

Arrears of Rent, &c.—The Board has continued its persistent pressure for the payment of rent, and the amount of arrears has again fallen off. The large amount of arrears on the holdings in the Opotiki County was to a great extent written off through the operation of the Deteriorated Lands Act. Very few postponements have been granted. Deferred-payment-license holders, on account of the low returns obtaining early in the year, availed themselves freely of the provisions of the Act allowing them to have their licenses extended or reconverted. The total amount of revenue received was £106,703, as against £110,164 last year.

Boardwork.—The Land Board held twelve meetings during the year, one-day meetings being the rule. I must again express appreciation of the earnest and capable manner in which the Board members applied themselves to their duty. Mr. A. G. Nolan, of Wairoa, was appointed to the Board in place of the late Mr. A. J. Cameron. Mr. Nolan has an intimate knowledge of the problems affecting the southern portion of the district, and his advice to the Board has been most valuable. The press has again extended its courtesy to the Board in the matter of full reports, and the cordial relationships between the office and the legal and mercantile firms continue to exist.

Deteriorated Lands.—During the year the Board dealt with the recommendations of the Special Revaluation Committee set up under the Deteriorated Lands Act. The reports gave the Board a great deal of anxious consideration. Very considerable reductions in capital values and rents were made by the Committee, and the Board also afforded relief by granting remissions of rent for periods up to five years, conditionally upon an amount equal to the amount remitted being spent on improvements annually. As the result of revaluation many of the settlers are considerably in credit with regard to their rental payments. At the end of the period of remission the Board should be in a position to judge whether the settlers concerned have any real chance of making good or not. Only a few applications remain to be dealt with.

Lands Remaining Open for Selection.—The lands which should be opened for selection during the ensuing year include the following blocks: Tuparoa consolidation (6,000 acres); Poroporo (4,380 acres); Crown land, Block XXI, Mangahopai (4,780 acres). About half this country is in heavy bush, some of it being about the best bush land left in this district. The total area to be opened next year is approximately 19,000 acres.

Amongst the blocks that will be available for disposal subsequent to 1928 are Tangihanga (3,000 acres) and Tahora (16,600 acres).

There is a large area of unoccupied Crown land in the Opotiki district, but the greater part of this will probably have to be set aside as forest reserve.

HAWKE'S BAY.

(J. D. THOMSON, Commissioner of Crown Lands.)

Drought conditions unfortunately continued after the termination of last year, and it was not till towards the end of May that the drought broke and soft warm rains set in. Feed then came away rapidly, but the stock went into the winter low in condition, and, though climatic conditions were by no means severe, heavy losses were sustained in cattle, while the quality and staple of wool was also seriously affected. From September farming-conditions improved considerably; but warm rains during January caused great damage to the oat crops, and a spell of warm dry weather from February on so aided the ravages of the diamond-back moth that valuable crops of rape, turnips, and swedes were practically destroyed.

A heavy hailstorm passed over Hastings and the main orchard portion of the district in November, so seriously affecting the half-formed fruit that a heavy loss is inevitable in the export of both apples and pears. Orchardists experienced further troubles in March through fierce westerly gales damaging both the trees and the fruit. The returns for export apples this season will probably disclose a drop of 30,000 cases as compared with last season.

With the gradual return to pre-war conditions and pre-war prices, settlers should now have recovered from the frenzy of the boom period and the demoralizing influences of the succeeding slump, and so work their farms and control their finances that the farms can be run on sound business lines and all sources of income therefrom fully utilized and developed. The time is rapidly approaching when it will be found unprofitable to occupy land in either large or small holdings unless every available foot of soil is utilized to the utmost. A large holding well worked and fully developed is no bane to any country, but unfortunately at the present time, whether due to insufficiency of capital, indifference, or lack of enterprise, there are a number of places throughout the district where large areas of good country are only partially developed. There is a great tendency on the part of the smaller lessees to reach out for larger areas rather than strive for greater and increased returns from their present holdings. In no class of farming is this more in evidence than amongst the dairy-farmers. The average butterfat yield for the district does not exceed 165 lb. per cow. With careful culling—as the result of testing and comparison of yields—and, where the settler can afford it, the judicious selection of good pedigree stock, combined with greater attention to the planting of shelter-belts and top-dressing, no dairy-farmer in Hawke's Bay should be showing less than 225 lb. There is no reason whatever why this district, with its splendid climate, easy country, and good soil, should not be the outstanding farming district in New Zealand.