An increasing number of soldier settlers are devoting a small area to the cultivation of tobacco, which should prove a profitable sideline. It appears to grow well in the drier parts of the district, but will take experience to cure the leaf successfully.

Many of the soldier settlers on Crown leaseholds, whose holdings came within the areas proclaimed under the Deteriorated Lands Act, have made application for relief. As many of the properties comprise poor land, considerable concessions have been made, which in most cases should place the settlers on a sound footing and enable them to carry on successfully. This applies particularly to several settlement areas which have been revalued under the Deteriorated Lands Act. There are still, of course, a few settlers who through lack of energy or experience are not likely to succeed.

MARLBOROUGH.

(J. Stevenson, Commissioner of Crown Lands.)

Generally, the seasonal and market conditions mentioned in the general report covering the whole district affected the soldier settlers, and in many instances returns have not reached anticipations, accounted for by November floods, later frosts, and the low price of butterfat; but notwithstanding these factors the majority are improving their condition, the concessions granted by the Dominion Revaluation Board having materially assisted in this direction.

The dairy-farmer has felt the drop in value of butter, and a number are valiantly struggling to make ends meet. With this class of settler a sympathetic consideration and directed effort to improve the herds by the introduction of proved butterfat-strain bulls and judicious culling will ultimately lead to the success of the industry.

The sheep-farmer has passed through a more satisfactory season, and with a continuation of fair prices the prospect appears much brighter.

The agriculturist, with a wet season right to Christmas mixed with floods and frost, has had an anxious time, and a number of settlers have not paid expenses, whilst others more favourably situated have had a good season.

On account of staff changes and shortage, no progress has been made in the proposal to transfer Current Account mortgages for advances for improvements to instalment mortgages, but efforts will be directed towards this object during the ensuing year.

The following is the position of accounts under the Discharged Soldiers Settlement Act:—

Loans outstanding at the end of the year: Current Account advances, £51,899 13s. 11d.; instalment mortgage advances on farms, £221,042 17s. 5d.; instalment mortgage advances on dwellings, £93,351 1s. 2d.: total, £366,293.

Receipts during year, £31,090 10s. 5d.

Arrears of interest on Current Account, £1,164 12s. 9d.; arrears of instalments on farms, £5,833 5s. 4d.; arrears of instalments on dwellings, £220 1s.: total, £7,737 19s. 1d.

Postponements of principal and interest in force at the end of the year amounted to—farms, £7,214 0s. 4d.; dwellings, £218 15s. 4d.; Current Account, £317 11s. 3d.: total, £7,750 6s. 11d.

WESTLAND.

(W. T. Morpeth, Commissioner of Crown Lands.)

Generally speaking, the position of the discharged soldier settlers in this district is satisfactory, notwithstanding a bad winter and spring, and in spite of the fall in the price of butterfat. The position here is that the class of settler who almost courted failure has been eliminated; and, although in two or three cases further postponements are indicated, and are, in fact, unavoidable, there is no doubt whatever that it is only a matter of time when the settlers will be in a good way and independent of further State assistance.

CANTERBURY.

(W. Stewart, Commissioner of Crown Lands.)

Owing to the concessions granted by the Dominion Revaluation Board, the position generally with regard to soldier settlement is much improved. Most of the settlers are now in a safer position, and it is hoped that in future only occasional postponements, to tide over temporary difficulties, will be sufficient to meet all except a few cases of special hardship. There are still a few men who are not fitted for farmers, and who under any circumstances could not make a success of their holdings; these unsuitable settlers are gradually being eliminated.

There are still a few cases where the liabilities to firms or to private mortgagees are too heavy to allow settlers to regain stability, but the number of these is gradually being reduced, mostly in the case of capable farmers, by the security-holders reducing their claims.

During the past year some forty-three holdings were either abandoned or forfeited through the inability of the settlers to make good. Most of these areas have again been reallotted or, where the sections have been considered too small, divided amongst the adjoining settlers.

Taken on the whole the present settlers are a good hard-working lot, and have had a fairly successful year. Crops have been remarkably good, though prices have been lower than in previous years. Pastoralists have done well, as the market for sheep has been steady and the price of wool has had an upward tendency. Dairy-farmers have perhaps been less fortunate owing to the drop in the price of butter, although the season itself has been a favourable one.