., under Land Laws Amendment Act, 1929	74	3 8	..	..	..	..	74	3 8
Under Deteriorated Lands Act, 1925	481	2 0	..	..	..	..	481	2 0
Irrecoverable rents, &c., transferred to Suspense Account—								
Rents, &c., from estates	12,750	11 11	9	8 0	701	19 1	13,461	19 0
Rents, &c., under Land Laws Amendment Act, 1929	715	0 6	..	..	..	..	715	0 6
Annual Appropriation: Vote, Land for Settlements—								
Expenses—	£	s. d.						
Audit fees	250	0 0						
Salaries	826	17 8						
Travelling-expenses	46	6 6						
Compensation for injuries on develop- ment works	505	19 3						
Miscellaneous	717	13 6						
	2,346	16 11	..	..	..	..	2,346	16 11
Depreciation of plant, &c.	193	17 0	..	..	..	..	193	17 0
Miscellaneous expenses incidental to estates	786	5 9	..	..	358	6 9	1,144	12 6
Interest on Cheviot Estate fixed capital (see <i>contra</i>) .. .. .	..	..	8,946	1 1	..	..	8,946	1 1
Balance carried down .. .. .	..	..	1,070	6 4	1,899	4 3	2,969	10 7
	£696,832	13 11	£18,936	5 7	£8,290	3 11	£724,059	3 5
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
To Balance brought forward	81,317	1 1	..	..	..	..	81,317	1 1
Transfer to Profit and Loss Appropriation Account .. .. .	..	..	..	..	1,899	4 3	1,899	4 3
Transfer to reserves .. .. .	..	..	1,070	6 4	..	..	1,070	6 4
	£81,317	1 1	£1,070	6 4	£1,899	4 3	£84,286	11 8
Cr.								
By Rents and royalties—								
Estates	511,249	13 4	18,496	10 7	205	17 4	529,952	1 3
Land Laws Amendment Act, 1929	2,632	17 9	..	..	..	..	2,632	17 9
Interest on sales—								
Estates	15,151	12 10	304	8 0	6,497	8 10	21,953	9 8
Land Laws Amendment Act, 1929	649	19 2	..	..	..	..	649	19 2
Interest on capital expenditure—	£	s. d.						
Te Wera Estate	3,960	18 8						
Hutt Valley	4,973	15 0						
Brinklands Estate	678	5 10						
Land development	4,268	13 1						
	13,881	12 7	..	..	..	..	13,881	12 7
Interest on advances—	£	s. d.						
Land Laws Amendment Act, 1929	8,253	15 1						
Deteriorated Lands Act, 1925	596	6 6						
	8,850	1 7	..	..	..	..	8,850	1 7
Interest on loans for roading of endowment lands under section 47, Land for Settlements Act, 1925—	£	s. d.						
Wanganui River Trust Endowment	95	10 10						
Otago University Endowment	263	14 8						
	359	5 6	..	..	..	..	359	5 6
Interest on investments	2,719	16 1	..	..	..	..	2,719	16 1
Interest on investments in Public Debt Redemption Fund	50,940	12 6	135	7 0	..	..	51,075	19 6
Valuation fees, sections 7 and 14, Land Laws Amendment Act, 1929	119	11 0	..	..	..	..	119	11 0
Miscellaneous	14	9 5	..	..	..	..	14	9 5
Interest on Cheviot Estate (see <i>contra</i>)	8,946	1 1	..	..	..	..	8,946	1 1
Gross profit on trading .. .. .	..	..	..	..	1,586	17 9	1,586	17 9
Balance carried down	81,317	1 1	..	..	..	..	81,317	1 1
	£696,832	13 11	£18,936	5 7	£8,290	3 11	£724,059	3 5
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
By Balance brought forward .. .. .	..	..	1,070	6 4	1,899	4 3	2,969	10 7
Adjustment previous year: Accrued interest on loans for roading of endowment lands under section 47, Land for Settlements Act, 1925	1,140	16 11	..	..	..	..	1,140	16 11
Transfer from reserve	80,176	4 2	..	..	..	..	80,176	4 2
	£81,317	1 1	£1,070	6 4	£1,899	4 3	£84,286	11 8

LAND FOR SETTLEMENTS ACCOUNT—*continued.*

BALANCE-SHEET AS AT 31ST MARCH, 1935.

