

Lands available for Further Selections.—The land available for immediate disposal to returned soldiers consists of sixteen sections at Avonhead No. 2 Settlement, of an area of 154 acres; also there are five sections, of an area of 16 acres, remaining vacant in Heihei Settlement. Two pastoral runs, aggregating 27,261 acres, and twenty allotments, representing 330 acres of suburban rural and miscellaneous lands, are available.

OTAGO.

(R. T. SADD, Commissioner of Crown Lands.)

Conditions and Progress of Settlement.—Owing to the serious drop in the prices of wool and stock last year very little new settlement has taken place, and the demand for land by discharged soldiers, especially pastoral land, has dropped to a minimum. The general rise in the prices of wool and stock of the last few months has given a more hopeful outlook to the pastoralist, and if maintained there will again be a keen demand for pastoral country. Dairy-farmers have had a very indifferent year owing to the low prices ruling for their produce.

During the earlier part of 1921–22 the general trend of prices of stock was low, but during January, 1922, the proposed operations of the Meat Pool had the effect of considerably increasing the price of lambs and other lines of sheep, and the prices have been maintained. In many cases farmers had sold their lambs prior to this rise in prices, and consequently did not get the benefit of the increase. At present the prices of sheep are nearly as high as the average of the best seasons of the past.

The wool-sales have improved very much by comparison with last year in the price of fine wools, and although the coarser wools have not yet risen to a reasonable figure there is an upward tendency, and there is hope that next season they will largely increase in value. As so many of the smaller farmers or those engaged in mixed farming carry sheep producing coarse wool on account of the lamb-market, a rise in this class of wool materially affects their position.

Cattle have not risen in value, and beef is at a much lower price than it was two years ago—in fact, cattle are now hardly worth breeding as far as beef is concerned. The lower prices ruling in the Old Country, the increased cost of carriage, and the proximity of the Argentine to the best markets help to account for our low prices for fat cattle. Dairy cows also have gone down very much in price on account of the drop in prices of butterfat and milk; this operates very harshly on those who went into high-priced land when high prices for produce were ruling and now find they cannot carry on and have to sacrifice both land and stock. The older-settled farmer on low-priced lands and with dairy herds long established will probably not feel the slump to any great extent. The price of butter is already giving indications of an upward tendency which means the salvation of many dairy-farmers.

The past season up to early in March was excellent for the growth of cereal crops, but harvesting operations have been at a standstill for weeks in some parts of the district, especially South Otago, owing to the continued wet weather, and it is feared that many of the crops cut and not stacked are seriously depreciated in value. Probably in all the history of Otago there never were such good crops of cereals, and it is greatly to be regretted that in some parts of the district such serious damage has been caused by bad weather: this applies to most of the cereal crops south of Dunedin and round Tapanui.

The fruit-farmers of Central Otago have had very good returns, and the season generally has been favourable. Some of the stone-fruit, owing to periods of very hot weather, came in rather quickly for successful handling, and some of it reached the market overripe, hence there have been small losses. In North Otago the stone-fruits were practically a failure owing to late frosts, but the pip-fruits are promising well.

Lucerne-growing is rapidly developing in Central Otago. There are now many very fine areas in the central part of the district, and this crop is no doubt going to add very materially to the prosperity of the settlers. The irrigation-works provided by the Government will greatly increase the areas of lucerne in the near future. The Manorburn-Ida Valley scheme has already improved much of the land in Ida Valley to a remarkable extent; areas that a few years ago would not carry a sheep to the acre are now carrying five, and in some cases the carrying-capacity is higher still. Irrigation has proved that much of the apparently dry, poor land in Central Otago can be made to produce abundant crops of almost any description, and large areas of land hitherto held in large holdings will have to be subdivided in order to give their best results. Many of the holders of pastoral runs are giving serious attention to the growth of lucerne as a provision for winter feeding, with good results.

Many of the bush farmers have felt severely the fall in price of dairy-produce; they depend chiefly on butter and cheese, and when prices fall their condition is bad. There has, however, been abundance of grass, and this has compensated to some extent in providing an increased amount of milk.

Lands opened for Selection.—Owing to the considerable areas of land already acquired being unselected, the total area opened for selection for the year ended 31st March, 1922, was 10,558 acres, consisting of the Kelso and Pukeawa Settlements, containing respectively 723 and 2,737 acres, and scattered sections of ordinary Crown lands, the bulk being lands on different settlements offered for public selection, and some education reserves. The Teviot Settlement, containing 22,000 acres of freehold land and 48,000 acres of leasehold pastoral country, was offered for selection by discharged soldiers in March, 1921, on certain conditions, and eight out of thirty-two holdings were selected; four of these have retained their holdings and effected considerable improvements, and are putting