1922.
NEW ZEALAND.

DEPARTMENT OF LANDS AND SURVEY.

DISCHARGED SOLDIERS SETTLEMENT.

REPORT FOR THE YEAR ENDED 31st MARCH, 1922.

Presented to both Houses of the General Assembly pursuant to Section 14 of the Discharged Soldiers Settlement Act, 1915.

CONTENTS.

SIR,— Department of Lands and Survey, Wellington, 16th August, 1922.

In accordance with the provisions of the Discharged Soldiers Settlement Act, 1915, I have the honour to submit herewith the report of the operations under the Act for the year ended 31st March, 1922.

I have, &c.,
J. B. THOMPSON,
Under-Secretary.

The Hon. D. H. Guthrie, Minister of Lands.

REPORT.

WHEN the Discharged Soldiers Settlement Act, 1915, was passed and came into operation the following year, it provided that Crown and settlement land should be set apart for occupation by discharged soldiers, and that advances should be made to enable them to improve and utilize their holdings. The various amendments to the Act, particularly that of 1917, extended the Government's policy and authorized advances being made to discharged soldiers to enable them to purchase farms, develop same, pay off mortgages on land held by them, and to purchase or erect houses for their personal occupation. Moreover, the scope of the Act was widened, and not only did it apply to members of the Expeditionary Forces who had left New Zealand and served abroad, but many of its privileges were extended to members of the Expeditionary Forces who were in camp at the time of the Armistice, or who had been classed medically fit for active service and served in a training-camp. It will thus be seen that the Government undertook obligations towards a very large section of the community.

To completely fulfil all the requirements of the many entitled to apply necessarily involved very large expenditure by the Government, which, however, grappled with the problem in a whole-hearted manner. Land has been set aside from time to time, and up to the end of last year 1,367,761 acres of land had been proclaimed under the Act. Many discharged soldiers took advantage of the opportunities afforded them of selecting land under the liberal tenures offered, and on the 31st March last 3,014 selectors were holding 1,440,343 acres under the Act, whilst a further 1,799 held 1,748,354 acres taken up under the Land Act or other Acts. Owing, however, to the lessening demand for land by discharged soldiers, it has been found necessary to revoke many of the Proclamations setting land aside solely under the Discharged Soldiers Settlement Act, and to reopen the land under the Land Act for application by the general public, discharged soldiers having preference when applying.

Besides those who took up land in this manner many availed themselves of the opportunity of buying land by means of an advance from the Government, and at the end of last year advances had been authorized to 5,443 discharged soldiers to enable them to acquire holdings of their own. As was only to be expected, a very large proportion of soldier applicants desired to acquire or erect residences in towns where their work was, and at the same date authorities had been issued to 10,789 persons for this purpose.

Another phase of the Department's activities was the making of advances on current account for the purchase of stock, machinery, tools, seeds, &c., and for the erection of farm-houses and other buildings. Sums amounting to £3,908,852 have thus been authorized to 9,308 soldiers, most of whom are included in the foregoing figures dealing with soldiers on the land.

These have briefly been the operations under the Discharged Soldiers Settlement Act. Under the Repatriation Act the Government has assisted returned soldiers in other ways, and it may be noted that up to July last 6,288 soldiers were granted loans to establish themselves in business, while 14,865 received assistance to purchase tools, furniture, &c. A further 7,483 were granted sustenance allowances whilst learning trades or professions; transportation was given to 3,252; and unemployment sustenance was granted to 1,123 others. In addition 27,658 were placed in employment.

Special attention is directed to the fact that those soldiers who purchased town and suburban residential properties have mostly been in a position to meet their obligations. They have, as a rule, been in steady employment, and as their instalments are mostly payable monthly the majority have met their liabilities promptly, and there is no reason to anticipate much loss under this heading. In the course of their work they are frequently compelled to move from one town to another, and before doing so to dispose of the properties acquired under the Discharged Soldiers Settlement Act. The fact that in most cases of transfer a goodwill has been paid for the property shows that advances were made on good security, the margin of which will increase as the instalments of purchase-money are paid off. In the cases where houses have been obtained, and the Department has had to resell, it has generally been able to do so at a price sufficient to cover the advances. It will be seen, therefore, that the Government's policy of granting loans to soldiers to buy and erect houses in towns and suburban areas has been productive of good results.

Lands opened and available.

Owing to the restricted demand by discharged soldiers during the year, the area offered for selection showed a considerable reduction compared with the previous year.

An approximate area of 65,000 acres was opened with selection restricted to returned men. The demand was very poor, much of the land offered not being applied for at all, and, in order to prevent as much loss as possible, the bulk of the sections, which had previously been set apart for soldiers only, were opened for general application. Where this was done, preference was always given at the ballot to any discharged soldier who cared to apply.

The principal settlements and blocks which were offered to soldiers only, during the year, were as follows; but in addition to these a large number of scattered sections, totalling some 18,085 acres, were also opened for soldiers:—

North Auckland: Thirteen sections in Motutara Settlement (2,562 acres).
Auckland: Thirteen sections in Reporoa Settlement (3,215 acres); fifteen sections in Hikuai Settlement (2,014 acres); seventeen sections in Orongo Settlement (825 acres).
Hawke's Bay; Three sections in Te Reinga Block (1,599 acres).
Taranaki: Three sections in Katikara Settlement (327 acres).
Wellington: Seven sections in Haunui Settlement No. 2 (347 acres); four sections in Pitt Settlement, and one section in the Waddington Settlement (20 acres); nine sections in Almadale Settlement (670 acres); one section, Pihautea Settlement (47 acres); eight sections in Wanganui River Trust Block (4,008 acres).
Nelson: Eight sections in Matakitaki Settlement (6,980 acres).
Canterbury: Part of Waitangi Run (21,200 acres).
Otago: Five sections in Kelso Settlement (723 acres); fourteen sections, Pukeawa Settlement (2,737 acres).

It is expected that with reasonable recovery in prices of our farming products the demand for Crown land will again become active; but with the large area now available there should be no difficulty in satisfying the requirements of discharged soldiers who eventually intend to go on the land. The opening of several large runs is being postponed until conditions are more favourable.

Details of the lands allotted are set out in Table 2 appended. Summarized, the result is that during the year 394 holdings, totalling 97,888 acres, were allotted on ordinary and special tenure. The total area set apart for selection by discharged soldiers as at the 31st March, 1922, was 1,367,761 acres. Owing to the decision to open for general application lands for which soldiers had not applied, it was necessary to issue during the year Proclamations revoking the setting-apart of a total area of 101,956 acres of Crown, settlement, and national-endowment lands.

At the present time there are 165 sections available for immediate selection by discharged soldiers, the total area being 24,059 acres. In addition to this there are 427,772 acres of Crown and settlement lands open, and discharged soldiers will have preference in every case where they care to apply.

Discharged Soldiers Settlement Amendment Act, 1921–22.

As the result of experience gained during the administration of the Discharged Soldiers Settlement Act, 1915, and with the object of making provision for contingencies which have recently become apparent, it was deemed advisable to pass the above enactment.

The greater part of this Act—sections 2 to 13—prescribes the procedure to be followed in realizing properties mortgaged under the principal Act, which come into the possession of the Crown through foreclosure. The procedure thereby prescribed is briefly as follows:—

Where, by virtue of a right conferred on him by a mortgage securing moneys advanced under section 6 of the principal Act, or section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, His Majesty acquires the mortgagor's interest in any property so mortgaged, the interest so acquired does not merge in any other interest possessed by His Majesty, but enures as a separate estate or interest. If the latter is freehold the land may be disposed of either on renewable lease for periods of thirty-three years, or by way of sale for cash or on a method of deferred payments for periods not exceeding thirty-six and a half years. If the estate or interest acquired by His Majesty is leasehold administered by a Land Board, provision is made whereby the lease can be transferred on payment of the amount of the Crown's equity in such leasehold interest.

If such leasehold is not administered by a Land Board it may be assigned by His Majesty at a rent to be fixed by the Minister, or an underlease can be granted at an annual rent not less than the rent payable under the head lease, together with a sufficient amount to produce during the term of the underlease or any renewal thereof the amount paid in buying in the head lease together with costs. Such freehold or leasehold interests may be offered by public auction, public tender, or private contract, as may be determined by the Land Board with the approval of the Minister.

Provision is made whereby in special cases such interests can be disposed of to persons who are not discharged soldiers, in which cases the interest on mortgages given as security for unpaid purchase-money is fixed at 5½ per centum per annum instead of 5 per centum as charged to discharged soldiers. Provision is also made whereby, with the approval of the Minister, the Commissioner of Crown Lands is empowered to grant licenses to occupy temporarily any properties acquired as aforesaid by His Majesty which cannot be otherwise readily disposed of.

Section 14 of the Act has been framed for the purpose of placing obstacles in the way of others than discharged soldiers obtaining the benefit of the concessions conferred by the Discharged Soldiers Settlement Act. It provides that no person shall be entitled to convey, transfer, underlet, or dispose in any way of his interest in any land mortgaged under the said Act unless with the consent of the Minister of Lands, and directs District Land Registrars not to register such disposition of lands unless where such consent is previously obtained.

In cases where such interest is disposed of without such consent being obtained the Crown is empowered to call up and compel payment at once of all moneys owing under the mortgage.

Section 15 gives power whereby a deferred-payment license for a term of nineteen years granted under the principal Act can be exchanged for a renewable lease for periods of sixty-six or thirty-three years, as the case may be, thus enabling a discharged soldier to have the benefit of a tenure which will make less of a demand on his present financial resources, and to apply any credit established by his deferred-payment license to the rental reserved by the renewable lease received in exchange.

Section 16 empowers the Minister of Lands to postpone for a period not exceeding three years the due date of any payments by discharged soldiers of instalments of principal and interest due under their mortgages, a concession which is being freely taken advantage of.

Section 17 empowers the Governor-General, by Proclamation approved in Council, to declare that on and after such date as may be therein mentioned such benefits of the principal Act as may be specified therein may be conferred on South African veterans. Owing to the prevailing financial stringency, effect has not yet been given to this provision.

Section 18 provides that in any case where a discharged soldier is the lessee of any reserve, endowment, or other lands of which a local authority is the lessor, such local authority may accept a surrender of the lease, and grant a new lease for the remainder of the term at such reduced rent as it may determine.

Regulations under the Discharged Soldiers Settlement Act, 1915.

During the year several amendments were made to these regulations, the principal provisions being as follow:—

In cases where lands held by discharged soldiers on deferred payments are proclaimed as subject to the provisions of section 127 of the Land Act, 1908, all exemptions from payment of rent thereby granted for periods of two, three, or four years, as the case may be, are deemed to be extended to payments of interest due on instalments of the price during the periods specified in such Proclamation.

The Minister of Lands is empowered, when he is of opinion that special circumstances arising out of the general financial stringency justify such a course, to increase to such amount as he may see fit the maximum amount of £750 or £1,250, as the case may be, that can be advanced to one person on current account, provided that before such additional advance is made an amount not exceeding 75 per centum of the value of the improvements effected by the mortgagor, or not exceeding £250 (whichever is the less), is discharged from the current account mortgage, and a mortgage executed for the amount so discharged. Readvances can then be made against the credit so established.

Where two or more discharged soldiers acquire land, advances may be made to the partners only to the amount that one of them is entitled to receive individually, instead of to the aggregate amount that each would be entitled to receive on a separate holding.

In cases where advances have been made to two or more discharged soldiers as tenants in common, and the interests of one or more of such persons is transferred to one or more of the other partners, power is given by which the liability of any outgoing partner under any mortgage or bill of sale given to the Crown can be apportioned and transferred to the other partners, notwithstanding that the aggregate amount then advanced to those remaining in possession may be in excess of the maximum amount that may be otherwise advanced to discharged soldiers.

In cases where the Minister of Lands is satisfied that a discharged soldier has obtained the fee-simple of land directly as a beneficiary under a deed of gift he may, if he thinks special circumstances render an advance of £900 inadequate for the erection of a dwellinghouse, make an additional advance for this purpose not exceeding £250.

In cases where, upon the acquisition of land for discharged soldiers, the Minister has considered it expedient to carry on farming operations on such land until the time is deemed opportune for placing tenants in possession of their allotments, he may, having regard to the increased liabilities thereby incurred by the Crown, authorize the making of advances to such tenants in excess of the amount that may otherwise be advanced.

In cases where lands with buildings thereon are disposed of under the Discharged Soldiers Settlement Act, and the materials of which such buildings are constructed are of such a nature as to warrant the repayment for same being spread over a period longer than twenty-one years—the maximum fixed by the Land for Settlements Act, 1908—the Minister may authorize the repayment being spread over a period of either thirty years or thirty-six and a half years; and in cases where advances are made for the erection of brick or concrete dwellinghouses on other than rural lands he may approve of the repayment being extended over a period of thirty-six and a half years instead of twenty-five and a half years as fixed by clause 23 of the regulations.

