1910.
NEW ZEALAND.

THE LAND FOR SETTLEMENTS ACT, 1908
(REPORT ON).

Presented to both Houses of the General Assembly in compliance with Section 85 of the Land for Settlements Act, 1908.

The LAND PURCHASE INSPECTOR to the Right Hon. Sir J. G. WARD, Minister of Lands.

SIR,— Wellington, 6th July, 1910.

In accordance with the requirements of the Land for Settlements Act, I herewith beg to submit the seventeenth annual report of the Department, for the year ending 31st March, 1910.

I took over the duties of Land Purchase Inspector and Chairman of the Board of Land Purchase Commissioners on the 11th November last.

Mr. Alex. Barron, my predecessor, vacated the office on account of having reached the age-limit. Mr. Barron occupied the position for eight years, and during that time a large number of estates were purchased, and are now successfully occupied.

During the year there were 122 properties, containing 231,852 acres, offered to the Government; of which 14, containing 48,287 acres, were purchased, but 4 have not yet been taken possession of.

The actual expenditure for the year was £260,793, making a total of £5,407,792 paid since the commencement of the Act as purchase-money for estates containing 1,238,096 acres.

The following table shows the position of the Land for Settlements Account for the year:—

Dr.	£ s. d.	Cr.	£ s. d
Cash and investments, 31st March, 1909	323,820 19 11	Land purchased	260,793 2 0
Proceeds of debentures	169,870 7 6	Incidental expenses	35,431 5 10
Receipts under Land Act, section 177 ..	10,216 12 1	Interest	217,164 4 1
Receipts under Land Act, section 191 ..	1,437 5 4	Sinking fund	58,778 17 7
Receipts under Land for Settlements Act, section 69	..	Balance, 31st March, 1910	202,497 7 2
Rents	257,684 14 8		
Interest and profits on sale of securities	11,479 12 10		
Credits	155 4 4		
	£774,664 16 8		£774,664 16 8

It will be seen that the sum of £10,216 12s. 1d. has been paid under section 177 of the Land Act, which gives the right to the owner of a lease in perpetuity to purchase the fee-simple; and £1,437 5s. 4d. under section 191 of the Land Act, which gives the owner of a renewable lease the right to pay 90 per cent. of the capital value.

The Land Settlement Finance Act came into operation on the 1st January, and there have been a considerable number of inquiries regarding the provisions governing the formation of associations. The principle of the Act is good, but complaint is made of the conditions to be observed before the Board can consider any application for the purchase of an estate. The procedure might be much simplified without impairing the value of the measure. With fewer restrictions and wider powers, the general provisions of the Act would be largely availed of.

There appears to be an unlimited demand for land; but the Board is faced with the difficult task of finding suitable areas at anything like a price that will allow of their being disposed of in reasonably sized farms at a rental that will enable the lessee to make a fair living. At no time in the history of the Dominion have the returns from the flocks and herds been as high as during the past year. If the continuance of the present returns could be depended upon, the purchase of estates would be an easy matter; but it must not be forgotten that there have been times of depression when our staple products did not return much more than half of what they are now doing, and there is no saying when the same may occur again. It therefore behoves the Board to exercise great caution in making any recommendations to purchase. The value put upon the bulk of the land offered is such as to place it practically beyond the reach of the Board.

Notwithstanding the high prices, everything possible is being done to secure suitable properties.

Appended are the usual tables.

I have, &c.,

JOHN D. RITCHIE,
Land Purchase Inspector,
Chairman Board of Land Purchase Commissioners.

The Right Hon. Sir J. G. Ward, Minister of Lands.