

given it a thorough cultivating. He had put 15 acres of the area straight into grass, 2 acres in turnips (this merely as an experiment), and the remaining 13 acres into oats. The grass had taken very well, and he was quite satisfied with the results. The crop of oats he stated was quite as good as any he had grown in the Waikato district. As to the turnips, he stated he had rarely seen a better crop. He had used 3 cwt. of manure, comprising 1 cwt. of Malden Island guano, 1 cwt. superphosphate, and 1 cwt. blood and bone. The cost of the manure averaged about 17s. 6d. per acre. Referring to the area put into turnips, Mr. Gillies described it as being some of the poorest land in the locality.

Mr. J. R. McKenzie's evidence is also worthy of consideration. In his opinion the proper way to treat the gum lands is to proceed generally on the lines laid down by Mr. Gillies. He expressed himself as being confident that he could break in the land at a cost of £2 per acre. He would also sow turnips when breaking up the land, and felt sure from his experience and that of other farmers in the district that, given a fair average season, a return would be obtained from the turnip crop sufficient to recoup the outlay incurred in breaking the land in.

Nor, from a settlement point of view, it is clear there are only two ways of successfully dealing with such lands. The one is to dispose of them to men possessing sufficient capital to develop them; the other is for the State to develop them before they are offered for selection.

It is the latter method which is favoured by your Commissioners. Nor should there be any loss to the State in following such a course, for, apart from the value of the gum which would be recovered from the land during the ploughing operations, and which it is suggested would in many cases pay for the breaking-in process, whatever expenditure was incurred could subsequently be added to the value of the lands before they were disposed of.

The position from the State's point of view might be expressed thus: Here we have large areas of land which in their present condition are more or less useless for settlement purposes. These lands when improved are capable of being held in small areas. The lands are situated in a district blessed with a genial climate and an abundant rainfall. The supply of Crown lands available for settlement in the ordinary way is nearly exhausted, and the process of buying back lands under the Land for Settlements Act is slow and costly. Then the question clearly suggests itself whether it is not a businesslike proposition to convert these poor lands of the Crown into such a state that they will be made available for successful settlement.

Before the passing of the Kauri-gum Industry Amendment Act, 1910, there had been no attempt by legislation to induce permanent settlement of the gumfields. It is true that the Act of 1898 empowered holders of any ordinary or special licenses under the Act to take up and personally occupy as a residence or business site an area not exceeding 2 acres of unoccupied Crown land not included in any kauri-gum reserve subject to certain prescribed conditions, but it was not until the passing of the Amendment Act, 1910, that anything approaching a reasonable area of such land was made available for persons desirous of making permanent homes on the kauri-gum reserves.

A great advance, however, was made by the Land Act of 1912, section 20, which offered liberal inducement to persons desirous of settling on these lands. Briefly, the provisions of the section are that any person who is not a holder on any tenure in his own right or jointly with any other person or persons of an area exceeding 10 acres of land anywhere in New Zealand may select an area of 25 acres on any kauri-gum reserve or on any Crown land adjoining such reserves which the Governor may set apart for such purpose. The Act further provides that a married man is entitled to select an additional 25 acres for every two children he has under the age of sixteen years dependent upon him. The total area to be selected by any one person is limited by the regulations under the Act to 100 acres. The selector is given the option of taking up the land on a license to occupy with right of purchase, or by way of license to occupy with an agreement to purchase on deferred payments extending over