

Under the provisions of section 6 of the Discharged Soldiers Settlement Act, 1915, and section 2 of the Amendment Act, 1917, advances have been authorized and paid as shown in the following statement :—

	Authorized. £	Paid. £
Section 6, advances on current account—		
900 returned soldiers	433,619	337,736
Section 2, Amendment Act, 1917 : Rural lands—		
263 returned soldiers	397,801	207,235
Section 2, Amendment Act, 1917 : Dwellings—		
529 returned soldiers	318,752	212,583
1,692 returned soldiers	£1,150,172	£757,554
Repayment of advances, &c.		35,130
Balance out on mortgage		<u>£722,424</u>

From the above statement it will be seen that the advances authorized nearly reached the amount of loan which can be raised under the provision of section 8 of the Discharged Soldiers Settlement Act, 1915. Owing to the rapid demobilization of troops, and the greater expedition now shown by the Lands Department in arranging and settling transactions, the whole of the loan authorized has since been raised, and applications have been recommended by the various Land Boards considerably in excess of this amount. It is anticipated that requests for financial assistance this year will be very heavy, and provision is being made accordingly.

ORDINARY SETTLEMENT.

It will be gathered from the above that only a restricted area of land has been made available for ordinary public selection. This comprises, generally, sections unsuitable for discharged soldier occupation, owing to poor quality, remoteness from markets, or indifferent access. A considerable area of this class of land is still open for selection on favourable terms.

SWAMP-LAND RECLAMATION.

The past financial year has seen very considerable activity in connection with the various swamp-reclamation schemes, this being rendered possible by the aid of Jugo-Slav labour and the availability of British labour. Development of new areas on Hauraki Plains has been actively prosecuted, and some 5,000 acres will be available for selection by discharged soldiers by next spring.

Next year some 8,000 acres will be available in connection with Kaitaia and Waihi schemes, and also further areas in Hauraki Plains.

It is anticipated that operations suspended at Poukawa will be again undertaken, and also other projects launched. Active surveys are being conducted in connection with Hikurangi and Waikare Swamps, and very probably engineering surveys of Seawood Moss and Lake Grassmere will be commenced as soon as staff officers return from the war.

Machinery is most difficult to obtain, the delivery of two dredges from England being now thirty months overdue.

The acquisition of American dredge machinery is now under consideration and may shortly be available as post-war conditions become easier.

KAURI-GUM INDUSTRY.

During the year the export trade has been limited. Little, if any, space has been available for export to Europe, and early in 1918 a partial embargo was put on the importation of kauri-gum by the United States of America. As a consequence, it was found necessary, in order to assist the gum-diggers and those dependent on the industry in the country districts, for this Department to purchase more gum than during the previous year, although our exports were only a little more than half those for that period. Indeed, in some districts the Government was the only buyer during some parts of the year.