

With a view of encouraging a demand for five unsold sections in the Whakaihūwaka Block, having an area of 5,391 acres, which have now been open for selection for a considerable time, it is proposed to reoffer them with exemption from rent for a period of four years.

CONDITION AND PROGRESS OF SETTLEMENT.

The reports of the Crown Lands Rangers show that on the whole the farmers have had a very successful year, the returns for wool and fat stock being unprecedented. The dry summer affected the dairy industry to some extent and reduced the output from the factories, but the prices obtained for dairy-produce probably fully compensated for the losses so sustained. No doubt the abnormal prices ruling for produce and stock may be attributed to the increased demand for our productions owing to the war closing many of the ordinary channels of supply and creating extra demand for our staple products. The pasture suffered on light lands for want of rain, but on the papa country the feed held out, especially where the land was stocked moderately. Fair-sized creeks and streams were completely dried up, but timely autumn rains made the outlook brighter for winter feed. The Wairarapa districts suffered more than those of the west coast, and especially favoured were the northern lands, where heavy dews kept the pasture fresh.

Concessions in the way of postponement and remissions of rent, and increases in the holding-area, have been the means of helping some settlers to retain their holdings, and are greatly appreciated.

Improvement and residential conditions on recent selections are being satisfactorily performed, and access is now obtained to most holdings by good roads, the larger part of them open for dray traffic, and the others by bridle-roads in gradual process of conversion to dray-roads. It is evident that the difficulties of transit in newly settled districts are not nearly so great as they used to be. The area of bush felled was not so large as in past years, but burns were good, and the grass and turnips have taken well.

There is still an unsatisfied demand for land of suitable nature at a price which an average selector can work with a small margin of profit. Small areas of good land are always more satisfactory from a settlement point of view than poor and unsuitable lands, which require more capital than the average settler possesses to work them, and this is often the cause of dissatisfaction to himself and loss to the Crown.

IMPROVED-FARM SETTLEMENTS.

The North Waimarino Improved-farm Settlement contains approximately 10,961 acres, on which eighty settlers were placed under the Lands Improvement Regulations. Those who have obtained their licenses, numbering twenty-nine, have made most extensive improvements, some having obtained further assistance from the State Advances Department. The other settlers have, wherever possible, taken advantage of an amendment of the regulations authorizing advances up to a limit of £400.

Five settlers are unable to reside on their sections owing to sawmillers not having removed sufficient timber to enable occupation to commence.

The majority of the settlers engage in dairying, a few sell milk in the township near their holdings, and the rest supply the Kaitieke Dairy Factory at Piriaka, which this year had an output of 60 tons of butter, as against 40 tons last year.

Seven sawmills are still operating in the settlement, but by the end of this year nearly the whole of the milling-timber should be removed, and the progress of the settlers will no longer be retarded by the rights granted to the millers. In this connection I may explain that the original intention of the settlement was to place people without any means at all on the land. To this end they were granted holdings of 100 to 150 acres each, on which they were allowed to clear about 15 to 20 acres for a home-stead-site; they had then to await the milling of the bush on the remainder of their sections before further clearing could be done, and in the interval they were supposed to make their living by working at the mills and on the roads. They were allowed advances for work done on their sections, the sums so advanced being added to the capital value of the land when they finally acquired their leases. They were also receiving credit up to £200 royalty for timber when such has actually been cut off their land. The natural wish of such people to bring the whole of their area into pasture as soon as possible and become independent of outside work has caused friction and discontent at delays in cutting off the timber. Every effort has been made to help them to attain the object of their desires, but it would be wrong to suppose they have been badly treated by the delay. On the contrary, they will shortly come into full possession of valuable properties such as they were unlikely to have been able to acquire by any other means.

Improvements effected at the settlers' own cost during the year average about £30 per settler, and from the commencement of settlement to date a total average of £498 per settler.

A considerable area of bush has been felled during the year, and in almost every instance the burn has been satisfactory; the new grass is already showing very well. The majority of the settlers are on a fair way to make a good living, but a few are having a hard struggle, due to their want of knowledge of how to make the best use of their holdings.

PURCHASE OF FREE-SIMPLE OF LEASEHOLD LANDS.

There has not been so much activity during the year in the purchase of the freehold of ordinary leases in perpetuity, as is shown by the returns, for the last two years during which the provisions of the Land Laws Amendment Act, 1912, were in operation. Up to the 31st March, 1914, conversions numbered 169, and during the year just ended only eighty-nine conversions were completed. In settlement lands the purchases have increased from four to nineteen. The falling-off is, I think, easily attributed to the tightness of the money-market consequent upon the war.