Liabilities.

	General.	Cheviot.	National Endowment Trust.	Hutt Valley.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Loan capital—					
3 per cent. ..	429,800 0 0				
3½ per cent. ..	6,001,733 5 11				
3¾ per cent. ..	364,150 0 0	160,918 0 0			
4 per cent. ..	5,444,779 3 11				
4½ per cent. ..	37,739 12 3				
5 per cent. ..	118,520 0 0				
5¼ per cent. ..	1,500 0 0				
5½ per cent. ..	19,580 0 0				
Funded debt, £4 19s. 5-88d.	33,446 6 11				
Debentures not converted	200 0 0				
Less reduction, Finance Act (No. 2), 1927	12,451,448 9 0				
	1,138,600 0 0				
	11,312,848 9 0				
Crown lands included in estates ..	211,940 0 0				
Sales of Crown lands ..	2,482,592 11 7				
	14,007,381 0 7				
Less amount expended in opening up Crown lands	425,473 1 10				
	13,581,907 18 9	160,918 0 0			13,742,825 18 9
Accumulated funds—					
Cheviot Estate ..		462,705 12 1			462,705 12 1
National Endowment Trust ..			111,363 13 1		111,363 13 1
Deposits by lessees under section 208, Land Act, 1924	9,445 16 3				9,445 16 3
Sundry creditors—					
Interest on capital from proceeds of sales of Crown lands	36,454 4 5				
Interest on loans due and unpaid ..	50 14 5				
Turakina Domain ..	317 3 1				
Departmental ..	317 6 11				
Miscellaneous ..	2,524 5 5				
	39,663 14 3				39,663 14 3
Interest on loans accrued but not due ..	107,707 19 1	1,373 6 3			109,081 5 4
Hutt Valley estates—					
Purchases ..				164,760 11 9	
Roading and incidental expenses ..				225,026 3 1	
Interest ..				71,654 12 10	
				461,441 7 8	
Less deductions, section 11 (2A), Finance Act, 1932				299,925 19 2	
				161,515 8 6	161,515 8 6
Railway Improvements Authorization Act, 1914: Interest on capital				1,014 14 1	1,014 14 1
Land Laws Amendment Act, 1929: Land subject to section 8—					
Crown Lands Account ..	35,414 6 5				
National Endowment Account ..	8,711 10 2				
Primary Education Endowment Account	177 19 1				
	44,303 15 8				44,303 15 8
Discharged Soldiers Settlement Account—					
Merged interests under section 20, Discharged Soldiers Settlement Amendment Act, 1923—					
Principal ..	2,945 11 7				
Instalments ..	77 11 9				
	3,023 3 4				3,023 3 4
Payments in advance—					
Rents, &c., on estates ..	5,710 3 7	12 3 4		2 5 0	
Principal instalments: Sales of Crown land	4,603 6 10		1 7 7		
Interest on advances under Deteriorated Lands Act, 1925	0 16 3				
Land Laws Amendment Act, 1929: Rents, &c.	48 18 1				
	10,363 4 9	12 3 4	1 7 7	2 5 0	10,379 0 8
Rents charged in advance ..	128,969 19 5	5,790 17 0		3 14 2	134,764 10 7
Suspense Account: Deteriorated Lands Act, 1925	802 8 10				802 8 10
Suspense Account: Buildings ..	321 16 11				321 16 11
Writings-off in Suspense Account ..	9,861 19 2	9 8 0		405 19 10	10,277 7 0
Reserves for capitalized interest on land-development schemes	27,050 0 2				27,050 0 2
Reserve Account, including unexpended loading for roads, &c.	809,411 5 0	7,315 0 2			816,726 5 2
Profit and Loss Appropriation Account ..				119,887 9 11	119,887 9 11
Cheviot Estate Account, as <i>per contra</i> ..	262,226 7 0				262,226 7 0
National Endowment Trust Account, as <i>per contra</i>	63,740 1 6				63,740 1 6
	£15,098,799 10 1	£638,124 6 10	£111,365 0 8	£282,829 11 6	£16,131,118 9 1

LAND FOR SETTLEMENTS ACCOUNT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1935—*continued*.

Assets.