Financial Review.

Loans raised.—The total funds raised for the purpose of the Discharged Soldiers Settlement Account amount to £19,777,680. Of this £4,777,680 was borrowed unde the provisions of the Discharged Soldiers Settlement Loans Act, 1920, which authorized the Government to raise a sum not exceedin £6,000,000. The money was obtained at varying rates of interest, as follows: £250,000 at 4½ per cent.; £2,900 at 5 per cent.; £4,485,780 at 5½ per cent.; £39,000 at 6 per cent.

Advances authorized, &c.—From the inception of the discharged soldiers settlement scheme to the close of the year advances were authorized to 20,392 discharged soldiers, totalled £20,409,571. Of this a sum of £2,467,591 was authorized during the year to 2,539 discharged soldiers. It will therefore be seen that advances have been authorized in excess of the loans raised by £631,891. This was possible by making readvances out of receipts after providing for interest, sinking fund, administration and other charges.

The following statement indicates the number of returned soldiers to whom advances have been authorized, showing under each heading the total amount authorized, advanced, and repaid from the inception of the Act until the 31st March, 1922:—

	Number of Returned Soldiers.	Advances Authorized.	Advances made.
		£	£
Current Account	4,160	3,908,852	3,486,613
Section 2, Amendment Act, 1917—			
Farms, market gardens, &c.	5,443	8,776,534	8,768,847
Dwellings, business premises, &c.	10,789	7,724,185	7,489,490
	20,392	£20,409,571	£19,744,950
Repayment of advances		1,457,659	
Transfers to Realization and other accounts—Securities in course of realization		82,992	
Transfers to Property Account—Securities bought in by the Department on default of mortgagors		32,669	
			1,573,320
Balance out on mortgage			£18,171,630

Authorities issued during Year.—The loans authorized during the year are apportioned as follows:—

	Number.	Amount.
Current Account advances for the purpose of improving and stocking lands	834	702,178
Completion of the purchase of farm properties under section 2 of the Discharged Soldiers Settlement Amendment Act, 1917	112	263,660
Erection of dwellings under the provisions of section 2 of the Discharged Soldiers Settlement Act, 1917	1,593	1,501,753
	2,539	£2,467,591

From the foregoing it will be seen that attention was principally given towards assisting soldier settlers in working their farms and to erect dwellings. Of the sum of £263,660 authorized as advances on farms under section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, a sum of £35,185 was authorized to be applied towards the partial discharge of Current Account loans on the security of the improvements that had been effected by returned soldiers.

With a view to providing more finance and at the same time keeping the limit on Current Account to a definite maximum, the regulations authorized the Current Account to be credited with a maximum of £250, or 75 per cent. of the value of the improvements, whichever is the least, and a table mortgage to be taken for the amount credited to the Current Account. This enabled a number of soldier settlers to get the benefit of readvances against the credit in Current Account, to further improve and stock their holdings.

Curtailment of Loans.—Owing to the condition of the finances before the close of the year ended 31st March, 1921, it was decided that advances to finance the purchase of dwellings already built, and the purchase of single farms and business premises should not be continued, but that efforts should be directed to making advances on Current Account or assisting soldiers with the erection of dwellings and the subdivision of farms.

It was regretted that, owing to the financial stringency that made itself felt throughout the country, receipts from farm properties did not reach as high a figure as might otherwise have been expected, and it was therefore deemed advisable in November last to instruct Commissioners of Crown Lands not to accept any further applications to assist soldiers towards the purchase of building-sites and erection of dwellings thereon, or in the purchase of farms for subdivision. It was unfortunate that the closure had to be applied, but it was arranged that as money became available from time to time urgent and special cases would be considered and dealt with as far as possible.

As a result of the curtailment of operations, attention was confined principally to finance soldier settlers in the direction of effecting improvements, purchasing stock, &c., as well as rendering assistance to T.B., invalided, disabled, and wounded men. Apart from this, however, loans for the erection of dwellings were authorized to eighty-two soldiers, amounting to £78,816, between the date of curtailment and the end of the year.

Receipts and Payments.—The Receipts and Payments Account discloses that repayments of advances during the year amounted to £553,345 12s., or an average of £46,112 per month, while interest receipts total £566,301 13s. 11d., or an average of £47,192 per month. The average receipts for principal and interest throughout the year were £93,304 per month. For the purpose of comparison the figures showing the repayments of advances and interest for the previous year shown hereunder:—

	1921–22. £	1920–21. £
Principal	553,345 12 0	726,172 5 0
Interest	566,301 13 11	434,802 15 6

It will be seen that the receipts for the year are slightly less than for the previous year. The average receipts per month for the year ended 31st March, 1921, were £96,747, or £3,443 per month greater than the receipts for the year ended 31st March, 1922. To some extent the financial stringency influenced receipts, in so far as fewer mortgages were redeemed during the year.

Profit and Loss.—Dealing with the Revenue Account, it will be seen that the loss on the year's operations amounted to £55,380 19s. 11d.; but there was a balance of profit carried forward from the previous year of £12,226 7s. 3d., which leaves a net loss of £43,154 12s. 8d. carried forward. When the loss is viewed from the standpoint of the number of men who have been repatriated by the Department under the Discharged Soldier Settlement Act it will be seen that the cost per man amounts to only £2 2s. 4d., and in this light it cannot be said that the loss is unreasonable. If the country is enabled to repatriate at this small cost it is indeed fortunate.

In any case, losses can hardly be avoided until the last loan (of which £4,777,680 had been raised) has been repaid. As this loan was raised at rates of interest varying from 4½ per cent. to 6 per cent., and the rate of interest charged on instalment mortgages is 5 per cent., reducible to 4½ per cent. for prompt payment, it will be seen that this leaves no margin to cover administration expenses, depreciation, and losses which must arise. As a matter of fact, over £4,500,000 of the loan has been raised at 5½ per cent. and over. On this portion of the loan the Discharged Soldiers Settlement Account must lose from ½ per cent. to 1 per cent. always according to whether investments are on Current Account or instalment mortgage, and payments on the latter are made to ensure rebate being granted—interest being at 5 per cent., reducible to 4½ per cent. for prompt payment.

The Revenue Account provides for depreciation of plant, supervision, management expenses, losses on live and dead stock, and the realization of securities. In addition to this the sum of £10,149 9s., representing portion of the expenses incurred in the realization of Reserve Fund securities in London, and exchange on the remission thereof to New Zealand, has been provided for. A proportion of the expenses of realization of Reserve Fund securities, &c., is written off the Revenue Account each year.

The amount charged against Revenue Account for valuation expenses, £12,279 8s. 10d., is the excess of the cost of obtaining valuation reports over the fees deposited. It has been found that fees received from applicants do not cover the cost of valuations. However, this expense will be steadily reduced from now on, because of the reduction of operations under section 2.

Percentage of Administrative Costs and Losses.—The following table shows the percentage of administration expenses and losses to capital invested and to revenue earned respectively:—

	Percentage to Capital invested (£18,113,156).	Percentage to Revenue earned (£839,595).
Cost of administration, &c. (£44,266)	0·244	5·272
Losses on realization (£6,463 8s. 1d.)	0·036	0·769
Nett loss on Revenue Account (31st March, 1922, £43,154 12s. 8d.) ..	0·238	..

It is considered that the above percentages show a very satisfactory position.

Balance-sheet.—The balance-sheet shows that the amount outstanding on mortgage was £18,113,156 3s. 11d., to which must be added the instalments of principal in arrear, £54,492 16s. 9d., and the instalments of principal postponed, £3,980 16s. 8d., making a total of £18,171,629 17s. 4d.

As it is only to be expected, the Department experienced considerable difficulty in keeping arrears down to a minimum, and in a number of cases temporary relief was given by way of postponements of instalments or interest. When it is considered that several large lending concerns, whose business is administered by men of undoubted ability, did not foresee the extraordinary slump in prices and were caught in the tide of economic depression, the Department might well be congratulated on the handling of the soldier-settlement policy. Every effort has been made to maintain the financial position and at the same time give soldier settlers every chance to establish themselves.

Arrears and Postponements.—The question as to whether arrears might be capitalized has received serious consideration, but there is little doubt that where lands have been bought at high prices an additional increase in the capital involving increased annual charges would impose an extra burden on each man difficult to overtake. Where lands have been bought at reasonable prices and settled at reasonable rents capitalization may be justified.

Postponements of instalments of principal and interest in force amounted to £26,470 1s. 8d., while arrears totalled £385,844 12s. 6d. A careful analysis of the recommendations for postponements submitted from the various Land Boards discloses that the reasons for the inability of mortgagors to meet payments may be attributed to—(1) Low prices of farm-products; (2) inexperience in farming; (3) poor classes of cows owned by a number of settlers; (4) the running-out of pasture, with inability to replenish it out of diminished income; (5) prevalence of twitch and couch-grass, involving large expenditure in eradication of same; (6) insufficient working capital.

In regard to postponements resulting from the low price of farm-products, statements submitted show that where the land is in good heart, and stock is in good order and well cared for, there is every prospect of overtaking the postponements within a reasonable period—that is, provided prices are maintained at a remunerative figure. In many instances it has been found that notwithstanding the diminished income it would have been possible for the settlers to have paid a reasonable portion, if not the whole, of their dues to the Department, but the earnings have been expended in the direction of further improving their properties and stock.

Settlers' Present Difficulties.—With regard to the men who upon examination appeared to the Land Boards to be experienced in farming, but whose subsequent farming methods proved them inexperienced, the majority have now purchased their experience largely by the unprofitable investment of capital. This, combined with the low prices of farm-produce, has placed them in the position they now find themselves; but those men who are now proving their worth by the adoption of more improved farm methods deserve every encouragement and assistance. In their case arrears have mounted up and relief should be afforded, but not by means of capitalization unless the land can possibly stand such.

In many instances the poor class of cows owned by a number of the settlers is largely responsible for diminished returns, but it is pleasing to note that these men realize the fact that they must cull and sell the useless animals and replace them with better beasts. Owing to the rapid extension of the dairying industry resulting in increased demand for good dairy stock, it has been impossible for all settlers to begin thoroughly equipped with good milch-cows. In some cases overstocking has been the cause of failure, and Supervisors and Rangers have instructed men to get rid of the surplus stock with a view to obtaining better results. It is hoped that by paying attention to the advice given the majority of these settlers will pull through within a reasonable period—that is, provided prices return to normal.

The running-out of pastures has been a source of anxiety to the Department and to the men themselves. This more particularly applies to farms financed under section 2, which the men acquired in anticipation that they were taking over going concerns that needed only stocking up. It has been found that the pastures of a number of these properties have almost run out, and that much capital must be expended to make them revenue-producing. With the limited amount that may be advanced under the regulations covering improvements, building, fencing, and stock, settlers find it difficult to obtain sufficient capital to renew the pastures. During such period of renewal properties cannot carry sufficient stock, and what stock is carried does not give satisfactory returns, and expenditure exceeds income. Most of this expenditure is of a capital nature, and while revenue is low there is no surplus, after meeting the ordinary farm expenses, that may be applied to renewal of pastures, unless with the aid of postponements of instalments, &c.

Should these lands require fairly frequent manuring, it is obvious that settlers must be in a position to reserve a certain portion of their annual income for this purpose, but before being in such a position they must first obtain income, and they cannot obtain it unless the pastures are first put in order, enabling them to increase and maintain their herds and flocks, as they should be kept.

In some districts a large number of properties which were looked upon as being in fairly good condition when the loans were recommended by valuers and the Board have turned out to be considerably affected with twitch and couch-grass, resulting in poor crops and the necessity for the expenditure of a large amount of capital in the eradication thereof.

It is frequently reported that pastures have run out or did so shortly after acquisition by the Government, and it is submitted that in many parts of New Zealand grasses run out every five years, which means that a good farmer, once he is established and obtaining good results, must make provision for renewal of pastures. The proper rotation of crops requires careful attention, and the failure to give due regard to this aspect of the case results in gradually diminished returns.

Generally it is considered that, with a normal market which would place settlers in a position of being able to provide for the renewal of pastures and the culling out of unprotable stock, there is every reasonable chance of the majority of those now in difficulties being able to make a success of their properties and becoming contented settlers. Those men who suffered through inexperience have now bought sufficient experience to carry them through, and, except for a few who would be doomed to failure in almost any walk of life, they should be successful.

Property Account.—With regard to the sum of £32,669 6s. 10d. standing to the debit of Property Account, this represents the reserve price placed on properties which have been put up for sale and bought in by the Department. Some of these have already been disposed of, while others have been leased temporarily pending a more favourable turn of the market.

