be available to meet the demands as they arise, but in order to prevent the lands from deteriorating through being unoccupied until selection, they are in many cases let for grazing purposes to

the general public on tenancies terminable at short notice.

17. In view of the necessity for producing as much wheat as possible, arrangements are being made to devote to this purpose some land set apart for discharged soldiers that has not been selected and is not required for disposal at present. Sections in the Seaforth, Cricklewood, and Leeston Settlements, Canterbury District, are being thus dealt with under the supervision of the Commissioner of Crown Lands, and in the latter case some of the local farmers have given teams and labour free of cost. The cost of seed and such additional labour as may be required will be borne by the Department.

18. In the Canterbury and Otago Districts the licenses of large areas of pastoral runs terminate in 1918, and with the concurrence of the Land Boards arrangements have been made that the runs which have been classified for subdivision, and which in ordinary course would have been submitted for competition early in next year, shall be retained on temporary occupation by the present holders and not re-leased until 1919, and not even then unless the war is over and the main body of the soldiers have returned.

19. In order to render lands available for utilization from the date of selection, authority has in some cases been given to the Commissioner of Crown Lands to sow in grass burnt bush areas of Crown land, so that when they are placed on the market and taken up the soldier selector can at once obtain some return from his holding. The amount of advance that may be made to the settler for buildings, stock, &c., is not affected by this expenditure, as the cost of grassing is added to the capital value of the land, and rent is based upon the improved value.

20. It depends chiefly on the applicant's wishes, capabilities, and farming experience as to what class of land should be allotted to him, and the Land Boards who attend to this matter in every case study the applicant's qualifications and endeavour to provide him with land that he can utilize to the best advantage. Many soldiers, young and physically fit, who have had past experience in farming, prefer to take up bush land, as they wish to do as much of their own improvements as possible, and to be employed on the roadmaking necessary to open up the block. Others who have come from dairying districts desire to be placed on a dairying farm so that they can make good milk cheques from the beginning, whilst a large number who have been accustomed to the management of sheep will accept only sheep-country; and so it will be seen that no hard-and-fast rule can be laid down as to the class of country that should be set aside for the settlement of the soldiers, but that individual capabilities and preferences must be recognized as the chief factors in the situation coupled with the supply of land at the disposal of the Government.

CLASSES OF APPLICANTS.

21. There is one phase of the question to which I desire to draw attention. Returned soldiers comprise all classes of the community: some have wide experience as farmers, others have little or none; some have a fair amount of capital, others have a small amount, whilst others again are without any capital. It sometimes happens that a soldier with a fair amount of capital and with experience of farming is desirous of taking up a large pastoral run, and is in a position to make good use of it. At the same time another soldier without capital and with little experience of farming desires to apply for similar land, and unless the Government is prepared to largely increase the present limit of £500 for advances, which for many reasons would not be advisable, or the soldier obtains outside capital, it is impossible for him to work the land profitably. Among the soldiers absent from New Zealand, however, there are many men with sufficient capital who will be prepared and desirous of taking up land in large areas. There are plenty of allotments available for those soldiers without capital for the working of which the advance of £500 is sufficient. Every care must therefore be taken to ensure that a man is only allotted land that he is able to work to advantage with the farming experience he possesses, the capital at his command, and the advances made by the Government. To deal with such cases in a fitting manner is one of the principal duties devolving on the Land Boards, and it is here that the local knowledge, wide experience, and sympathetic views of the members of the Boards are most valuable.

OUTSIDE ASSISTANCE TO SETTLERS.

- 22. As an instance of help being afforded soldier settlers by patriotic societies and the public, it may be mentioned that the War Relief Association at Napier at its meeting on the 4th June, 1917, decided to advance sums up to £250 at 4 per cent. for five years to successful applicants on the Porangahau Block, offered for selection on the 8th June. Such sums as are thus advanced will not be made available until the £500 advanced by the Government is exhausted, and each case will be dealt with on its merits.
- 23. Assistance by private individuals has also been given in several cases, one of the most prominent being that of Mr. G. P. Donnelly, of Otatara, near Napier, who provided a large portion of the posts and wire for fencing required by the soldiers on the Kaiwaka Settlement (Purahotangihia Block), north of Napier, together with horses, pack-saddles, and 9,460 sheep, at a total stated cost of £12,600. Of this amount £7,000 will be lent to fifteen settlers for five years free of interest, and Mr. Donnelly has by deed of trust arranged that the money, when repaid, will be available for placing future returned soldiers on the land. Other Hawke's Bay settlers have agreed to contribute towards the fund, and at the end of ten years it is anticipated that £10,000 will be available, and will be handed over for administration by the Y.M.C.A. and Salvation Army for the benefit of parents, widows, and families of Hawke's Bay soldiers.