

The whole of the lands which have been sown in grass are well stocked, and there is little doubt that in the course of a few years these settlers will be in a most enviable position. It is highly gratifying that owing to the efforts of the returned men who selected unimproved bush country it is now returning revenue and increasing the supply of the primary products of the Dominion—a most necessary requirement.

A marked instance of how cultivation and the proper working of the holdings have transformed into a successful settlement one which this time last year was in a very parlous state is that of Fairfield.

As a whole the progress of the settlers is most encouraging. Many of them already have their future assured, and I am hopeful that at least 90 per cent. of the returned men who have taken up land will make a success of their holdings. The failures are not occasioned by the quality of the land, but by the inability of the men to realize that it is absolutely necessary to work to make a success of any undertaking. This is proved by the fact that where sections have been surrendered and reallocated the new men are doing well.

Water-supplies to Soldiers' Settlements. During the past year water-supplies were installed in Kairanga, Cloverlea, and Putorino Soldier Settlements. So far as Kairanga and Cloverlea were concerned, the supply is derived from artesian wells in existence when the properties were purchased, and additional ones since put down. The necessary reticulation is now completed, and all the sections have now a permanent supply of pure water, a most necessary requirement for dairy farms. This work, as well as the roading in these two settlements, was carried out in a very thorough and capable manner by Mr. A. H. M. Wright, Engineer to the Kairanga County Council, to whom the thanks of the Department are due.

Owing to the extent of the Putorino Settlement—some 922 acres, comprising fifteen dairy farms—and the impossibility of an artesian supply, it was found necessary to install a high-pressure water-supply. This entailed extensive engineering surveys and plans, as there were two possible sources of supply. After much consideration it was decided to utilize Rhodes Stream. This entailed the erection of a weir on Ngei Road, the construction of a reservoir, the laying-down of supply-pipes, and the reticulation of the settlement. These were works of some magnitude, as provision had to be made for a daily supply of at least 10,000 gallons; and it is gratifying to record that this indispensable work is now complete, in spite of the difficulty of procuring material and labour.

Although at the inception the question of providing Putorino with an adequate water-supply was beset with many engineering difficulties, these were successfully overcome by Mr. Sydney A. R. Mair, Engineer to the Rangitikei County Council, who initiated the scheme, made the engineering surveys and plans, and supervised the transaction of the entire works free of cost to this Department. I wish to place upon record my appreciation of the valuable services rendered by Mr. Mair, and to thank him for the able assistance he has given me.

NELSON.

(H. D. McKELLAR, Commissioner of Crown Lands.)

Transactions for the year have been very brisk. Of 603 applications dealt with under the Discharged Soldiers Settlement Act, 1915, and its amendments, 386 of them have been approved for advances.

Crown land set apart for selection under ordinary and special tenures has not been much sought after. This undoubtedly is owing to the fact of its being bush country and difficult of access.

Several estates have recently been acquired for disposal under the Land for Settlements Act, but only one—the Golden Downs Settlement—has been offered for selection up to the present. Each of the lots into which it was subdivided has been allotted. There is evidence of a demand for this description of improved land here.

Very few applications have been received for areas under section 3, Discharged Soldiers Settlement Amendment Act, 1917. The prices asked by the owners are usually much in excess of the valuations placed upon the land, and in addition to this, as it invariably happens that one soldier settler desires to replace a civilian, it is questionable in cases where such applications were declined whether there is likely to be any loss to the community, because the present owner's knowledge enables him to take advantage of local conditions which a stranger has in the first place to learn.

It would be premature to predict the outcome of soldier settlement; nevertheless, from experience so far gained, there is no reason to fear a higher percentage of failure than that from ordinary settlement. Of the few soldiers that have already relinquished their selections, the main contributing factor has been health-failure following the effects of military duty. A suitable substitute has in each case been found to take over the obligations of those compelled to retire. Under ordinary circumstances practically everything depends upon the efforts of the selectors themselves to attain success. If they show the same tenacity of purpose in establishing their homes as they did in defending their country, the object for which they were granted financial assistance will be attained.

MARLBOROUGH.

(H. J. LOWE, Commissioner of Crown Lands.)

New Selections.—No estates were purchased and subdivided during the year under review on account of the high prices asked by vendors for properties offered, or their unsuitability for subdivision. Two discharged soldiers were, however, settled on sections in Flaxbourne Settlement that had hitherto been held on temporary tenancies. The Upper Opouri Block of ordinary Crown land,