Realization Account.—The sum of £80,121 17s. 7d. shown as a charge on the Realization Account represents properties which have been abandoned and regarding which instructions have been issued for sale. These properties will now have been put up for sale, and either purchased by the highest bidder or bought in by the Department in the event of the reserve price not having been reached.

Interest paid on Debentures.—It may be mentioned that the Discharged Soldiers Settlement Account paid the sum of £858,557 as interest on debentures during the year. Most of this was paid to the Consolidated Fund as interest on the moneys transferred from the Reserve Fund securities which have been invested in the Discharged Soldiers Settlement Account.

Release of Liens over Wool.—Owing to the financial stringency it was decided to release the Department's liens over the wool-clip for the 1921-22 season on the same conditions as releases were granted during the previous season. This enabled woolgrowers to obtain accommodation from woolbrokers against clips, to enable them to obtain the necessaries of life and carry on their farming operations to a limited extent. Unfortunately, some of the brokers did not respect the object of the release of the liens, and took advantage of this concession by trading in a general way, often resulting in the sale of plant and material quite unnecessary for the properties, more particularly at a time when the utmost economy should be exercised in farm management.

General.—It would not be out of place to stress the point that although advances were not made at the same rate as in the preceding years, yet the problems confronting the Department in the administration of the business already established were very much more difficult to handle and satisfactorily settle than during the time of plenty. It has been sometimes urged that because advances have diminished, the work of the Department has decreased likewise; but it cannot be too strongly emphasized that the work of any concern or organization allied closely with economic conditions is frequently much greater when attending to the business already established than the actual establishment of such business, more especially when passing through a period of financial stress.

It is submitted that the operations on the Discharged Soldiers Settlement Account for the year under review can be regarded as satisfactory. The markets were, of course, in a state of chaos for practically the whole year, affecting not only discharged soldiers but the general farming community, and it is only to be expected that the arrears due by mortgagors would be large. However, the losses which have been disclosed are considered to be small when it is remembered that practically £20,000,000 is involved.

In conclusion, it is suggested that although a loss on the account has been made, it is, in reality, only the taxpayer's contribution towards the repatriation of soldiers settled on the land, and, as before stated, this amounts to the small sum of £2 2s. 4d. per man settled.

Summary.—A summary of the important points is as follows:—

	£
Loans raised ..	19,777,680
Balance outstanding on mortgage, 31st March, 1922 ..	18,113,156
Arrears—	
Instalments of principal ..	54,493
Interest ..	331,352
Postponements—	
Instalments of principal ..	3,981
Interest ..	22,489
Loss on realization of securities ..	6,463
(which is 0·036 per cent. of capital invested, or 0·769 per cent. of revenue earned.)	
Administration expenses, &c. ..	44,266
(which is 0·244 per cent. of capital invested, or 5·272 per cent. of revenue earned.)	
Net loss on Revenue Account to 31st March, 1922 ..	43,155
(which is 0·238 per cent. of capital invested, and represents a cost of £2 2s. 4d. per man settled.)	
Advances paid out during year ..	3,473,163
Repayments of advances during year ..	553,346
Interest received ..	566,302
Interest paid by Discharged Soldiers Settlement Account on loans raised ..	858,557

Accounts.—Statement of accounts attached to this report discloses the extent of the financial authorities issued and the actual transactions on the Discharged Soldiers Settlement Account.

APPENDIX.

REPORTS OF COMMISSIONERS OF CROWN LANDS.

NORTH AUCKLAND.

(R. P. GREVILLE, Commissioner of Crown Lands.)

OWING to the great slump in stock and dairy-produce, all the soldier settlers have had a trying time during the past year, and there has been a great increase in the number of applications made for a postponement of rent and interest on advances. A report on each application is obtained from the Crown Lands Ranger, Supervisor, or Local Valuer, and each case is carefully considered by the Land Board and decided on its merits. In the majority of cases coming before the Board a postponement is recommended, but in cases where the position is hopeless on account of the ineptitude or disability of the applicant the Board decides to realize on the security, or advises the applicant to arrange for a transfer: the policy followed being to help every man who shows any disposition to help himself. In regard, however, to the man who will make no effort to help himself, there is no alternative but to take the property over from him. In the first place he probably received an advance representing the full value of the land at a time when values were high; he may have paid no interest at all, and has allowed the place to go back. For the past six months there has been an average of about forty applications for postponement at each monthly meeting of the Board.

Applications under Discharged Soldiers Settlement Act.

The number of applications for financial assistance under the above Act was 2,117. Of these, 1,477 were recommended for the approval of the Minister. The applications comprised 118 for the purchase of farms, 674 for the erection of houses, 231 for the purchase of houses, 454 for the purchase of stock, implements, &c. The total amount authorized for the year was £783,161, of which £150,653 was on current account.

The handling of the farm properties, and dealing with applications for advances on current account, have made it necessary for the Land Board and staff to exercise the greatest care in dealing with each application. In order to be able to come to a right conclusion in each case it is necessary to consider the whole financial position of the applicant. This generally necessitates an inspection of the farm, stock, and implements, and a report on the capability of the applicant as a farmer and his prospects generally. Many cases present great difficulties, and it is sometimes a matter of doubt whether the best course is to recommend the advance or to refuse it and have to face the probability of having to take over the property later on.

It is pleasing to say that in the majority of cases the soldiers are using their best endeavours to make a success of their farms. There are several instances, of course, where the men have not "played the game," but this was bound to happen in dealing with so many.

Up to the end of the year 1,053 farms had been financed under section 2 of the Act. Owing to various causes, thirty-two of these properties have had to be taken over by the Department. Since that date, however, six of the properties taken over have been again disposed of. In two cases no loss was sustained; in three cases we lost a part of the interest owing, and in the last case the interest owing and 8½ per centum of the amount advanced. There is good reason for believing that there will be no serious loss on the abandoned farms beyond the loss of interest by the soldier at the date of giving up possession. In a few instances, however, where properties were overvalued at the time of purchase, either from incompetence on the part of the valuer or otherwise, a percentage of the amount advanced may have to be written off. Three of the properties taken over have been subdivided into an average of three allotments each, which will result in our being able to place nine settlers where there were only three in the first instance.

Up to the 31st March 2,916 houses had been purchased or built, and only one property had fallen back into our hands, and this has since been disposed of on satisfactory terms. The money advanced on houses is secured by instalment mortgages with terms of repayment up to twenty-six years, varying according to the probable life of the building. The regulations originally provided for half-yearly payments of instalments, but early in 1919 it was deemed prudent to stipulate that all payments should be made monthly. The consequence is that nearly all payments on house properties in this district are made monthly.

General Conditions of Settlements.

Koremoa Settlement, Northern Wairoa District: There is still one vacant section on the above settlement. The settlers are reported to be doing good work, but it will be some time before the gum-land portion of this settlement will be productive. Two years' remission of rent to each settler with a gum-land section should help to tide over the period.

Puni Settlement, near Pukekohe: Great improvement has taken place on this settlement during the past year. Large areas of ground have been cleared, stumped, and ploughed, and the settlers are now comfortably housed, and with one exception are doing very well. Their returns for the season have not been very great, and postponements of rent have had to be granted in the majority of cases.

Waari Hamlet, near Auckland City: There is still a large number of vacant sections in this hamlet, and it is proposed to have the balance unlet withdrawn from soldier selection and reopened for general application. As these sections are within the Auckland suburban radius and are reasonable in price they will no doubt all be taken up before very long.

Remuera Settlement, near Ohaeawai, Bay of Islands: Good progress has been made by nearly all the settlers during the year. The settlement is now getting well established. About 30 chains of new road was constructed. The benefit of the lowering of Lake Omapere is now being felt by those settlers occupying the sections on the lake frontage. There are still three vacant sections on the settlement, which should be selected at any time.

Pakaraka Settlement, near Kawakawa, Bay of Islands: The settlers on this settlement have done as well as could be expected during the past year. More provision than usual has been made for the winter feed. The gorse on this settlement is its greatest drawback, and arrangements are being made to cope with this difficulty.

The Te Pua, Upokonui, and Puketi Settlements are comparatively new. The settlers, however, are shaping well, and have reasonable prospects of "making good."

Waimata Settlement, near Dargaville: The settlers on this block have continued to do very good work. The low price of wool has been a very severe handicap. This settlement is looked upon as being one of the best purchases made by the Government in this district.

Streamlands and Waiteitei Settlements, near Wellsford: The settlers here are still having a very hard struggle. Considerable improvements have been made on both settlements during the past year.

Motutara Settlement, near Waimauku, in the Helensville district: This is a new settlement, opened for selection during the year. Only two sections now remain open for selection. The soldiers are of a good type, and should do well. Feed is in abundance all over the settlement. A great deal of alteration to the buildings has been necessary, and the settlers are now established in their permanent houses. The reputation of this land has been kept up by the soldiers in the fattening of sheep and cattle.

Auckland.

(H. M. Skeet, Commissioner of Crown Lands.)

General.

The conditions of the past season, which have tested the positions of many established and experienced farmers, have been specially trying to most of the soldier settlers, whose positions had not been sufficiently consolidated to meet such conditions. Although some of them have now been in occupation for four years, the intervening seasons have not been of an entirely favourable character, and have, moreover, in many cases been devoted to the improvement of pastures, the erection of buildings, the development of a dairy herd, and the many other channels of expenditure involved in the creation of a new individual farm. The majority of the soldier settlers are engaged in dairying, and many of them had anticipated that the past season would have enabled them to commence in earnest the reduction of payments which to some extent accumulated during the period of preparation. The low scale of payments made by dairy companies during most of the season has disappointed these expectations, although the bonus payments, which it is hoped will be of a substantial character, should relieve the position.

The majority of the soldiers are doing very good work on their holdings. A minority—who are, fortunately, a comparatively small proportion—appear to regard the land-settlement scheme as a pension arrangement to be used to the fullest possible extent as long as further moneys can be borrowed from the State, and abandoned when these cease or conditions develop less favourably than might have been anticipated. With such men it is a frequent excuse that they cannot succeed on the lands which "the Government placed them on," regardless of the fact that in many cases they selected their own properties.

It is evident that with no prospect of butterfat returning to the high level of the war period dairy-farmers will need to adopt improved methods for increasing their returns, and the soldier settlers, if they are to succeed and pay their way, must share in those methods.

The principal points needing special attention are the improvement of pastures and of cows, and greater attention to the growing of forage and root crops, and the better feeding of dairy cows all the year, but especially in winter. In a great many cases it is quite clear from the returns received from soldier settlers that cows are being kept which are mere "boarders," and are not giving returns adequate to the cost of the pasture—which includes the cost of the land—on which they feed. The average return per cow for the Dominion shows how far we are below the methods of other countries with which we are competing in the world's markets, our inferior record in this respect having probably been aggravated by the speculative conditions of recent years, since those who bought farms merely for resale would not devote time and money to building up a dairy herd. There appears to be urgent need for some standard system of grading dairy stock which will prevent the sale or perpetuation of the inferior stock which are now much too prevalent. As regards the feeding of dairy cows, the lax methods that too often prevail are probably due in part to the genial climate of the district, which apparently renders special feeding unnecessary and seems to justify a certain laziness and lack of method in the provision made for dairy stock. There is, however, ample evidence to show that even in the climate of the Auckland District dairy stock cannot be kept at their best standard of production without special feeding, which would yield handsome returns to the dairyman.

Dairy orders have during the past season been utilized in many cases as a means of keeping down current liabilities. Partly owing to the small advance payments made by the companies, the results have been disappointing. I regret to observe that there is an unwillingness on the part of certain companies to assist their suppliers by giving full effect to such orders.

Lands selected.

The total number of holdings of Crown and settlement lands selected by discharged soldiers during the year was 115, comprising an area of 18,674 acres, and at the close of the year the total number of such holdings occupied by soldiers was 935, with a total area of 251,531 acres. The larger portion of the new selections during the year consisted of settlement lands, two new settlements, one at Hikuai on the east coast of the Hauraki Peninsula and one on the Rangitaiki Plains in the Bay of Plenty, having been made available, while additional areas in the Orongo Settlement on the Hauraki Plains, and in the Reporoa Settlement near Rotorua, were offered as the preliminary works advanced sufficiently to enable the lands to be occupied.

Revenue and Advances.

The total receipts during the year for credit of the Discharged Soldiers Settlement Account were £127,701, the principal items consisting of repayments and interest on farm properties purchased, £39,777 ; on house properties, £25,951 ; and on current-account advances for stocking and improving farms, £36,280.

The advances paid out during the year amounted to £509,734, the principal items being—for purchase of farm properties, £95,234 ; for erection of houses, £170,035 ; and on current account, £239,966.

The total advances outstanding at the close of the year were—On farm properties, £1,271,019 ; on house properties, £463,442 ; and on current account, £649,155.