	General.	Cheviot.	National Endowment Trust.	Hutt Valley.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Land Account—					
Estates leased	10,409,315 9 1	358,385 9 1			
Estates unlet	276,917 9 3	365 0 0		118,346 0 0	
	10,686,232 18 4	358,750 9 1		118,346 0 0	11,163,329 7 5
Land Laws Amendment Act, 1929—					
Land leased	88,407 0 0				
Land unlet	10,940 0 0				
	99,347 0 0	..	..	..	99,347 0 0
Provisional State forest	3,158 6 6	..	..	..	3,158 6 6
					11,265,834 13 11
Unpaid purchase price (not yet payable)—					
Buildings on estates	114,880 9 8	20 9 7			
Sales of settlement land	452,289 1 7	5,621 0 0	47,189 8 4	124,756 13 11	
Sales of Crown land	517,657 8 2				
Land Laws Amendment Act, 1929—					
Buildings	249 13 1				
Sales of land	12,703 5 2				
	1,097,779 17 8	5,641 9 7	47,189 8 4	124,756 13 11	1,275,367 9 6
Realization Account	3,290 1 5	..	..	..	3,290 1 5
Hutt Valley estates—					
Purchases	164,760 11 9				
Roading and incidental expenditure ..	225,026 3 1				
Interest	71,654 12 10				
	461,441 7 8				
Less deduction, section 11 (2A), Finance Act, 1932	299,925 19 2				
	161,515 8 6	..	..	..	161,515 8 6
Railway Department: Balance unpaid on area taken for workshops	..	..	..	26,389 8 0	26,389 8 0
Advances on mortgages—					
Land Laws Amendment Act, 1929—					
Current Account: Crown lands ..	131,102 8 7				
Instalment mortgage: Crown lands	4,944 7 9				
Current Account: Settlement land	19,153 15 7				
Instalment mortgage: Settlement land	272 18 8				
	155,473 10 7	..	..	..	155,473 10 7
Deteriorated Lands Act, 1925—					
Current Account	9,911 4 7				
Instalment mortgage	1,538 5 9				
	11,449 10 4	..	..	..	11,449 10 4
Advances for roading of endowment lands under section 47, Land for Settlements Act, 1925—					
Wanganui River Trust Endowment ..	2,095 18 0				
Otago University Endowment	1,703 10 10				
	3,799 8 10	..	..	..	3,799 8 10
Land Laws Amendment Act, 1929: Expenditure on development of Crown and settlement lands—					
Crown lands—					
Improvements	107,838 18 9				
Equipment	10,213 9 5				
Stock and Farm Accounts	16,309 5 1				
Settlement lands—					
Improvements	108,638 9 1				
Equipment	8,697 2 3				
Stock and Farm Accounts	31,338 19 10				
	283,036 4 5	..	..	..	283,036 4 5
Interest on capital expenditure ..	27,050 0 2	..	..	..	27,050 0 2
Carried forward	12,532,132 6 9	364,391 18 8	47,189 8 4	269,492 1 11	13,213,205 15 8

LAND FOR SETTLEMENTS ACCOUNT—*continued*.
BALANCE-SHEET AS AT 31ST MARCH, 1935—*continued*.
Assets—continued.

