

stock on this season. The balance of the block is being farmed by the Crown until next season. The subdivisions of the Mount Pisa Run, owing to the unfavourable conditions with regard to prices of stock and produce, have not yet been offered for selection, but are being looked after by a manager, who is attending to the stock and dealing with the rabbits.

Freehold Tenures.—A total area of 3,824 acres was made freehold, consisting of thirty holders of leases of ordinary Crown lands with a right to the freehold, and two land-for-settlement deferred-payment licenses made freehold.

Land Board.—The work of the Board has not been so heavy during the past year, and now only monthly meetings are held. Fourteen meetings were held during the year.

Land remaining for Future Selection.—The area remaining for future selection open in the Land Guide consists of sixty-two holdings; area, 8,089 acres. Land not yet offered: Teviot Settlement, 17,000 acres settlement land and 33,000 acres pastoral country, and the subdivisions of Mount Pisa Run, 130,000 acres.

SOUTHLAND.

(THOMAS BROOK, Commissioner of Crown Lands.)

During the past year land-settlement has proceeded only at a moderate rate, the demand for new selections having fallen off considerably. This position has been brought about chiefly by the unsettled state of the markets for farm-produce, the scarcity of money for land-development purposes, and the high cost of all the essentials for establishing the new settler.

It is satisfactory to note that on most of the new selections a good deal of permanent improvement has been effected. The advantages of draining, liming, and establishing permanent pastures are being more fully appreciated, particularly on small holdings; homestead buildings of a better class are becoming general, and on all dairy farms of moderate size milking plants are being installed and are giving general satisfaction. Better methods of providing winter feed are being adopted, and the improvement of dairy herds by systematic culling is receiving more attention than hitherto.

The season has been a fairly good one for dairying, but the returns are still uncertain. A few factories sold early at good prices, but most of the season's output is being consigned, and suppliers have been receiving advances of 9d. and upwards per pound of butterfat. Directors appear to be unwilling to take any risk with the market, but the recent improvement in the London prices has encouraged them to make more liberal advances.

With proper treatment oats generally yield well in Southland, but the climatic conditions are such that the growing of wheat is always attended with risk. The guaranteed minimum price for milling-wheat encouraged many farmers to take the risk, and consequently the area under wheat was much greater than for many years past. The crops generally were very good, but unfortunately they had to be harvested under very bad weather conditions, and while there are few total failures a considerable part of the yield will be of inferior quality.

Very little land is changing hands at present, but there is no indication of small improved farms coming down in price. The recent rise in lamb and the improved outlook for wool have steadied the tendency towards a fall in pastoral country, and inquiries for this class of land are increasing.

The last few years have shown increased activity in the coal-mining industry. The principal coalfield is in the Wairaki and Wairio districts, and as many of the working mines are on Crown land and education reserves considerable revenue is derived therefrom. Rent and royalties received this year amounted to £1,662 19s., a slight increase on the previous year's figures. The working of this coalfield is hampered to some extent by the lack of railway facilities, and an endeavour is being made to have this difficulty overcome by the early extension of the Ohai Railway.

Two provisional licenses to work marble were granted during the year. The samples obtained are of good quality, but further investigation is required to determine whether the working of the deposit can be placed on a commercial footing.

It was expected that the year would close with an increase in the arrears of rent and interest, and such has proved to be the case. That this is due to the exceptional circumstances now prevailing throughout the Dominion is borne out by the fact that many old settlers who had never previously failed to pay promptly have been compelled to ask for an extension of time in which to meet their payments. A contributing factor is the inability of commercial firms to give clients the usual credits; but a more confident feeling is apparent, and there is reason to believe that during the coming year we shall regain much of our lost ground.