Although the volume of advances shows a considerable decrease for the year, owing to the suspension of purchases of farm properties, the continuation of advances on current account has represented a substantial volume of work, which is indicated by the fact that the number of vouchers put through for the year was 7,246, as against 7,086 for the previous period, payments under current account, although involving much smaller aggregate amounts, representing a very much larger amount of work in examination and verification of invoices, &c., than in the case of payments for purchase of properties.

A feature of the work during the latter part of the year has been a large number of applications for postponements of payments on instalment mortgages of farm holdings, the restricted returns for all classes of farm-produce having rendered it impossible for settlers to meet their half-yearly instalments. All the cases submitted received careful investigation and consideration before any recommendation was made.

General Condition of Established Settlements.

The following remarks deal briefly with the condition of the principal settlements, both on purchased and Crown lands, within the district:—

Reynolds Settlement, near Cambridge: Eleven holdings occupied by discharged soldiers and seven by civilians. Holdings average 65 acres each. Established June, 1916. Lessees dairying; well established and successful.

Taniwha Settlement, near Te Kauwhata: Eight holdings occupied by soldiers and two by civilians. Holdings average 55 acres each. Established December, 1916. Lessees dairying; holdings well improved; prospects good.

Tapapa Settlement, near Hinuera: Ten holdings, all occupied by soldiers; average, 104 acres each. Established June, 1917. Lessees doing good work renewing pastures and improving their holdings; dairying; prospects good.

Pakarau Settlement, near Morrinsville: Twenty-three holdings, all soldiers; average, 118 acres each. Established December, 1916. Good work done; holdings generally well improved, pastures renewed, and dairying-capacity increased. Substantial goodwill value in sections.

Mangateparu Settlement, near Morrinsville: Fifty-five holdings, all soldiers; average, 77 acres each. Established March and September, 1919. Majority of settlers doing excellent work, carrying on dairying. Have suffered from dry seasons, but settlement in good heart, and ultimate success assured.

Hukutaia Settlement, near Opotiki: Twenty holdings, all soldiers. Established July, 1919. Holdings average 94 acres each, and are used for dairying and mixed farming, and one apiary-site. Holdings of good quality; mostly well improved, and holders thoroughly established, with good prospects of success.

Te Miro Settlement, near Cambridge: Established February, 1918; thirty-one holders, all soldiers. Average size of holdings, 196 acres; dairying and mixed farming. Progress of settlement retarded by difficulties of access, rabbits, unsuitability of some of selectors for successfully handling their holdings, and withholding of dairy-bonus payments. Those of the original selectors who have retained their holdings have developed them well, and, with more favourable financial conditions, should succeed Unsuitable selectors are being gradually replaced by others better qualified. The settlement has good prospects of ultimate success, but its difficulties have been unusually acute, and the effects will be felt for some time.

Matuku Settlement, on the Rangitaiki Plain: Established 1919 and 1920. Eleven holdings; average, 92 acres. With exception of two or three rather wet sections, holders are dairying and doing well; others will require time, but prospects good, and success of whole settlement well assured.

Waiare and Hereford Park Settlements, near Te Puke and Pongakawa, Bay of Plenty: Four holdings each; former average 109 acres, latter 354 acres. Former dairying; only difficulty water-supply, now under consideration; prospects good. Latter grazing; prospects at present not very satisfactory.

Horahora Settlement, near Cambridge: Established June, 1919. Ten holdings; average, 170 acres; dairying and mixed farming. Good holdings, being developed and worked satisfactorily. Success assured.

Horahia Settlement, on Hauraki Plains: Established September, 1919, purchased for six applicants who selected. Holdings average 65 acres; dairying; improvements satisfactory, sections well worked, and prospects good.

Apata Settlement, near Tauranga: Established October, 1919. Eight holdings; average, 125 acres; used for dairying and mixed farming. Progress has been slow, and success not yet assured, but holdings are being well developed, and prospects appear satisfactory.

Puahue Settlement, near Te Awamutu: Established December, 1919. Twenty sections; average, 162 acres; dairying and mixed farming. Making good progress, and prospects satisfactory.

Tahaia Settlement, near Otorohanga: Established February, 1920. Eleven holdings; average, 72 acres. Improvements satisfactory. Land requires draining and sweetening. Settlers dairying, with good prospects of success.

Rangitaiki Settlement, near Thornton, Rangitaiki: Established May, 1920. Six holdings; average, 25 acres; small farming. Rich alluvial land, holders doing good work; prospects satisfactory.

Reporoa Settlement, near Waiotapu, between Rotorua and Taupo: Portions offered at various dates since May, 1920, as drainage-works progressed. Twenty-six sections are now held by soldiers. Lessees doing very good work, holdings well improved, and dairying being carried on with success. Prospects appear satisfactory.

Otamarakau Settlement, near Te Puke, Bay of Plenty: Established August, 1920. Eight holdings, average 63 acres, and are used for dairying. Good progress being made, holdings being improved satisfactorily, and dairying carried on. Prospects of success good.

Orongo Settlement, at the mouth of the Waihou River opposite Thames, and practically forming part of the Hauraki Plains: The first portion was offered in September, 1920, and other portions have been offered since, as the drainage and cultivation works progressed sufficiently to enable the areas to be occupied. Twenty-seven sections, averaging in size 45 acres, are now held. On the sections which have been held longest very satisfactory progress has been made, and the settlers are in a fair way to being well established. A good start is being made on the more recent selections.

Kopuku and Kopuku No. 2 Settlements, near Mercer: Fourteen sections, averaging 115 acres each. Established December, 1920. Good swamp and undulating land, suited for dairying, which is being carried on with fair success. Satisfactory progress being made.

Pukemapou Settlement, about fifteen miles south from Te Awamutu: Established February, 1921. There are twelve sections, averaging 93 acres each, eight of which are occupied. Dairying is carried on, and very fair progress has been made.

The Hikuai Settlement, near Tairua, on the east coast of the Hauraki Peninsula, was opened in October, 1921, fifteen sections, containing 2,013 acres, being offered for soldiers, and four sections, containing 5,115 acres, for civilians, two of the latter, comprising 4,392 acres, being unselected. The whole of the former, which consists mainly of alluvial flats and easy undulating country, are well adapted for dairying, and with the establishment of a factory, which is now in contemplation, excellent success should be assured. The buildings on the settlement, which were extensive and of good quality, are being used for the erection of the soldiers' dwellings and outbuildings.

The small settlements, Ngahinapouri, Mangaotama, Kaipaki, and Whatawhata, comprising in all fifteen sections of dairying-land within easy distance of Hamilton, and the Tainui Settlement, near Tahuna, consisting of three sections of good grazing-land originally in bush, are all developing well, and their prospects are good.

Of the settlements established on undeveloped Crown land the principal are,—

The Tuhua Block, near Taumarunui, established September, 1918, comprising fifteen sections, averaging about 100 acres each, and six small holdings of about 10 acres each; originally bush land from which the milling-timber had been removed. The settlers have done good work, and are now dairying; improvements generally satisfactory and prospects good.

The Ongarue Block, situated north of the preceding, established August, 1920, and consisting of fifteen sections, averaging about 550 acres each. These comprise undulating to broken grazing-country, a considerable portion in bush carrying milling-timber. A mill is being established for the working of the timber, which will be of considerable assistance to the settlers. They are of a good type, and are making satisfactory progress in clearing, grassing, &c.

The Moerangi Block, situated between Te Awamutu and Kawhia, originally established August, 1914, comprises forty sections, averaging nearly 700 acres each, of which fifteen are occupied by discharged soldiers. Mostly rough broken land of good grazing-quality, in bush. The past season has not been satisfactory for bush-burns, but very fair progress has been made.

The Matamata North or Wairere Block is situated near the railway adjoining the Matamata Settlement. This was offered in two blocks in October, 1918, and October, 1920, fourteen sections being held by soldiers and five by civilians; holdings average about 70 acres. It is of good level land, of quality similar to Matamata; parts were in large gorse and ti-tree, involving considerable expenditure in clearing and grassing, but being situated close to a factory presents excellent facilities for dairying. Up to the present returns have, of course, been very limited, but excellent development-work has been done, and good returns should be secured in the near future.

On the Hauraki Plains there are fifty-one holdings, offered for discharged soldiers only in December, 1919, and July, 1920, the average size of the holdings being about 95 acres. Some of the sections are already giving good results from dairying, but there are a number of peat sections which will require several years of development before adequate productive capacity can be reached. Most of the settlers are doing good work in this direction, but time is essential to the success of their efforts, and only limited returns can be expected meanwhile.

The Manawahe Block is situated to the north of Lake Rotoma, and comprises twenty-one sections, averaging about 350 acres each, which were opened in May, 1920. This is undulating and hilly country, parts carrying bush, only a very limited portion of which is suitable for milling. Very fair progress has been made in grassing, fencing, and other improvements.

The general remarks already given will apply to the scattered Crown leaseholds throughout the district, as well as to the separate farm properties purchased for individual soldiers, and held subject to mortgages to the Department. The large half-yearly payments involved in these cases have, of course, caused special difficulty with the extremely limited returns received, but there is no reason to suppose that the difficulty is more than a temporary one which can be overcome by systematic working and development of the holdings to their fullest productive capacity. It is, of course, recognized that in the working of the soldiers-settlement scheme a proportion of the settlers, lacking either previous experience, energy, or adaptability, will seek other channels of occupation, but there are good grounds for anticipating that when present difficulties have been overcome the net gain to the district will be a large number of useful and successful settlers.

Hawke's Bay.

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

The aggregate area opened for selection during the year under the Discharged Soldiers Settlement Act, including two new settlements (Glencoe and Wharekaka) purchased under the Land for Settlements Act, was 4,972 acres.

Wharekaka Settlement, containing 778 acres, subdivided into fourteen allotments for dairying purposes, all of which were selected when offered, comprises first-class land, situated at Tolaga Bay, and has every prospect of being a successful settlement. The Glencoe Settlement, on the Gisborne plains, containing 477 acres, subdivided into ten allotments, was offered in October, when dairying prospects were bad, with the result that only four allotments were selected. There is little doubt the remainder will go off as the outlook improves, the land being of first-class quality and within ten miles of Gisborne. The total area acquired by discharged soldiers and still held at the close of the year was 208,890 acres, representing 484 separate holdings. The total amount of advances paid out to, or on account of, settlers for stock and improvements during the year was £109,165.

There is evidence of splendid progress being made in most of the settlements in the matter of substantial and up-to-date improvements, the value of which, as borne out by the periodical reports submitted by the Supervisor and Crown Lands Rangers, is a great deal in excess of actual statutory requirements.

While the foregoing remarks apply to the majority of the discharged soldiers, especially those who hold leases direct from the Crown, there is a minority, mainly amongst the number assisted financially to acquire freeholds and leaseholds under section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, who, owing chiefly to lack of experience, of energy, and of perseverance, have become disheartened through the slump in prices and the drop in profits, and show a disposition to abandon their holdings. Generally speaking, the Crown's security in such cases in the land is ample, the balance of the purchase-money being secured under a second mortgage, given in most cases to the vendor. Any abandonment of holdings under the circumstances will react on the second mortgagee, who it is believed in most cases will endeavour to finance the matter in such a manner as to repay the advances due to the Crown and take over the security in order to safeguard his interests. The Crown's loss in these cases will be represented solely by the difference in price paid for the stock at the time of the advance under current account and the prices prevailing at the time of foreclosure and realization, with any deficiency in the numbers of the stock secured by the Crown's bill of sale.

The amount of rents postponed on soldiers' holdings is very high, but the concessions have been absolutely necessary and must be continued for some little time yet. The further postponing of recurring amounts is apt to make the office book-keeping very complicated, and to keep the selector in a constant state of uncertainty as to his standing. When times are better it may be advisable to consolidate the outstandings of those who, by their efforts, deserve success, and postpone the totals for a fixed term of years, even at a nominal interest, and eliminate those settlers whose records are too unsatisfactory. Recent legislation contained in the Discharged Soldiers Settlement Amendment Act, 1921–22, providing for the postponement of instalments of principal and interest of moneys advanced under section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, should prove of material mutual advantage to such selectors as are only temporarily embarrassed and to the Crown in its position as mortgagee.

Taranaki.

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

Only one settlement for discharged soldiers, comprising three sections, of an area of 327 acres, has been acquired during the year, and on being balloted for two sections were taken up, whilst the remaining one has since been selected. Of the purely discharged soldiers settlements, Parkes Estate may be given pride of place, and even under existing conditions has a very fair equity. Most of the other settlements are being nursed, and there is no doubt run-out pastures are as much the result of this as the decline in price of products. It is my aim—assisted by the Supervisor—to bring these back to a more satisfactory footing, but conservative advances only can be made. I have had in many cases to recommend payment for manures and seeds to provide winter feed, otherwise the Crown's interest in the stock security would be seriously imperilled. Under ordinary circumstances and with better prices this would have come under general farm-management, to be paid for by the selector out of his takings. I am pleased to note, however, the despondent note of the past few months as regards dairying is becoming less marked, and a more optimistic tone prevails. I, however, must stress the point that to hold various soldiers on their farms assistance must be rendered and, where a reasonable explanation can be given, debts due to the Crown postponed. Similar conditions are observable among the wool-men, but the provisions of Regulation 20 (*a*) are very helpful and are being availed of.

