

The prices offering at present for grass-seeds and for oats is not encouraging, and for this reason grain-growing in Southland has been very much curtailed in the last years. The heavy manuring and general expenses incurred do not pay as in past years, and sheep are taking the place of the extensive cropping of former years. The weather for the past harvest has been very trying, and since the New Year very short fine spells have been experienced, and even at the present time some crop is still in the paddock.

Top-dressing of pastures is becoming more recognized in this district as essential for the good quality of production, and farmers are fortunate in being able to secure carbonate of lime in truck lots at about 12s. per ton. As the top-dressing of old pastures has the effect of also assisting the growth of ragwort and weeds, the necessity for dairy-farmers to also run a few old ewes has become apparent.

There has been no great demand for unimproved land, although any block of fair-quality land is generally selected when put on the market. Sections which are open for selection in the Crown Lands Guide are occasionally applied for, but there is no marked forward movement in the settlement of this class of land, probably due to the difficulty in arranging finance for the necessary improvements and stocking, those with sufficient capital preferring to treat for the purchase of improved farms.

Several of the River Boards operating are doing useful work, and their operations to date show the necessity for systematic deepening and straightening of the rivers now being worked on. It is unfortunate that more attention is not given to this useful work, as there are numerous streams which could be worked on to advantage and by so doing would bring many hundreds of acres of land of good quality into production, the drainage of which is at present blocked by want of outfall. In this respect district drains could be opened up from the main channels to advantage and utilized as a basis for drain-ploughing.

*Education Reserves.*—A large number of Education-reserve leases formerly issued by the School Commissioners expired during the year and were renewed at satisfactory rentals by the Land Board. In many cases the lessees of these reserves are not inclined to put much heart into the improvement of the land during their first term of tenure, being under the impression that by so doing they are penalizing themselves when a renewal of the lease is sought. The attitude taken up does not tend to give them the full benefit of the use of the land, and from a farming point of view the lessee is the loser.

*Conversions to Freehold.*—Nine sections, of a total area of 803 acres, were converted from leasehold to freehold during the year.

*Crown Lands opened for Selection during the Year.*—Thirty-four sections, of a total area of 16,319 acres, were opened for selection, and the selections for the past year included thirty sections, of a total area of 16,315 acres. A large number of miscellaneous leases were also granted.

*Crown Lands to be opened for Selection.*—If demand warrants it, 2,200 acres, comprising eight sections in Jacobs River Hundred, will be opened for selection. Further areas in Alton, Toetoes, Oteramika, and Waikawa districts will be opened from time to time on the completion of sawmilling over the areas affected.

*Land Board.*—During the year twelve ordinary meetings and one special meeting were held, and a large amount of business was transacted. It is with great regret that I have to record the death of Mr. James Fleming, who was a member of the Southland Land Board for over twelve years. A resolution placing on record an appreciation of the services rendered by the late Mr. Fleming has been placed on the Land Board's minutes. The vacancy on the Board was filled by the appointment of Mr. William Watson, of Heddon Bush.

As Chairman, I desire to thank the members of the Land Board for their co-operation and assistance in all matters coming before the Board.

*Revenue.*—The revenue received during the year totalled £127,697 18s. 11d., of which £66,567 18s. 10d. was on account of interest and principal under the Discharged Soldiers Settlements Act. The above shows a deficiency as against revenue received in the Lands for Settlement Account of last year, and this is accounted for by the fact that the provisions for the conversion to freehold of leasehold land were not availed of to the same extent.