

REPORT.

REVIEW OF PAST YEAR.

THE climatic conditions in most districts have during the past year been generally favourable for farming operations. While the rainfall was unusually heavy during the summer months, taken all round the year could be described as a good one from a productive point of view.

An important feature of the year in so far as those engaged in the pastoral industry were concerned was the succession of very successful wool sales, the demand for all classes of wool proving to be exceptionally keen. The prices for fat lambs, beef cattle, and other classes of stock have been quite satisfactory and have contributed towards placing pastoralists in an improved position.

The dairy season has been a good one from a productive point of view, and as the result of an improved price for butterfat the average dairy-farmer is in a better position financially than has been the case for some years.

In the early part of the season the prospects of those engaged in cropping were very promising; but owing to an unseasonable summer in the grain-growing districts the crops suffered severe damage in some cases.

Land revenue shows a substantial increase on last year's figures, while arrears of rent have decreased.

A large number of applications under the Mortgagors and Lessees Rehabilitation Act, 1936, have been received, and the committees in the various districts are engaged in making inspections to facilitate adjustments. When the rehabilitation investigation has been completed and the adjustments have been made the accounts should be on a sound footing and Crown tenants generally should be in a position to face the future with confidence.

The Department has continued to give careful attention to the necessity for bush-preservation and the protection of high and steep country generally, and in this most important matter is working in close co-operation with the State Forest Service. Far too much country has in the past been cleared of its forest cover in an endeavour to increase farming areas. It must be frankly admitted that the bush has been destroyed on hundreds of thousands of acres of steep country which at the time was regarded as suitable for settlement, but which painful experience has shown should never have been touched. Such country will not be opened for settlement in the future, and already arrangements have been made for extensive areas of Crown land to be set aside as permanent State forests and as scenic reserves. An earnest endeavour will also be made to repair certain mistakes made in the past, when pastoral licenses were granted more or less as a matter of course over extensive areas of high country, much of which in its natural state was extremely valuable for water-conservation and general protection purposes. It is proposed to make a careful review of the run country in certain localities, and to refrain whenever possible from granting any further pastoral licenses over lands that would have been better left unleased in the first place.

Selections of Crown and settlement lands on all tenures during the year totalled 463,178 acres. This subject is dealt with more fully at a later stage of this report. At the 31st March the tenants on the books of the Department, excluding those established under the small-farms scheme, numbered 36,563, occupying a total area of approximately 18,650,000 acres. Pastoral runs account for 8,843,540 acres, while 1,830,935 acres of purchased estates are held under the provisions of the Land for Settlements Act.

LEGISLATION.

The Reserves and other Lands Disposal Act, 1936, contains thirty-one clauses dealing with Crown lands, reserves, &c.

LAND-DEVELOPMENT.

The operations of the Lands Development Board so far as unoccupied Crown land is concerned have been confined mainly to a continuation of work on the Galatea Estate, in the Auckland District, and on the Kakariki Estate, in Hawke's Bay, the net expenditure on developmental work having been £16,262 on the former and £12,453 on the latter.

The Board has not given consideration to the undertaking of any work on new blocks of unoccupied Crown land, but extensive rehabilitation operations are controlled by the Small Farms Board and are reported upon under the heading of "Small-farms Scheme."

The number of Crown tenants who have been assisted by way of loans to develop their own properties now totals 494, the amount advanced during the year being £7,915.