Holders of houses have met their obligations usually without demur, and while wages for artisans remain as at present I anticipate this branch of the business being sound. The Supervisor of Discharged Soldiers Settlements has rendered valuable assistance to many soldiers, more particularly on the Huatoki Settlement, by obtaining a standard form of building and obtaining timber, hardware, &c.,

at bedrock prices, enabling houses to be erected much more cheaply than they could have been done under ordinary conditions. If bushfelling, grass-seed, wire, and other necessaries were obtained by tender or contract and uniformity arranged between neighbouring districts there would not be the using of one district's price against another's that at present exists, and this phase of the question of settlement is recommended for consideration.

WELLINGTON.

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

The settlement operations during the year have been confined to the disposal of the remaining estates purchased towards the close of the previous year, as it was found unnecessary to make provision for the settlement of discharged soldiers owing to the falling-off of applications caused by the slump in the prices of primary products.

In Haunui No. 2 Settlement, 347 acres, near Wangaehu Railway-station, seven sections of good dairy land were allotted in areas from 43½ to 54¼ acres.

In Almadale Settlement, 670 acres, situate from six to ten miles from Feilding, nine sections, all good dairy land, were laid off in two detached blocks and allotted in areas varying from 35½ to 149¾ acres.

Four small sections in the Pitt Settlement, 16 acres 3 roods 21 perches, four miles from Lower Hutt Railway-station, in areas from 3½ to 4¾ acres, suitable for poultry-farms, were offered, and two sections were selected.

The remaining section in the Pihautea Settlement, nine miles from Featherston Railway-station, comprising 47¾ acres, was selected, the timber on it having been milled.

An area of 4,009 acres of bush land, adjoining the Wanganui River, between Taumarunui and Wade's Landing, formerly part of the Wanganui River Trust Domain, was subdivided into eight sections, in areas from 214 to 729 acres, all of which were selected at ballot.

Other lands offered and disposed of comprised six sections in the Hunua, Whirinaki, Makotuku, Hautapu, and Ruahine Survey Districts, all bush, and, when cleared, good grazing-land, the areas aggregating 2,280 acres, and varying from 190 to 600 acres.

In addition, eleven sections, aggregating 5,804 acres, of forfeited and surrendered sections were reoffered, and eight were reselected; while sixteen holdings were forfeited or surrendered and reallotted without ballot, the area dealt with being 3,429 acres, of which 1,758 acres were settlement land and 1,671 acres Crown land—three sections of settlement land being allotted to adjoining holders.

Under the provisions of section 2 of the Discharged Soldiers Settlement Act, 1917, forty persons were financially assisted to purchase an area of 22,802 acres, and 398 persons were assisted to purchase or erect dwellings.

Since the inception of the Discharged Soldiers Settlement Act, 1915, and up to the 31st March, 1922, 1,601 discharged soldiers have either been settled on or have been assisted to purchase farms, the total area held being 332,925 acres; in addition to this 2,494 discharged soldiers have been assisted to purchase or erect dwellings, making a total number of 4,095 men who have been assisted, at a total cost of £5,701,725.

This year has been most disastrous for all those engaged in pastoral and dairying pursuits, and especially so to those that had purchased farms and stock within the three preceding years, when prices for these were probably higher than at any time in the history of the Dominion. Unfortunately, most of the soldier settlers come under the latter category, with the result that they have been unable to meet their obligations. This is not to be wondered at, as it is a well-accepted fact, even when prices are normal, that the expenditure in developing a farm is much in excess of the revenue, and when the cost of all fencing and building materials, as well as the cost of bushfelling and grassing, during the last four years is taken into consideration it can be realized what difficulties face the soldier settlers. However, as most of this expenditure is not recurring, and with the revival in the prices of our primary products, with improved flocks and herds, hard work, and efficient management, I feel certain that 90 per cent. of the returned men will win through.

So far as dairy-farming is concerned, there is a crying need for the improvement of the herds, which can only be attained by testing, the elimination of inferior cows, and the use of purebred bulls. If this were done the yield of butterfat per cow should increase from the present average of 170 lb. to at least 300 lb. within the next five years.

MARLBOROUGH.

(John Cook, Commissioner of Crown Lands.)

The following is briefly the position of the soldier settlements:—

Erina: Sheep-grazing. With low prices position unsatisfactory.

Moorlands: Agricultural. Good tenants; progress satisfactory.

Alberton: Agricultural. Good tenants; good prospects.

Neville: Agricultural. A single farm affected by low prices, but has good prospects.

Wither: Chiefly sheep-grazing. Some workmen's holdings. Satisfactory.

Bomford: Agricultural. A single farm, just selected; progress satisfactory.

Linkwaterdale: Dairy-farming. Good tenants; good progress.

Goat Hills: Sheep-grazing. Conditions improving; progress slow.

Warnock: Dairying. A single farm; progress slow.

General: As a whole the fall in the prices of our products has been a bad handicap for soldier settlers. With better prospects in view the position generally is improving, but once a new selector has suffered a throw-back his position, naturally, will be affected for some time to come, and such men will require careful handling to enable them to get established. The soldiers who have been assisted to purchase dwellings in the towns are, with few exceptions, maintaining their obligations.

Nelson.

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

The position with regard to a number of soldier settlers is somewhat precarious, and it will require great determination on their part and sympathetic treatment by the Department to avoid failure. The great majority will, however, surmount the difficulties now being experienced and become successful farmers. The embarrassing condition in which many find themselves is due primarily to the low prices obtainable for farm produce and stock.

It was ascertained early in the year that a number of settlers did not realize their responsibilities with regard to payment of rent and interest, and with regard to the disposal of stock and chattels held under bill of sale. No effort has been spared to make the matter clear, and a better understanding of the position is now manifested. It had to be repeatedly explained that the claims of second mortgagees were not to be satisfied while payments were due to the Crown as first mortgagee.

Partnerships in farms have proved most disappointing both to the partners and the Department. Out of about a score only about half a dozen still exist in the whole district.

With the object of inducing settlers to continue in occupation of their farms they have been advised not to lose heart and give up, as with better prices for produce, determination to succeed, and lenient treatment by the Department they will win through ultimately. Altogether about twenty settlers have abandoned their holdings, and realization has had to be decided upon.

Generally speaking, the soldier settler is showing an admirable spirit notwithstanding the difficulties he has to contend with, which are greater than those of the experienced farmer who has had the benefit of the high prices obtained during the war.

Westland.

(R. S. Galbraith, Commissioner of Crown Lands.)

No land has been acquired under the Land for Settlements Act in this district for discharged soldiers, and transactions have consequently been confined to advances under section 2 of the Discharged Soldiers Settlement Amendment Act, 1917, for the purchase of farms and dwellings and for stock, chattels, and improvements.

The advances made during the past year have been almost entirely on current account for improvements and stock.

The individual holdings thus financed are generally scattered widely throughout the district, and are held on various tenures, and there are no groups sufficiently compact or important to be classed as soldier settlements.

There were on our books at 31st March 164 soldiers, 86 of whom have been financed in connection with farms, stock, &c., 56 who have received advances in connection with dwellings, and 12 who selected land but have so far not applied for financial assistance.

Practically all these men have been settled during the last three years, and many have been in occupation for a much shorter time, consequently the sudden drop in prices of all farm-produce and the general financial stringency has been a hard blow to them, and many have found it impossible to meet their obligations.

The fall in the price of stock which commenced last year continued to such an extent that little or no profit was left for the grower, and the low price obtained for butterfat this season has been a specially severe set-back to the soldier settlers, few of whom have had their farms long enough to afford the loss.

There are indications, however, that prices are likely to improve, and given anything like normal conditions I consider that nearly all should make good in the end, though meanwhile it will probably be necessary to give a good many further concessions by way of postponements, remissions, &c., to enable them to carry on.

Canterbury.

(G. H. Bullard, Commissioner of Crown Lands.)

Owing to the partial cessation of advances the settlement of discharged soldiers has lessened very much in comparison with previous years. During the past year advances have been confined mainly to stock advances and purchase of small holdings or dwellings for T.B. or badly disabled men

No estates were acquired during the year. Some small allotments in Heihei and Moreton Settlements are still unselected.

Many of the soldiers on pastoral or grazing country are hampered by the deficit in their trading accounts, caused by the fall in the price of stock, especially where they are being pressed by the stock and agency companies to reduce their debit balances; and this has made it more difficult for many of them to meet their payments of interest and rent. The Board has recommended the granting of such postponements of rent and interest as seemed desirable, but in a few cases has had to intimate to other creditors that the Government must get something, and not allow others to collect everything. The Board is taking a fair attitude and working reasonably with the commercial institutions, which in this district have apparently made stock advances to a greater extent than elsewhere. In land under tillage some of the men have been much hampered by having to work their land under cultivation free of twitch-grasses which seem to revel in some of the stiffer clay soils of this district; in a few cases Californian thistle is also giving trouble. These conditions necessitate the keeping a fairly large and strong team, which is a big tax on any but fairly large holdings.

As was to be expected, some soldiers, on account of inexperience or want of energy or lack of capital, have had to come out of their farms; and a rather regrettable feature is the number of partnerships that have had to be dissolved owing to disagreement between the partners.

Although in a few instances men may not be doing all they might to pay, the great majority seem to be doing their best to meet their engagements, both to the Crown and other creditors, and, given a continuance of the improving conditions, in a few years will better their financial conditions if reasonable assistance is rendered now.

Good progress is being made with improvements, and the completion of these will make things easier.

In small holdings, such as those for poultry-farming, it seems to be harder for men to get on their feet and to need greater industry and adaptability than on larger farms, and I cannot report any great success so far in this direction. Some men with experience are doing fairly well at market-gardening, tomato-growing, &c., but in other cases improvement is desirable.

Men on pastoral country will require some nursing still, and, in common with other farmers, a few have been forced out by financial troubles.

In dealing with applications for land for orchards and other small holdings we have been indebted to the Orchard Inspector, Mr. Dallas, for advice.

A number of dwellings are still under construction. The price for the construction of these is lessening; a number have been sold by the owners and the advances refunded to the Crown. Owing to lack of employment, a few are in arrears with payments. A careful watch is kept over these, but it is desirable that another Farm Supervisor should be appointed, both to keep a closer watch over our securities and advise and encourage settlers, who seem to appreciate any interest the Department takes in them.

OTAGO.

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

During the year ending the 31st March, 1922, the demand for land by discharged soldiers has decreased to a very great extent, owing partly to the wants of the soldiers being satisfied and partly to the difficulty of obtaining finance other than that provided by the Government.

The drop in the price of wool and stock in the early part of the year and afterwards the fall in the price of butterfat has evidently deterred the selection of land. The price of wool and sheep has now risen to some extent, and the prospects of pastoralists have much improved, so that there is a good prospect of the pastoral lands now subdivided and held back being selected at the end of next season.

The Kelso and Pukeawa Settlements, containing 3,400 acres, were opened during the year, and a few more of the sections on settlements previously offered and not selected have been taken up. The bad harvesting-weather experienced in March will seriously affect some of the settlers.

A few of the settlers who acquired farms under section 2 of the 1917 Act are not doing well, and it is apparent that steps will have to be taken to effect a transfer to another soldier or realize on the security. As the loans on instalment mortgage in most cases are well under the value of the property there should not be a loss in offering for sale or lease, but probably a sale of stock, &c., held under current-account mortgage will result in a loss.

Arrears have increased on rural properties and current accounts, and it seems unlikely that many of the farmers will be able to meet their obligations this season. It is desirable to give these men every encouragement to retain their holdings, and the provisions of section 16 of the Discharged Soldiers Settlement Amendment Act, 1921–22, will enable considerable relief to be given.

Dwellings.

The Inspector of Securities is attending to his duties in a most efficient manner, but owing to a good deal of unemployment in the district a few have got into arrear; most of these are making every effort to meet their obligations, but in three cases it will be necessary to have the properties sold and the arrears paid off.

During the year thirty-eight mortgagors have repaid the whole of their advances, and fifty properties have been transferred to other returned soldiers. Postponements of payments have been discouraged as much as possible, and only four exceptional cases have been recommended. Mortgagors are being encouraged to reduce their arrears by small weekly payments.

The dwelling securities are being kept in excellent order, the soldiers taking a pride in improving their properties in their leisure hours.

SOUTHLAND.

