7 C.—15.

This gives an idea of the large sum required to road this class of country, and indicates the necessity of economy in the mileage. This does not mean that properties should always be large; they may be small on roads that are necessary, but extra roading should be avoided, if larger subdivisions will lessen it, where the class of land does not justify the rating necessary to pay interest on loans and maintenance. Many settlers urged the need of greater financial assistance than the present limit of £5,000 loan-money towards metalling in undeveloped counties where road-metal is scarce and consequently costly.

The improving of communication in these backblocks would assist in making the social side of the life more attractive, and induce more married men with families to take land; at present the lack of good roads, and the difficulty in obtaining adequate educational facilities, make residence on

this class of land hard for the womenfolk.

We would recommend that in newly settled districts like these under consideration, where a large amount of developmental work has to be done, where roading is difficult and costly, and metal scarce, it would be reasonable to give local bodies a larger limit of borrowing-power from the State Advances Department than older-settled districts, and a more generous contribution in the way of subsidies for metalling—say, £2 for £1, instead of £1 for £1 as at present.

It is hopeless a settler trying to succeed without a 12 ft. road to his property, and the Government should provide this or say definitely that it will not do so. In the latter case some compensating arrangement should be made with the settler who has been patiently waiting for his access for so many years; in some few cases, twenty years after the land has been alienated, some of the roads are still unformed.

SUITABILITY OF THE LANDS FOR SETTLEMENT.

(Part C, Order of Reference.)

(c.) In view of the large amount of capital already spent in felling, grassing, and roading, &c., caution should be used before abandoning any of this class of country.

In our opinion, a small portion of the poorest and roughest country is not worth trying to farm. At the same time, the second-class grasses have not yet had sufficient trial, and it is desirable that work of an experimental nature be carried out on this class of country by the Crown. In the mean-time the disposal of this class of land should be held in abeyance.

The question of deterioration has been dealt with in paragraph (4).

NECESSITY FOR REVALUATION. (Part D, Order of Reference.)

Revaluation is advisable in consequence of the change in circumstances since many of the lands were selected. When this took place in many cases the difficulty of maintaining fertility and controlling second growth, and the liability to reduction in carrying-capacity, were not generally recognized, as the forest indications were similar to those in districts where country turned out well and was broken in with much less difficulty. Costs of development have also increased out of proportion to the returns. Bushfelling, for instance, has risen from £1 5s. to £2 or over, and fencing in the same proportion to £2 or more per chain.

One factor that induced high valuations was the goodwills that in instances were paid on

transfer. Tenants complained of want of uniformity in Crown rental valuations.

Generally, the rental values previous to 1908 are not unduly high, and it is not apprehended that much reduction will be necessary in the case of blocks opened prior to that date. In the case of blocks opened subsequently to that date, values of some blocks should probably be reduced considerably.

The fact of the country being opened up more, and the experience of intervening years, will render practicable more uniform and reasonable valuations. The lowering of rents on revaluation will not amount to enough to remedy the situation altogether, but it will afford a measure of relief to many harassed settlers.

Among the causes justifying low rental valuations on these lands are the liability to second growth, and the high cost of maintaining pasture through the loss of cattle used for crushing in earlier stages; the lower price for bush wool; and the lack of formed access, making the cost of everything high at the start, thus bearing hardly on men of small means. There is also the liability of failure of burns in a wet season. The cost of medical attention is another item that occasionally bears heavily on pioneer settlers. Much of the lands under consideration was cleared and sown when costs were much lower; but since about 1912 development charges have been rising rapidly, and it is now estimated that to properly fell, sow, fence, erect buildings, and otherwise improve bush land will cost about £6 or more per acre.

POSTPONEMENTS AND REMISSIONS OF RENT.

(Part E, Order of Reference.)

We are of opinion that in many cases remissions of rent for any period up to five years will be required, and also think that actual remissions for a period would be better than postponements of larger amounts for longer terms. Such should only be given subject to the amount remitted being spent either on fencing, manuring, seeds, clearing, or other land-improvement to the satisfaction of the Department. In many instances the settlers are so heavily involved that any assistance is futile until a large proportion of their indebtedness is written off. Any assistance given should be contingent upon the mortgagees, State or private, reducing mortgages or remitting or lowering the rate of interest. In granting assistance of any kind the merits of each individual case would have to be carefully considered.