chasers cannot resist an offer which enables them to sell at a profit. To a limited extent there have been similar dealings with farms purchased in the same manner; and it is unfortunate, to say the least, that when discharged soldiers are placed upon holdings which will afford them a comfortable subsistence they should sell out within a year or so, and be once more looking for land and adding to the trafficking which has been so noticeable a feature in land transactions during the last few years.

The above cases refer entirely to the purchase of freehold land by means of a Government advance where the Crown has no power to impose restrictions. It is different when the Crown opens land and allots it to eligible soldiers, who are then bound by the restrictions contained in section 11 of the Discharged Soldiers Settlement Act, 1915, which prevents the land being transferred, except with the consent of the Land Board and the approval of the Minister, until the expiration of ten years after the date of disposal to the soldier.

Supervisors of Soldier Settlements.

Since the date of last report nine Supervisors have been appointed, their duties being to inspect periodically the various soldier settlements and individual selections by discharged soldiers and see what progress is being made, in addition to which they arrange for purchase of the necessary stock, implements, &c., certify as to payment for improvements effected by the selector, and advise the settlers as to the best use that can be made of their land. It may be said that the appointments have been fully justified. The work done by the Supervisors has been most valuable, and has greatly assisted in the satisfactory occupation of the land. They have taken a personal interest in the settlers and given much-needed information, which, together with the advice tendered by expert officers of the Department of Agriculture, &c., has proved of immense benefit to the tenants entering into occupation of their holdings. To enable them to carry out their work expeditiously they have been provided with motor-cars, and as a result have been enabled to visit every settler whenever necessary, besides inspecting houses in course of erection and passing the work without delay. Their reports have been illuminating, and afford a ready and valuable index to the manner in which settlement is progressing. In many cases settlers have been restrained from lavish outlay or from the purchase of machinery or implements that were either not immediately required or were too expensive for their requirements, and savings in the purchase of stock have frequently been effected through the instrumentality of these officers. The success of discharged soldiers settlement is undoubtedly aided by the appointment of Supervisors, and every care is taken by the Department in this and other ways to see that the settlers are helped to make a satisfactory start in their operations.

Transfers of Holdings.

As is well known, all suitable lands of the Crown have, for the past few years, been reserved almost exclusively for the settlement of discharged soldiers, and as fast as it is possible to survey and prepare them for occupation they have been placed on the market. They comprise land of all qualities and descriptions suitable for the varied needs of the soldier settlers; but it has been noticed that the desire of the Government—and, indeed, of the people of New Zealand—to settle on the land in comfortable homes the men who have returned after serving in Expeditionary Forces is liable to partial defeat from the following cause: Great care is taken to acquire and open land at the lowest possible price so as to give the soldier settlers every possible chance of success. They are placed on land which ensures them a comfortable living, in some cases from the very start, and in other cases after the initial difficulties of development have been overcome. There is therefore a large potential goodwill in many of the holdings, and civilian farmers with money have in many cases offered large sums to the soldiers to transfer their holdings. A provision of the Discharged Soldiers Settlement Act prohibits transfers for ten years from the date of selection except on the recommendation of the Land Board and the approval of the Minister. But the chance of obtaining large sums of money for the goodwill of their selections (in some cases thousands of pounds) is inducing soldiers to apply to transfer. If such application were approved it would leave the vendors with considerable sums of money in their pockets but without farms, and they would be once more looking for land. The acquisition of the freehold is generally the precursor of an application to transfer to a civilian, and the gradual displacement of our discharged soldiers by farmers with money and probably more experience is a disquieting feature of soldier settlement that should be carefully guarded against in the interests of the soldiers themselves.

Financial Assistance.

The total loans raised by issue of debentures stood on the 31st March at £9,345,000, of which £1,500,000 was raised under the provisions of the Discharged Soldiers Settlement Act, 1915, and amendments, the balance, £7,845,000, being raised under the Discharged Soldiers' Loans Act, 1919, which provided borrowing authority of £12,500,000. This left a balance of £4,655,000 of loan authority available for the year ended 31st March, 1921.

The authorizations stood at £12,610,000, against which advances were made amounting to £8,859,000, leaving £3,751,000 to be advanced after the 31st March to equalize commitments, which stood in relation to the borrowing authority as follows:—

	£
Loan authority, Discharged Soldiers Settlement Act, 1915, &c. ..	1,500,000
Loan authority, Discharged Soldiers' Loans Act, 1919	12,500,000
	14,000,000
Commitments	12,610,000
Balance available for further authorization on 1st April, 1920 ..	£1,390,000