(T. BROOK, Commissioner of Crown Lands.)

As was to be expected, the year just ended has shown a decided shrinkage in the number of discharged soldiers who have been settled on the land as compared with previous years. Simultaneously with the curtailment of advances the demand for land has fallen off. As time goes on, the number of new soldier settlers will become fewer year by year until vanishing-point is reached, and that point must be almost within sight, considering that it is over four years since the Armistice was declared. The first men to return showed a marked preference for pastoral lands, the prosperous state of the sheep-farming industry at that time being a great attraction. That kind of farming offered a freer life than did any other kind, a life more alluring to men who had participated in the war. In Southland there was but little available land to meet the demand referred to. Agricultural farming and dairying comprise the great part of the whole of this district's rural activities. Steady progress in these kinds of farming has been made during the year, and the future prospects can be viewed with optimism. Up to a point the season has been most favourable, and there has been an abundance of pasture. The cereal crops promised well, and in certain localities turned out very well. The month of February was one of unbroken warm weather, and the soldiers whose crops were ready for harvest in that month can consider themselves fortunate indeed. The month of March was as bad as February was good, and destroyed all hope of the realization of reasonable expectations. Had the autumn weather been good or even fair through the harvesting-period the province would have benefited enormously. Although the pasture has been so abundant the returns to the dairy-farmer have been only moderate so far. Some factories sold their output at the beginning of the season and are paying their suppliers quite good and remunerative returns. The soldiers who are suppliers to these are doing well. The number of such is rather limited, however. Although feed has been so plentiful it is doubtful if the yield of butterfat has kept pace with it. The soldiers found it difficult to get cows at the beginning of the season and impossible to get good breeds. The prices, too, rose very high. It will take some time, of course, to get together herds for soldier settlers which can be relied upon to produce the best results. Now that dairy-produce has hardened on the London market many of the soldiers should receive a substantial bonus in a few months' time.

So far as Southland is concerned, the prospects of the soldiers who have settled on the land are most promising. Clearing, burning, grassing, fencing, and building have been pushed on vigorously. Failures there have been and will be. Given reasonable prices and fair weather conditions the soldiers on the land in Southland should become permanent and prosperous farmers.

TABLE 1.

Area of Lands proclaimed for Settlement under the Discharged Soldiers Settlement Act, 1915.

District.	Under Section 3 of the Act. (Ordinary Tenures.)		Under Section 4 of the Act. (Special Tenures.)		Total Area proclaimed.	
	For the Year ended 31st March, 1922.	Total to 31st March, 1922.	For the Year ended 31st March, 1922.	Total to 31st March, 1922.	For the Year ended 31st March, 1922.	Total to 31st March, 1922.
Ordinary Crown Lands—	Acres.	Acres.	Acres.	Acres.	Acres.	Acres.
North Auckland	..	1,575	2,393	18,001	2,393	19,576
Auckland	119	30,035	7,323	97,220	7,442	127,255
Hawke's Bay	..	23,531	1,622	94,103	1,622	117,634
Taranaki	..	12,831	77	18,540	77	31,371
Wellington	..	884	6,200	68,382	6,200	69,266
Nelson	..	20,728	..	4,058	..	24,786
Marlborough	..	..	..	5,268	..	5,268
Westland	..	21,865	..	480	..	22,345
Canterbury	..	..	..	798	..	798
Otago	..	87,912	..	30,199	..	118,111
Southland	..	1,696	74	8,503	74	10,199
Totals	119	201,057	17,689	345,552	17,808	546,609
Cheviot Estate, Canterbury	..	..	..	3,356	..	3,356
Land for Settlements—						
North Auckland	..	..	3,974	18,868	3,974	18,868
Auckland	..	..	6,622	50,104	6,622	50,104
Hawke's Bay	..	..	1,255	57,438	1,255	57,438
Taranaki	..	..	327	18,783	327	18,783
Wellington	..	707	1,494	38,250	1,494	38,957
Nelson	..	1,187	6,980	29,441	6,980	30,628
Marlborough	..	..	..	14,585	..	14,585
Westland	..	..	..	..	..	..
Canterbury	173	44,834	..	42,193	173	87,027
Otago	..	17,652	3,458	45,241	3,458	62,893
Southland	..	2,535	..	5,674	..	8,209
Totals	173	66,915	24,110	320,577	24,283	387,492
National Endowment—						
North Auckland	3,701	21,581	..	..	3,701	21,581
Auckland	878	31,538	..	..	878	31,538
Hawke's Bay	..	3,732	..	..	..	3,732
Taranaki	..	2,826	..	..	..	2,826
Wellington	..	899	..	..	..	899
Nelson	..	13,465	..	..	..	13,465
Marlborough	..	..	..	..	..	..
Westland	..	5,887	..	..	..	5,887
Canterbury	..	209,567	..	..	..	209,567
Otago	..	134,216	..	..	..	134,216
Southland	..	6,593	..	..	..	6,593
Totals	4,579	430,304	..	..	4,579	430,304
Grand totals	4,871	698,276	41,799	669,485	46,670	1,367,761

Note.—During the year Proclamations setting apart 63,530 acres of Crown land and 38,426 acres of settlement land for discharged soldiers were revoked.

TABLE 2.—APPLICATIONS RECEIVED AND LAND ALLOTTED DURING THE YEAR ENDED 31ST MARCH, 1922, UNDER THE DISCHARGED SOLDIERS SETTLEMENT ACT.

District.	Number of Applications received during the Year.			Lands allotted during the Year.																	
				Under Section 3 of Act (Ordinary Tenures).						Under Section 4 of Act (Special Tenures).						Totals.					
				Sale (including Deferred Payment).		Lease and License.		Total.		Sale (including Deferred Payment).		Lease and License.		Total.		Sale (including Deferred Payment).		Lease and License.		Total.	
	Under Section 3 of Act (Ordinary Tenures).	Under Section 4 of Act (Special Tenures).	Total.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.	Number of Allotments.	Area.
					Acres.		Acres.		Acres.		Acres.		Acres.		Acres.		Acres.		Acres.		Acres.
Ordinary Crown Lands—																					
North Auckland ..	..	17	17	..	..	..	..	..	..	..	..	12	1,712	12	1,712	..	..	12	1,712	12	1,712
Auckland ..	9	70	79	..	..	2	766	2	766	7	4	30	9,558	37	9,562	7	4	32	10,324	39	10,328
Hawke's Bay ..	..	99	99	..	..	..	..	..	..	..	..	8	3,183	8	3,183	..	..	8	3,183	8	3,183
Taranaki ..	1	6	7	..	..	1	491	1	491	1	6	8	1,864	9	1,870	1	6	9	2,355	10	2,361
Wellington ..	..	90	90	..	..	..	..	..	..	..	..	30	15,104	30	15,104	..	..	30	15,104	30	15,104
Nelson ..	1	..	1	..	..	1	1,340	1	1,340	..	..	..	..	..	..	..	..	1	1,340	1	1,340
Marlborough ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Westland ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Canterbury ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Otago ..	19	3	22	..	..	4	11,255	4	11,255	..	..	4	1,429	4	1,429	..	..	8	12,684	8	12,684
Southland ..	9	6	15	..	..	1	165	1	165	1	74	1	225	2	299	1	74	2	390	3	464
Totals ..	39	291	330	..	..	9	14,017	9	14,017	9	84	93	33,075	102	33,159	9	84	102	47,092	111	47,176
Cheviot Estate, Canterbury	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Settlement Lands—																					
North Auckland ..	..	20	20	..	..	..	..	..	..	..	..	19	2,746	19	2,746	..	..	19	2,746	19	2,746
Auckland ..	..	150	150	..	..	..	..	..	..	..	..	63	5,579	63	5,579	..	..	63	5,579	63	5,579
Hawke's Bay ..	..	49	49	..	..	..	..	..	..	..	..	34	8,172	34	8,172	..	..	34	8,172	34	8,172
Taranaki ..	..	26	26	..	..	..	..	..	..	..	..	14	2,882	14	2,882	..	..	14	2,882	14	2,882
Wellington ..	..	178	178	..	..	..	..	..	..	..	..	84	12,960	84	12,960	..	..	84	12,960	84	12,960
Nelson ..	..	1	1	..	..	..	..	..	..	..	..	1	2,350	1	2,350	..	..	1	2,350	1	2,350
Marlborough ..	..	6	6	..	..	..	..	..	..	..	..	4	162	4	162	..	..	4	162	4	162
Westland ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Canterbury ..	..	51	51	..	..	..	..	..	..	..	..	10	1,206	10	1,206	..	..	10	1,206	10	1,206
Otago ..	2	21	23	..	..	18	4,710	18	4,710	..	..	14	2,941	14	2,941	..	..	32	7,651	32	7,651
Southland ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Totals ..	2	502	504	..	..	18	4,710	18	4,710	..	..	243	38,998	243	38,998	..	..	261	43,708	261	43,708
National-endowment Lands																					
North Auckland ..	23	..	23	..	..	15	2,396	15	2,396	..	..	..	..	..	..	..	..	15	2,396	15	2,396
Auckland ..	18	..	18	..	..	13	2,767	13	2,767	..	..	..	..	..	..	..	..	13	2,767	13	2,767
Hawke's Bay ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Taranaki ..	1	..	1	..	..	1	1,243	1	1,243	..	..	..	..	..	..	..	..	1	1,243	1	1,243
Wellington ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nelson ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Marlborough ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Westland ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Canterbury ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Otago ..	..	..	..	..	..	2	682	2	682	..	..	..	..	..	..	..	..	2	682	2	682
Southland ..	2	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Totals ..	44	..	44	..	..	31	7,088	31	7,088	..	..	..	..	..	..	..	..	31	7,088	31	7,088
Grand totals ..	85	793	878	..	..	58	25,815	58	25,815	9	84	336	72,073	345	72,157	9	84	394	97,888	403	97,972

TABLE 3.

TOTAL LANDS ACQUIRED FROM THE CROWN BY DISCHARGED SOLDIERS, AND HELD AT THE 31ST MARCH, 1922.

Land District.	Sale (including Deferred Payment).			Lease and License.			Totals.	
	Number.	Area.	Price.	Number.	Area.	Annual Rental.	Number.	Area.
Under the Discharged Soldiers Settlement Act, 1915, and Amendments.								
		Acres.	£		Acres.	£		Acres.
North Auckland ..	10	2,354	2,655	314	56,927	15,192	324	59,281
Auckland ..	35	1,622	8,940	640	116,240	39,649	675	117,862
Hawke's Bay ..	3	1	195	376	159,219	62,509	379	159,220
Taranaki ..	12	996	9,360	170	44,063	14,094	182	45,059
Wellington ..	9	61	2,520	647	156,212	93,918	656	156,273
Nelson	3	1,216	740	31	20,704	2,044	34	21,920
Marlborough ..	..	..	..	58	17,880	6,246	58	17,880
Westland ..	1	148	160	29	25,175	355	30	25,323
Canterbury ..	10	201	8,120	313	561,122	47,675	323	561,323
Otago	12	613	6,920	218	245,875	21,776	230	246,488
Southland ..	17	2,829	6,900	106	26,885	6,117	123	29,714
Totals ..	112	10,041	46,510	2,902	1,430,302	309,575	3,014	1,440,343
Under other Acts. (This includes lands selected at ordinary ballots, leases and licenses purchased at auction, and holdings acquired by transfer or otherwise.)								
North Auckland ..	2	55	340	102	25,763	2,245	104	25,818
Auckland ..	11	1,084	1,480	249	132,585	5,126	260	133,669
Hawke's Bay ..	..	..	..	69	31,279	6,297	69	31,279
Taranaki ..	2	298	700	222	101,717	3,802	224	102,015
Wellington ..	1	1	..	128	39,870	30,916	129	39,871
Nelson	3	1,099	1,060	138	85,388	4,505	141	86,487
Marlborough ..	2	2	200	111	310,316	7,711	113	310,318
Westland ..	..	..	..	78	20,419	493	78	20,419
Canterbury ..	..	..	..	438	353,620	45,232	438	353,620
Otago	..	..	..	229	599,938	13,695	229	599,938
Southland ..	1	127	..	13	44,793	967	14	44,920
Totals ..	22	2,666	3,780	1,777	1,745,688	120,989	1,799	1,748,354
Grand totals ..	134	12,707	50,290	4,679	3,175,990	430,564	4,813	3,188,697

STATEMENT OF ADVANCES AUTHORIZED FROM INCEPTION OF ACT TO 31ST MARCH, 1922.

