

Current Account Advances.

The amount of advances made under this head for the year was £297,791 6s., bringing the total amount of such advances made since the inception of the scheme to £526,429 2s. 6d.

General.

The number of applications now being received for purchases under section 2 (now limited to cases which involve subdivision and thus increase settlement) has, of course, decreased considerably, and it is difficult in many cases to reconcile vendors' prices with the valuations obtained, especially at the present time, when conditions emphasize the necessity for a safe margin of security. Applications for assistance to build are still being received in fair numbers. The demand for Crown lands opened by application and ballot has become strictly limited, except in the case of lands such as the Hauraki Plains, for which there would still be plenty of inquiry; and the time is evidently arriving when the normal method of opening lands for application by all suitable classes of applicants will have to be resumed, with considerable advantage to the development of the district. Experience and observation have shown that civilian farmers, on holdings adjacent and of similar character to that occupied by returned soldiers, are making good headway with very much less capital than that which the State is granting to the soldiers, and I consider, therefore, that it will be advantageous that civilians should be admitted to all ballots.

HAWKE'S BAY.

(W. F. MARSH, Commissioner of Crown Lands.)

Twelve new estates, comprising 51,356 acres, and providing 133 holdings, also the George Hunter Gift Block, of 2,785 acres, providing six holdings, were settled by discharged soldiers during the year. Included in the foregoing are two settlements (Rissington and Parinui) acquired under section 3 of the Discharged Soldiers Settlement Amendment Act, 1917, and disposed of, without ballot, to nine soldier selectors who had applied for the purchase as provided by the statute. The gift block referred to of Sir George Hunter, M.P., was generously conveyed to the Crown by the donor as an absolute gift, to aid the country in solving the problem of settling returned men on the land. In addition to the foregoing, various scattered areas, representing 11,144 acres, were offered. The total area thus made available for settlement by discharged soldiers during the year was 65,285 acres, comprising 143 holdings, the whole of which, except two sections, were immediately taken up.

The total area acquired by discharged soldiers and still held at the close of the year was 199,398 acres, representing 473 separate holdings. The total amount of advances paid out to or on account of settlers for stock and improvements during the year was £93,149.

Owing to the curtailment of advances under section 2 of the 1917 Act, operations during the year under that heading, so far as rural lands are concerned, have been almost wholly confined to the financing for the purchase of small areas for intensive cultivation, or for orchards, bee-farms, &c., and a large number of these applications, chiefly from men suffering from war injuries, also tubercular cases, as well as men experienced in that special work, have been dealt with by the Land Board. The chief difficulty experienced, and one too often encountered by the Land Board in dealing with applications under this head, has been to convince applicants that the Board was really studying their interests and safeguarding them against future failure when refusing to countenance prices that were not justified by circumstances or borne out by expert valuation.

There has been a steady stream of applications throughout the year for advances under section 2 to acquire small lots and build homes, in preference to obtaining advances to purchase ready-erected houses, which was previously discontinued, and this phase of assistance to establish the men with moderate incomes, especially artisans, in centres has met with no small success, due to the close and careful supervision exercised over each transaction from its inception to the completion of the house and the final payment involved.

The successful progress of soldier-settlement on pastoral and agricultural lands received a rude shock during the latter part of the year, and the depression, besides seriously affecting the position of those who had taken up land during the first half of the year, had a marked effect on the large proportion of men who had just begun to weather the strain of the first three or four strenuous years of a settler's life. Fortunately, with very few exceptions, the men are of a fine type, ready and anxious to undertake all the hard work necessary to firmly establish themselves on their holdings, and, though it may mean rental postponements and judicious nursing, there is no serious cause for anxiety as to the future. There have been a few cases where, from health reasons arising out of war services, or out of unfitness for the life, selectors have had to relinquish their holdings, but the tendency now is for applicants to have been closely identified with farming-work and be physically able to continue the life.

Those engaged in breaking in dairying-country have not had such a good year as those on proved lands, and the dry weather and shortage of grass having been largely instrumental for the lack of success. At the same time the improvements effected on these properties have been far in excess of statutory requirements, and this in itself is a sufficient proof of the confidence of the men. Where trouble may be expected is in some cases where undue optimism lead men of comparatively limited means to acquire grazing properties with Government assistance under section 2 of the Act of 1917, and who, in addition to the Government advance, are burdened with a second mortgage in favour of the vendor. It does not seem possible in such instances to extend the same assistance that may be easily granted to Crown tenants, and failures in this class are bound to occur.

Inspections of holdings and securities are being carried out as frequently as possible, and the Supervisor, who takes a very keen interest in his duties, is doing excellent work.