

In addition to this the Revenue Account for the past year shows a loss of £223,797 after providing for a reserve of £150,000 for probable losses on account of reductions in value of abandoned properties. Further concessions granted by the Dominion Revaluation Board during the year amount to £15,803, and it is proposed to approach the Treasury this year for a further writing-off under section 22, Finance Act, 1927 (No. 2).

GENERAL.

Now that the majority of farms are held and worked by settlers who take a keener and more active interest in improving their returns by the use of manures and by improving their stock the future outlook is decidedly hopeful. Unfortunately, there is a small percentage who are still occupying lands that will never, under the most favourable conditions, produce more than a bare living. While these men occupy their holdings and farm them to the utmost extent possible, but still find themselves in an adverse position, the policy of the Department is first to allow reasonable living and maintenance charges out of the revenue, the balance left being available for the Department, the unsatisfied portion of the charges being remitted.

It is considered advisable to meet deserving settlers in this manner rather than realize, as no doubt realization would result in increasing the number of farms on the hands of the Department, while the ranks of the unemployed would be increased. A reduction in the values or mortgage liabilities might appear logical, but the majority of these farms are too small to be self-supporting. The regrouping of two or three such farms into one would probably maintain the values, and is being effected as opportunity offers. Unfortunately, there is a small percentage of settlers who have been afforded all reasonable assistance but who under the most favourable conditions will not be successful. It would be advisable for these men to follow some other occupations for which they are more fitted.

Careful administration of settlers' affairs is still a vital necessity, although it is certain that with the liberal concessions that have been granted settlers generally should not need that careful "nursing" that has been a feature of past administration. It is considered that the time has arrived when with thrift and good management the bulk of the settlers should have established themselves sufficiently well to carry on and improve their future prospects without further reliance on the State. It can be stated with confidence that there is now a really buoyant feeling throughout our soldier settlements that augurs well for the future.

LANDS PROCLAIMED.

The lands set apart for selection by discharged soldiers during the year totalled 7,047 acres. From the inception of the scheme to the 31st March, 1928, a total area of 1,434,537 acres has been proclaimed for soldier settlement. This area is made up as follows:—

Class of Land.	Area (acres).
Ordinary Crown land	600,439
Cheviot Estate land	3,356
Land-for-settlements land	399,744
National-endowment land	430,998
	1,434,537

Proclamations have been issued revoking the setting-apart of 216,153 acres of Crown land and 93,844 acres of land-for-settlements land.

APPLICATIONS FOR LAND.

Applications for land under the Discharged Soldiers Settlement Act, 1915, to the number of ninety-six were received during the year. The following table gives the number of applications and the area allotted for each year from the inception of the soldier-settlement scheme:—

Year ending	Applications received.	Allotments made.	
		Number.	Area (acres).
31st March, 1916	272	2	629
„ 1917	522	319	143,524
„ 1918	513	313	103,362
„ 1919	1,379	348	117,018
„ 1920	5,041	932	403,891
„ 1921	5,396	1,087	414,867
„ 1922	878	403	97,972
„ 1923	284	146	25,113
„ 1924	216	79	16,910
„ 1925	123	47	9,014
„ 1926	109	86	20,500
„ 1927	78	66	17,412
„ 1928	96	60	15,695
Totals for thirteen years	14,907	3,888	1,385,907

J. B. THOMPSON, Under-Secretary.