—	Current Account Authorities.		Farms, &c., Authorities.		Dwellings, &c., Authorities.		Totals.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£		£
North Auckland	1,386	602,204	1,074	1,661,286	2,697	2,107,934	5,157	4,371,424
Auckland	1,602	815,298	816	1,336,520	715	526,041	3,133	2,677,859
Hawke's Bay	676	316,564	246	452,542	845	623,633	1,767	1,392,739
Taranaki	960	523,802	563	1,023,523	517	399,720	2,040	1,947,045
Wellington	1,614	843,457	764	1,397,663	2,225	1,669,006	4,603	3,910,126
Marlborough	252	63,854	167	298,680	159	108,645	578	471,179
Nelson	571	144,648	429	563,779	177	110,627	1,177	819,054
Westland	130	39,110	79	85,526	57	27,105	266	151,741
Canterbury..	1,092	274,754	737	1,159,689	1,971	1,337,142	3,800	2,771,585
Otago	611	161,546	297	370,691	1,005	573,697	1,913	1,105,934
Southland	414	123,615	271	426,635	421	240,635	1,106	790,885
Totals	9,308	3,908,852	5,443	8,776,534	10,789	7,724,185	25,540	20,409,571

NOTE.—The numbers above represent the number of loans authorized. A large proportion of soldiers who received advances to assist in the purchase of farms and discharge of mortgages also received advances on Current Account for stock, &c. The actual number of soldiers to whom advances had been authorized at 31st March was 20,392.

Statement of Mortgage Transactions.

District.	Principal: Balance at 31st March, 1921.	Principal: Advances during Year.	Principal: Repayments during Year.	Principal: Transfers to Realization and other Accounts.	Principal: Balance on Mortgage at 31st March, 1922, including Instalments postponed.	Interest: Balance at 31st March, 1921.	Interest: Charges during Year.	Interest: Receipts during Year.	Interest: Losses, Rebates and Remissions, and Transfers to other Accounts.	Interest: Balance at 31st March, 1922, including Postponements.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
North Auckland—										
Current Account	287,027 6 8	189,573 14 7	18,577 7 10	13,481 2 2	444,542 11 3	8,212 12 6	18,976 14 10	9,386 12 6	624 0 4	17,178 14 6
Farms, orchards, &c.	1,550,665 19 3	92,146 0 0	15,201 0 0	41,057 0 0	1,586,553 19 3	17,443 9 10	77,818 0 3	50,981 4 4	6,373 13 2	37,906 12 7
Dwellings, business premises, &c...	1,281,896 16 9	686,710 15 10	80,355 15 5	582 15 10	1,887,669 1 4	2,187 16 2	76,462 18 8	68,498 2 0	6,339 19 7	3,812 13 3
Total	3,119,590 2 8	968,430 10 5	114,134 3 3	55,120 18 0	3,918,765 11 10	27,843 18 6	173,257 13 9	128,865 18 10	13,337 13 1	58,898 0 4
Auckland—										
Current Account	452,275 10 10	246,875 2 8	39,320 15 10	10,674 9 3	649,155 8 5	12,720 17 11	28,053 13 6	15,771 2 10	758 1 4	24,245 7 3
Farms, orchards, &c.	1,183,644 3 9	114,634 10 0	8,688 4 4	9,826 10 0	1,279,763 19 5	12,629 5 7	60,057 15 2	30,754 11 11	3,197 3 2	38,735 5 8
Dwellings, business premises, &c...	307,513 11 2	170,035 2 4	12,229 10 0	600 0 0	464,719 3 6	1,069 13 6	17,196 16 3	14,446 3 3	1,209 18 6	2,610 8 0
Total	1,943,433 5 9	531,544 15 0	60,238 10 2	21,100 19 3	2,393,638 11 4	26,419 17 0	105,308 4 11	60,971 18 0	5,165 3 0	65,591 0 11
Hawke's Bay—										
Current Account	163,938 4 2	109,955 9 9	17,155 4 4	5,650 0 0	251,088 9 7	2,663 8 1	10,951 2 2	7,935 2 1	44 5 7	5,635 2 7
Farms, orchards, &c.	415,710 10 10	13,980 0 0	2,769 8 6	..	426,921 2 4	2,175 9 8	20,867 16 8	11,514 5 10	1,225 2 2	10,303 18 4
Dwellings, business premises, &c...	445,058 17 4	134,887 0 10	16,084 10 8	..	563,861 7 6	634 8 1	23,815 15 1	20,317 13 3	2,226 8 6	1,906 1 5
Total	1,024,707 12 4	258,822 10 7	36,009 3 6	5,650 0 0	1,241,870 19 5	5,473 5 10	55,634 13 11	39,767 1 2	3,495 16 3	17,845 2 4
Taranaki—										
Current Account	284,448 12 8	131,442 17 10	28,991 13 9	10,983 7 11	375,916 8 10	6,344 4 9	12,601 3 5	10,235 19 9	590 3 8	8,119 4 9
Farms, orchards, &c.	997,016 15 3	54,432 6 0	4,788 3 1	3,494 10 0	1,043,166 8 2	9,815 9 11	54,434 14 1	23,462 7 7	1,910 0 0	38,877 16 5
Dwellings, business premises, &c...	266,306 1 2	123,776 18 1	12,845 5 7	1,418 8 5	375,819 5 3	502 10 8	16,337 3 10	14,272 9 8	1,282 12 1	1,284 12 9
Total	1,547,771 9 1	309,652 1 11	46,625 2 5	15,896 6 4	1,794,902 2 3	16,662 5 4	83,373 1 4	47,970 17 0	3,782 15 9	48,281 13 11
Wellington—										
Current Account	488,967 1 6	212,634 8 4	35,621 11 2	3,968 19 9	662,010 18 11	16,195 16 2	30,076 14 2	18,073 19 8	581 4 7	27,617 6 1
Farms, orchards, &c.	1,275,789 12 2	72,835 18 9	10,845 18 5	1,542 5 0	1,336,237 7 6	12,471 6 8	67,319 18 7	31,731 18 10	2,562 14 11	45,496 11 6
Dwellings, business premises, &c...	1,181,338 3 4	362,200 3 9	58,083 0 5	5,365 19 4	1,480,089 7 4	1,293 4 4	66,156 3 2	58,832 5 1	5,896 3 0	2,720 19 5
Total	2,946,094 17 0	647,670 10 10	104,550 10 0	10,877 4 1	3,478,337 13 9	29,960 7 2	163,552 15 11	108,638 3 7	9,040 2 6	75,834 17 0
Marlborough—										
Current Account	38,171 18 3	14,918 13 5	1,530 10 3	531 11 8	51,028 9 9	628 11 2	2,227 1 1	1,254 7 2	..	1,601 5 1
Farms, orchards, &c.	281,472 7 7	9,900 0 0	3,002 12 5	1,931 15 5	286,437 19 9	1,758 18 11	13,931 2 2	7,037 19 0	756 12 2	7,895 9 11
Dwellings, business premises, &c...	67,722 16 8	29,332 14 8	3,883 4 9	1,062 14 10	92,109 11 9	136 4 8	3,895 19 2	3,545 11 2	351 0 0	135 12 8
Total	387,367 2 6	54,151 8 1	8,416 7 5	3,526 1 11	429,576 1 3	2,523 14 9	20,054 2 5	11,837 17 4	1,107 12 2	9,632 7 8

Statement of Mortgage Transactions—*continued.*

District.	Principal. Balance at 31st March, 1921.	Principal. Advances during Year.	Principal. Repayments during Year.	Principal. Transfers to Realization and other Accounts.	Principal. Balance on Mortgage at 31st March, 1922, including Instalments postponed.	Interest. Balance at 31st March, 1921.	Interest. Charges during Year.	Interest. Receipts during Year.	Interest. Losses, Rebates, and Remissions, and Transfers to other Accounts.	Interest. Balance at 31st March, 1922, including Postponements.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Nelson—										
Current Account	101,860 9 4	24,681 15 5	3,582 16 9	1,791 18 11	121,167 9 1	2,289 12 10	5,638 0 8	3,244 8 2	44 19 11	4,638 5 5
Farms, orchards, &c.	532,453 15 1	14,746 8 6	6,356 13 7	..	540,843 10 0	3,980 13 7	28,115 2 0	14,187 3 3	1,189 7 6	16,719 4 10
Dwellings, business premises, &c.	86,966 10 4	10,660 0 0	8,262 12 2	..	89,363 18 2	197 17 7	4,548 12 4	4,246 8 4	368 3 3	131 18 4
Total	721,280 14 9	50,088 3 11	18,202 2 6	1,791 18 11	751,374 17 3	6,468 4 0	38,301 15 0	21,677 19 9	1,602 10 8	21,489 8 7
Westland—										
Current Account	22,472 2 6	9,518 1 5	1,098 12 3	6 1 10	30,885 9 10	284 1 5	1,384 19 1	935 0 8	..	733 19 10
Farms, orchards, &c.	78,128 12 4	725 0 0	725 6 5	..	78,128 5 11	514 5 9	3,884 10 6	2,600 19 11	248 18 0	1,548 18 4
Dwellings, business premises, &c.	23,013 19 2	2,360 0 0	744 10 4	..	24,629 8 10	85 13 7	1,159 2 10	1,026 14 9	88 13 10	129 7 10
Total	123,614 14 0	12,603 1 5	2,568 9 0	6 1 10	133,643 4 7	884 0 9	6,428 12 5	4,562 15 4	337 11 10	2,412 6 0
Canterbury—										
Current Account	137,314 4 3	90,409 17 9	16,125 10 2	2,764 17 10	208,833 14 0	2,418 11 7	8,927 10 3	5,837 14 11	58 19 7	5,449 7 4
Farms, orchards, &c.	1,022,046 0 1	104,260 0 0	17,013 5 9	18,831 14 11	1,090,460 19 5	4,296 15 0	54,310 18 2	34,194 7 3	3,898 7 1	20,514 18 10
Dwellings, business premises, &c.	830,753 17 0	314,750 5 10	56,973 5 11	1,465 4 0	1,087,065 12 11	828 5 6	47,892 6 3	43,010 9 1	3,843 17 2	1,866 5 6
Total	1,990,114 1 4	509,420 3 7	90,112 1 10	23,061 16 9	2,386,360 6 4	7,543 12 1	111,130 14 8	83,042 11 3	7,801 3 10	27,830 11 8
Otago—										
Current Account	89,850 0 10	50,583 11 0	10,118 2 9	2,584 15 2	127,730 13 11	2,578 14 2	5,551 11 11	3,166 11 1	246 12 5	4,717 2 7
Farms, orchards, &c.	334,243 3 4	21,880 0 0	4,613 11 3	..	351,509 12 1	1,055 12 6	16,900 0 8	11,612 14 11	1,203 16 10	5,139 1 5
Dwellings, business premises, &c.	458,982 16 5	57,345 0 0	32,163 18 4	..	484,163 18 1	202 16 4	23,800 17 2	21,152 19 0	2,170 1 6	680 13 0
Total	883,076 0 7	129,808 11 0	46,895 12 4	2,584 15 2	963,404 4 1	3,837 3 0	46,252 9 9	35,932 5 0	3,620 10 9	10,536 17 0
Southland—										
Current Account	67,983 4 10	32,510 9 2	8,040 8 10	500 0 0	91,953 5 2	982 8 6	3,959 5 9	2,619 17 2	7 3 1	2,314 14 0
Farms, orchards, &c.	390,293 3 1	13,500 0 0	5,216 5 0	3,802 5 0	394,774 13 1	756 9 10	19,564 6 8	11,749 1 8	1,146 5 7	7,425 9 3
Dwellings, business premises, &c.	191,149 19 4	15,640 9 6	12,336 15 9	2,103 15 1	192,349 18 0	122 0 3	9,550 8 6	8,665 7 10	892 15 9	114 5 2
Total	649,426 7 3	61,650 18 8	25,593 9 7	6,406 0 1	679,077 16 3	1,860 18 7	33,074 0 11	23,034 6 8	2,046 4 5	9,854 8 5
Summary.										
Current Account	2,134,308 15 10	1,113,104 1 4	180,162 13 11	52,937 4 6	3,014,312 18 9	55,318 19 1	128,347 16 10	78,460 16 0	2,955 10 6	102,250 9 5
Farms, orchards, &c.	8,061,464 2 9	513,040 3 3	79,220 8 9	80,486 0 4	8,414,797 16 11	66,897 17 3	417,204 4 11	229,826 14 6	23,712 0 7	230,563 7 1
Dwellings, business premises, &c.	5,140,703 8 8	1,907,698 10 10	293,962 9 4	12,598 17 6	6,741,840 12 8	7,260 10 8	290,816 3 3	258,014 3 5	24,669 13 2	15,392 17 4
Grand totals	15,336,476 7 3	3,533,842 15 5	553,345 12 0	146,022 2 4	18,170,951 8 4	129,477 7 0	836,368 5 0	566,301 13 11	51,337 4 3	348,206 13 10

SUPPLEMENTARY STATISTICAL TABLE OF DISCHARGED SOLDIERS SETTLEMENT TRANSACTIONS FROM THE INCEPTION OF THE ACT TO 31ST MARCH, 1922.