	General.		Cheviot.		National Endowment Trust.		Hutt Valley.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Brought forward	12,532	132 6 9	364,391	18 8	47,189	8 4	269,492	1 11	13,213,205	15 8
Station accounts, including improvements and live-stock	142,736	6 10	..	..	..	..	..	..	142,736	6 10
Plant and machinery	3,886	0 0	..	..	..	..	..	..	..	..
Less Depreciation Reserve	2,528	7 0	..	..	..	..	..	..	..	..
	1,357	13 0	..	..	..	..	..	..	1,357	13 0
Postponements of rents, interest, &c.—										
Under Land Act, 1924—										
Rents, &c., from estates	124,015	0 9	117 16 7	..	18 17 11	..	..	..	..	..
Instalments from sales of Crown lands	1,413	14 8	..	..	..	..	..	..	..	..
Land Laws Amendment Act, 1929: Rents, &c.	71	19 0	..	..	..	..	..	..	..	..
Under Mortgagors and Tenants Relief Act, 1933—										
Rents, &c., from estates	6,315	17 10	376 3 5	..	..	..	..	..	..	..
Instalments from sales of Crown lands	187	17 10	..	..	..	..	..	..	..	..
	132,004	10 1	494 0 0	..	18 17 11	..	..	..	132,517	8 0
Sundry debtors for—										
Rents, royalties from estates ..	463,773	9 2	6,911 11 10	..	..	..	239 17 7	..	..	..
Principal instalments: Buildings ..	14,824	16 7	5 9 1	..	..	..	..	..	..	..
Principal instalments: Sales of Crown lands	18,409	17 2	..	..	416 12 11	..	..	..	..	..
Principal instalments: Sales of settlement lands	30,327	11 3	340 10 0	..	..	..	3,352 17 10	..	..	..
Principal instalments: Advances under Deteriorated Lands Act, 1925	21	3 4	..	..	..	..	..	..	..	..
Principal instalments: Loans for roading endowment lands under section 47, Land for Settlements Act, 1925	425	9 6	..	..	..	..	..	..	..	..
Interest on loans for roading endowment lands under section 47, Land for Settlements Act, 1925	979	17 2	..	..	..	..	..	..	..	..
Interest on advances under Deteriorated Lands Act, 1925	1,154	11 0	..	..	..	..	..	..	..	..
Interest on sales of Crown lands: Section 5, Land Laws Amendment Act, 1912	186	19 4	..	..	..	..	..	..	..	..
Interest on sales of settlement lands ..	15,448	16 3	155 15 0	..	..	..	8,810 14 4	..	..	..
Land Laws Amendment Act, 1929—										
Rents	1,252	5 7	..	..	..	..	..	..	..	..
Interest on sales	180	3 3	..	..	..	..	..	..	..	..
Interest on advances under sections 7 and 14	10,582	12 10	..	..	..	..	..	..	..	..
Principal instalments: Sales under section 8	60	1 0	..	..	..	..	..	..	..	..
Principal instalments: Mortgages ..	19	9 9	..	..	..	..	..	..	..	..
Insurances	41	18 1	..	..	..	..	..	..	..	..
Departmental	3,239	11 9	..	..	..	..	..	..	..	..
Miscellaneous	1,498	8 1	..	..	..	..	..	..	..	..
	562,427	1 1	7,413 5 11	..	416 12 11	..	12,403 9 9	..	582,660	9 8
Interest on national-endowment trust funds overpaid	407	12 9	..	..	..	..	..	..	407	12 9
Interest accrued but not due on—										
Investments	467	17 4	..	..	..	..	..	..	467	17 4
Sales under deferred-payment licenses, &c.	6,459	8 11	70 5 3	..	..	..	528 0 0	..	7,057	14 2
Outstanding losses: Suspense Account ..	9,861	19 2	9 8 0	..	..	..	405 19 10	..	10,277	7 0
Investment in Public Debt Redemption Fund	1,288,997	17 5	3,519 2 0	..	..	..	..	..	1,292,516	19 5
Consolidated Fund: Proportion of interest on Loan Account	131,461	8 2	..	..	..	..	..	..	131,461	8 2
Premiums on loan conversions ..	20,504	0 0	..	..	..	..	..	..	20,504	0 0
Land for Settlements Account: General, as per <i>contra</i>	..	..	262,226 7 0	..	63,740 1 6	..	..	..	325,966	8 6
Cash	252,116	8 7	..	..	..	..	..	..	252,116	8 7
Investment Account: Securities held ..	17,865	0 0	..	..	..	..	..	..	17,865	0 0
	£15,098,799	10 1	£638,124 6 10	..	£111,365 0 8	..	£282,829 11 6	..	£16,131,118	9 1

W. ROBERTSON, Under-Secretary for Lands.
W. E. SHAW, Accountant.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the following exception: No interest has been allowed to the Cheviot Estate in respect of the assets of the Cheviot Estate Account, which have been transferred to the Land for Settlements Account; and, moreover, the Cheviot Estate has been charged interest on the value of such assets other than cash. As a result, the accounts do not disclose the true amount of revenue earned by the Cheviot Estate and the Land for Settlements Account respectively. The following comments are appended: (1) The account contains no charge for the cost of exchange on payments made in London; (2) to avoid delay, the accounts of some land districts, the audits of which have not yet been completed by the local Audit Inspector, have been accepted from the Department's records.—J. H. FOWLER, Deputy Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (500 copies), £10 10s.

By Authority: G. H. LONEY, Government Printer, Wellington.—1935.