WELLINGTON.

(G. H. M. McClure, Commissioner of Crown Lands.)

Conditions and Progress of Settlement.—Owing to the low prices ruling for stock and produce all classes of farmers have had a very trying year. Fat stock fluctuated: beef opened very low and remained almost unsaleable; mutton and lamb also opened low and later took a substantial rise, then dropped for a time, but during February and March the outlook became much brighter so far as sheep are concerned. Very high percentages of lambing are recorded. Consequent upon better prices being obtained for wool, many disposed of their clips, thus releasing considerable sums for circulation. Dairy-produce last year returned 2s. 7d. to 2s. 10d. per pound butterfat, as against 7d. to 1s. per pound which most of the factories are now paying; but it is hoped that when the season's work is completed the bonuses will bring the price up to 1s. 3d. per pound.

In bush districts the felling has been restricted owing to the difficulties of finance, but good

burns have been obtained, and the young grass and rape are coming away satisfactorily.

The Crown tenants who are feeling the pinch caused by present prices are those who have considerable areas undeveloped, and who have had to mortgage their lands for effecting improvements and purchase of stock. Many who bought and stocked up at peak prices must lose heavily, and mortgagees are experiencing difficulty in collecting interest, some having to take their farms back again; but those settlers who have an equity in improvements and stock will pull through. A number of settlers carrying sheep turned their attention to cows when the prices fell, entailing a great expense, and have been disappointed with the returns; but as the price of butterfat is now becoming more stabilized, the next season will no doubt make up for it. The areas under cultivation in these bush districts are not great, and are entirely devoted to the growth of winter feed.

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Lands opened for Selection.—The lands offered comprised twenty-one allotments in Haunui No. 2,
Almadale, Pihautea, and Pitt Settlements, of an area of 1,081 acres 2 roods 22 perches, for which
there were 120 applicants. An area of 5,895 acres 1 rood 23 perches, bush lands in Hunua, Whirinaki,
Owatua, Retaruke, Makotuku, and Ruahine Survey Districts, subdivided into thirteen allotments, was
competed for by eighty applicants. All the above lands were offered to discharged soldiers. In addition
eleven sections which had reverted to the Crown, comprising 5,804 acres 3 roods 13 perches were reopened
for selection by discharged soldiers, and sixteen sections, comprising 3,429 acres 3 roods 19 perches,
were surrendered or forfeited by discharged soldiers and reallotted, three sections being allotted to
adjoining holders.

An area of 394 acres and 5 perches of education reserve was balloted and secured by a discharged soldier.

Of lands opened for selection in previous years, thirty-one sections in the Hawtrey, Normandale, and Wilford Settlements and the Town of Tangimoana, comprising 30 acres 2 roods 6 perches were selected. Other lands offered comprised two small allotments in Wellington City, one being sold for £500, and sixty-one allotments in the village of Marshall and the towns of Makuri, Taihape, Kakahi, and Raetihi, which realized £3,619, the sale of sections in Kakahi bringing more than double the upset prices, the system of purchase being deferred payments. Eight allotments of education reserves, of a total area of 1,274 acres 3 roods 25 perches, were offered for lease by auction, of which two allotments, comprising 98 acres 1 rood 14 perches, were quitted at the upset rentals.

Timber.—Three blocks of milling-timber, comprising an area of 756 acres 2 roods 20 perches, were disposed of for a total royalty of £18,284. An area of 26,137 acres of Crown lands was proclaimed

provisional State forest during the year, as was also an area of 13,899 acres for State forests.

Freehold.—There was a considerable drop in the transactions, there being only thirty-five conversions, as against 149 last year, owing no doubt to the difficulties of finance. Nearly half the number of settlers and by far the greater proportion of area were under the occupation-with-right-of-purchase tenure.

Land Board.—The monthly sittings of the Board extended over thirty-five days, during which 2,458 items were dealt with, about one-half being business connected with the settlement of discharged soldiers. Two special meetings were held for the examination of applicants and ballot of sections, also three special meetings during which inspections were made of several soldier settlements.

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*Revenue and Arrears of Rent, Instalments, and Interest.—The gross revenue was £395,000, being £102,550 below the estimated receipts, and of the former £226,188 represents payments to Discharged Soldiers Settlement Account. The total amount received was £67,828 below that for the previous year, the decline being attributable to the fall in the price of primary products and the stringency of the financial market.

As may be expected, the arrears of rents and instalments have correspondingly increased, there being 623 tenants owing £46,924 in rents, as against 266 tenants owing £17,020 last year; while the instalments and interest have increased from £2,239 on dwellings to £5,192, and £14,580 on farms to £52,341. The arrears so far as farms are concerned are attributable to the unexpected and serious decrease in the price of all stock and produce; and, as practically the whole of the settlers bought their stock at peak prices, the returns from such stock only provided sufficient to meet working and living expenses, interest on cost of stock, and rates, leaving nothing for the payments of rents and interest on the cost of the land, more especially where the stock were dry sheep and store cattle.

The question of the postponements of rents and instalments has now become a very serious matter, as every man's position has to be analysed to find out whether he has been working to the best advantage, so that the postponement can be recommended or otherwise. The Land Board, in every case where the settler has worked assiduously and to the best advantage, will recommend a postponement, but in cases where the settler is making little or no attempt to help himself, the Board is of the opinion that it is futile to allow him to remain in occupation.