—	North Auckland.	Auckland.	Hawke's Bay.	Taranaki.	Wellington.	Marlborough.	Nelson.	Westland.	Canterbury.	Otago.	Southland.	Totals.
Arrears—												
Rent (£)	12,657	29,822	14,166	9,844	68,863	5,379	2,903	128	13,194	18,351	2,753	178,060
Postponements in force—												
Rent (£)	1,520	10,656	32,598	1,199	12,486	4,018	316	43	12,507	2,639	2,433	80,415
Interest—												
Current Account (£)	242	..	..	..	..	262	65	..	27	201	..	797
Instalments—												
Farms, &c. (£)	1,398	5,744	75	1,108	2,800	3,390	338	394	7,019	1,012	2,315	25,593
Dwellings (£)	..	..	..	46	..	..	..	..	..	34	..	80
	3,160	16,400	32,673	2,353	15,286	7,670	719	437	19,553	3,886	4,748	106,885
Postponements repaid—												
Rent (£)	1,245	925	4,091	1,378	2,749	1,197	212	..	4,244	822	433	17,296
Interest—												
Current Account (£)	287	36	..	..	..	94	223	..	..	37	..	677
Instalments—												
Farms, &c. (£)	2,898	34	827	..	70	749	1,043	73	827	246	800	7,567
Dwellings (£)	58	..	78	..	..	..	..	..	21	..	..	157
	4,488	995	4,996	1,378	2,819	2,040	1,478	73	5,092	1,105	1,233	25,697
Capitalizations—												
Rent (£)	469	5,172	..	..	3,259	..	..	..	..	..	..	8,900
Interest—												
Current Account (£)	..	..	..	..	..	..	..	..	..	..	..	..
Farms (£)	..	176	..	..	..	..	..	..	..	..	..	176
	469	5,348	..	..	3,259	..	..	..	..	..	..	9,076
Forfeitures—												
Number of leases	26	118	17	12	95	6	2	..	9	15	5	305
Area (acres)	4,569	21,967	5,219	2,104	13,775	2,494	1,955	..	1,567	3,956	932	58,538
Rent lost (£)	500	6,654	977	802	7,581	91	199	..	863	309	10	17,986
Loan losses through forfeitures and exercise of power of sale—												
Principal—												
Current Account (£)	439	1,042	..	288	2,141	78	332	..	322	221	34	4,897
Farms, &c. (£)	..	..	..	..	..	..	..	..	317	..	..	317
Dwellings (£)	..	..	..	..	..	..	..	..	..	..	120	120
	439	1,042	..	288	2,141	78	332	..	639	221	154	5,334

SUPPLEMENTARY STATISTICAL TABLE OF DISCHARGED SOLDIERS SETTLEMENT TRANSACTIONS, ETC.—*continued*.

—	North Auckland.	Auckland.	Hawke's Bay.	Taranaki.	Wellington.	Marlborough.	Nelson.	Westland.	Canterbury.	Otago.	Southland.	Totals.
Loan losses through forfeitures and exercise of power of sale—continued.												
Interest—												
Current Account (£)	114	1,545	15	22	88	2	9	..	55	84	17	1,951
Farms, &c. (£)	..	..	..	70	..	23	..	..	..	..	..	93
Dwellings (£)	..	455	..	..	..	..	..	..	10	..	51	516
	114	2,000	15	92	88	25	9	..	65	84	68	2,560
Exercise of power of sale—												
Number of farms, &c.	11	..	..	2	3	1	3	..	8	..	1	29
Number of dwellings	..	1	..	2	10	2	..	..	7	..	3	25
	11	1	..	4	13	3	3	..	15	..	4	54
Transfers Crown lands set apart under the Act—												
Number	8	4	9	11	7	3	4	..	8	17	6	77
Transfers of titles subject to mortgage—												
Number	101	45	37	40	199	13	25	2	102	78	40	682
Value at date of purchase (£)	109,847	57,028	37,425	74,739	209,169	15,854	29,920	4,853	94,212	59,014	41,142	733,203
Consideration on transfer (£)	119,795	64,096	39,459	81,732	231,354	16,448	31,367	5,346	102,198	65,811	42,009	799,615
Advances made (£)	100,665	55,788	31,996	66,271	189,669	14,964	29,083	4,596	78,426	54,990	31,315	657,763
Amount transferred from Current Account to instalment mortgage (£)	4,300	19,400	4,400	1,350	2,250	500	780	..	1,100	1,105	..	35,185
Rebates earned—												
Farms, &c. (£)	5,200	4,010	2,136	2,958	4,824	1,416	2,615	480	2,656	1,758	2,204	30,257
Dwellings (£)	9,890	1,648	3,204	1,664	9,617	628	693	128	3,739	3,831	1,441	36,483
	15,090	5,658	5,340	4,622	14,441	2,044	3,308	608	6,395	5,589	3,645	66,740
Remissions—												
Rent (£)	1,100	5,865	204	1,898	4,011	120	..	..	4,463	221	618	18,500
Interest—												
Current Account (£)	..	..	..	..	303	..	..	..	31	3	1	338
Instalments—												
Farms, &c. (£)	100	248	42	58	80	4	39	6	129	82	43	831
Dwellings (£)	3	9	4	5	7	..	..	..	17	57	..	102
	1,203	6,122	250	1,961	4,401	124	39	6	4,640	363	662	19,771

DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.

Receipts and Payments Accounts.

Dr.

	£	s.	d.	£	s.	d.
Cash in hand, 1st April, 1921				3,478,454	8	2
Debentures issued				538,376	0	0
Repayment of advances—						
Current Account	180,162	13	11			
Section 2, farms, &c.	79,220	8	9			
Section 2, dwellings, &c.	293,962	9	4			
				553,345	12	0
Property Account				224	19	0
Realization Account				9,279	10	6
Plant Account—Sale of one car				221	8	8
Dead-stock Account—Sales of wire, &c.				1,301	11	7
Live-stock Account—Sales				7,675	13	5
Sundry Estates Account—Sales of live and dead stock				6,887	4	4
Interest on advances—						
Current Account	78,460	16	0			
Section 2, farms, &c.	229,826	14	6			
Section 2, dwellings, &c.	258,014	3	5			
				566,301	13	11
Interest on investments				79,680	16	8
Hire of buildings and plant, Swanson Block				414	19	8
Rents and grazing fees				139	15	10
Valuation fees				5,321	17	9
Production and transfer fees				128	19	0
Suspense Account				18,613	15	1
Fire Loss Suspense Account				8,334	5	9
Realization Suspense Account				25	15	0
Sundries				713	8	6
				£5,275,441	14	10

Cr.

	£	s.	d.	£	s.	d.
Advances on mortgage—						
Current Account	1,080,872	8	1			
Section 2, farms, &c.	488,810	3	3			
Section 2, dwellings, &c.	1,903,480	15	0			
				3,473,163	6	4
Plant Account				274	5	0
Dead-stock Account—Purchases and charges				1,202	3	2
Live-stock Account—Purchases and charges				1,323	7	6
Sundry Estates Account—Purchases of live and dead stock and working-expenses				9,898	12	5
Land Improvement Account				695	10	6
Property Account				60	12	11
Realization Account				2,049	7	5
Sundry Creditors Account—Accounts not cleared in Treasury books in previous year				17,821	3	5
Sinking Fund Account—Section 4, Finance Act, 1919				11,443	9	0
Interest on debentures				858,557	8	8
Charges and expenses in raising loans				649	9	0
Vote 76—Expenses of management—Supervision and management of securities				39,997	6	11
Fee for examination of applicants				6	10	0
Travelling-expenses of Supervisors and Inspectors				2,484	19	9
Maintenance and upkeep of plant				1,001	12	2
Rent of Supervisor's office				13	5	10
Printing and stationery				797	5	4
Valuation expenses				12,282	15	10
Suspense Account				28,809	7	1
Fire Loss Suspense Account				3,844	15	2
Realization Suspense Account				144	16	6
Sundries—Insurance premiums, &c.				1,305	11	3
Lands and Survey vote				3	5	0
Balance (*Vide* Treasury Accounts) 31st March, 1922	832,754	16	9			
Less accounts paid by imprestees but not cleared in Treasury books at 31st March, 1922	25,143	8	1			
				807,611	8	8
				£5,275,441	14	10

Revenue Account.

	£	s.	d.
Interest on debentures	849,424	14	4
Charges and expenses raising loans—Proportion written off	10,149	9	0
Expenses of management	39,997	6	11
Fee for examination of applicants	6	10	0
Printing and stationery	797	5	4
Depreciation on plant	493	17	9
Maintenance and upkeep of plant	1,001	12	2
Travelling-expenses of Supervisors and Inspectors	2,450	6	3
Rent of Supervisor's office	13	5	10
Valuation expenses	12,279	8	10
Rebate of interest	40,558	16	3
Remission of interest	1,274	8	3
Loss on live and dead stock	12,555	1	11
Loss on realization of securities	6,463	8	1
Stolen Moneys Account—Defalcation, Wellington District	76	4	2
Sundries	153	7	1
	977,695	2	2

	£	s.	d.	£	s.	d.
Interest on advances—Current Account mortgages	149,282	0	8			
Instalment mortgages—						
Farms, &c.	407,891	10	7			
Dwellings, &c.	282,422	3	5			
				839,595	14	8
Interest on surplus funds temporarily invested				75,150	18	1
Interest on sundry sales				235	3	7
Interest on securities in Realization Account				236	14	4
Interest on purchase-price of stock, Mataikona Settlement				1,312	15	9
Rent of properties				163	9	4
Hire of buildings and plant, Swanson Block				134	6	9
Profit on sale of property				35	0	0
Valuation fees received				5,318	10	9
Production and transfer fees				128	19	0
Sundries				2	10	0
Net loss for year				55,380	19	11
				£977,695	2	2

	£	s.	d.
Net loss for year carried down	55,380	19	11
	£55,380	19	11

	£	s.	d.
Profit forward from previous year	12,226	7	3
Balance—Net loss to 31st March, 1922	43,154	12	8
	£55,380	19	11

DISCHARGED SOLDIERS SETTLEMENT ACCOUNT—*continued*.

Balance-sheet.

Liabilities.	£	s.	d.
Loan Account	19,777,680	0	0
Interest on loans accrued to 31st March, 1922, but not payable on that date ..	92,687	11	3
Sundry creditors	1,743	2	9
Lands for Settlement Account—Accrued interest on purchase-money, Mataikona Settlement..	6,477	0	0
Suspense Account	2,992	8	0
Realization Suspense Account	414	18	3
Fire Loss Suspense Account	5,183	11	7
	£19,887,178	11	10

Assets.	£	s.	d.	£	s.	d.
Advances on mortgages—						
Current Account ..	3,014,658	5	7			
Farms, orchards, &c.	8,365,951	17	11			
Dwellings, market-gardens, &c. ..	6,732,546	0	5			
				18,113,156	3	11
Instalments of principal outstanding—						
Farms, orchards, &c.	45,004	5	0			
Dwellings, market-gardens, &c. ..	9,488	11	9			
				54,492	16	9
Instalments of principal postponed ..				3,980	16	8
Interest outstanding—						
Current Account ..	106,187	1	8			
Farms, orchards, &c. ..	209,203	11	1			
Dwellings, market-gardens, &c.	15,961	3	0			
				331,351	15	9
Interest accrued but not due—						
Farms, orchards, &c. ..	105,322	12	0			
Dwellings, market-gardens, &c.	51,366	2	3			
				156,688	14	3
Interest postponed				22,489	5	0
Interest accrued and unpaid on surplus temporarily invested				9,431	1	4
Sundry debtors, for sales of stock, &c. ..				1,608	10	7
Sundry debtors, for interest on sales ..				128	13	1
Sundry debtors, for rent of properties ..				28	3	6
Bills receivable				65	15	2
Sundry debtors—miscellaneous ..				514	0	7
Machinery and plant				1,623	12	1
Property Account—Properties bought in through default of mortgagors ..				32,669	6	10
Realization Account—Securities in course of realization				80,121	17	7
Land improvement—fencing, buildings, &c.				1,237	7	1
Dead Stock—Fencing-wire				1,891	17	9
Sundry estate accounts—Live and dead stock				18,489	3	7
Sinking fund				11,443	9	0
Charges and expenses raising loans ..				195,000	0	0
Revenue Account—Net loss				43,154	12	8
Cash in hand—Balance as per Treasury Accounts	832,754	16	9			
Less accounts paid by imprestees but not cleared in Treasury	25,143	8	1			
				807,611	8	8
				£19,887,178	11	10

J. B. Thompson,
Under-Secretary for Lands.

J. H. O'Donnell,
Chief Accountant.

16th August, 1922.

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