

It is well recognized that land-valuation is not an exact science, and that it is very difficult to reconcile valuations made by two apparently equally-qualified valuers. When any great discrepancy occurred between valuations, if it was not convenient for the Commissioner or a member of the Board to visit the property, an additional confirming valuation was obtained. As a consequence it can be confidently said that the securities obtained were quite sufficient for the advance.

In view of the great increase in land-values during the past few years, to determine a safe buying value has been a very difficult problem. At the same time, I can say, with a good knowledge of values in the Wellington, Auckland, Hawke's Bay, and Taranaki Districts, that any lands purchased in the North Auckland District have been purchased on a very safe basis.

In regard to the house properties, of which there were 1,342 purchased, 90 per cent. of these were probably in Auckland City, and I feel confident that the money invested in these houses is well and safely invested. It is to be regretted, however, that many of the soldiers, tempted by making a little easy money, are selling their homes, and thus forfeiting the advantage which they have acquired under the Discharged Soldiers Settlement Act.

#### AUCKLAND.

(H. M. SKEET, Commissioner of Crown Lands.)

*Lands opened for Selection.*—Eleven new estates, providing a total of 107 holdings, have been purchased and settled during the year. Five of these were acquired under section 3 of the Discharged Soldiers Settlement Amendment Act, 1917, for disposal without ballot to the groups of soldiers who applied for the purchase, and the remainder were disposed of by public application in the ordinary way. In addition to these an area of 2,900 acres on the Hauraki Plains was offered, besides various scattered areas of less importance. The total area of new lands thus made available for selection by discharged soldiers during the year was 19,172 acres. Apart from the lands thus expressly offered, the Land Board has, in suitable cases, and after full consideration, exercised its powers of allotting available lands which had not been opened for public selection.

With the exception of the Hauraki Plains lands, which always command much attention, the number of applications received, even for good areas suitable for dairying, has not been proportionate to the number of sale plans issued to inquirers, nor to the number of soldiers who are frequently asserted to be still in search of land.

*Areas selected and held.*—The total area selected during the year was 41,439 acres by 226 applicants, the majority of these being under the special tenures provided for by the Act, and carrying the right of freehold at the original capital value. The total land acquired by discharged soldiers under the Act and still held at the close of the year was 133,003 acres, comprising 474 holdings.

*Transactions under Section 2.*—The applications for the purchase of individual properties, both farms and dwellings (or for the discharge of mortgages), under section 2 of the Act of 1917, which has proved during the year to be the method most favoured by the majority of the soldiers, have been very numerous, and have involved much work both to the Land Board and the staff. In this branch of the work the Rangers have been assisted by experienced farmers who have acted as valuers, and to whom the Department is indebted for much painstaking and reliable work, conscientiously carried out with a view to the interests both of the soldiers and the State. These have included Messrs. G. W. Richards, S. Craig, E. Howe, and M. Darke, in the Waikato; R. M. Somerville, R. B. Cole, and A. S. Laird, in the King-country; B. Sladden, T. S. Lemon, A. C. Sutherland, and C. H. Brebner, in the Bay of Plenty; and S. H. Jolly and H. M. Martin, in the Rotorua district. The total number of applications under this provision considered by the Board during the year was 1,585, and the number approved was 794, representing an outlay by the State of £1,166,029. While the number of unsuccessful applications has been large, there has during the year been less evidence of the desire to obtain the maximum market price—or more—from the discharged soldier that appeared in the earlier stages of administration, although it has still been the case that in many instances vendors apparently recognized little or no obligation to the men who had helped to maintain the values of their lands. Although it has become the fashion to blame the State for inflation of land-prices, the fact remains that in the majority of cases the alleged inflation would have been monstrously accentuated had the State not valued on a conservative basis, and refused to pay the fictitious prices frequently demanded by vendors; and it is only where such precautions have not received sufficient attention that any danger of loss to the State or the soldier can arise. In numerous cases in this district the Land Board has evidence that a substantial goodwill on the prices at which the soldiers have been placed on the land could now be obtained if the lands were offered in the open market. A regrettable feature in connection with this class of application has been discovered in a few cases during the year—namely, a secret agreement between the vendor and the soldier whereby the latter endeavours to make it appear that the property is being purchased at a lower price than is really the case. Such arrangements are not only inherently dishonest to the State, which is endeavouring to help the soldier to secure a home at a reasonable price, but are entirely opposed to the interests of the soldier himself. The Board has absolutely refused to countenance any such arrangements, or to agree to second mortgages in favour of the vendors except in cases where the price asked, being more than the limit fixed under the Act, is still supported by the valuations obtained.

*General Conditions of Settlement.*—The exceedingly dry winter and spring experienced in 1919 bore hardly upon many of the soldier settlers who were just commencing dairying, and considerably reduced their returns for the season. The Mangateparu Settlement, near Morrinsville, was most seriously affected, and it became necessary to arrange for the temporary removal of some of the stock. Nevertheless this settlement is making good progress, and the settlers are rapidly improving