

General.—There has been a marked advance in this district in production during the last season. More land has been taken up, and where the land is attractive this demand still continues. Noticeable improvements have been made in bringing in undeveloped lands, and in renewing old pastures by continuous top-dressings. More systematic culling and testing of herds, as well as more scientific methods of farming, have been adopted.

The prospects for next season appear to be good. The legislation enacted last session enabling advances to be made to Crown tenants will tend to increase the selection of our unimproved lands, and will help to settle the right type of man, whose financial position previously precluded him from taking up undeveloped land.

AUCKLAND.

(K. M. GRAHAM, Commissioner of Crown Lands.)

The climatic conditions during the season have been satisfactory on the whole for all classes of farming. A good deal of rain fell during the months of July and August, but this was followed by a dry spell which did much towards improving the quality of the pastures for both dairying and sheep-farming. With an abundance of feed over from the previous year, all stock wintered well. Good rains were experienced from October onwards throughout the summer, with warm humid conditions prevailing, and this resulted in an extraordinary flush of feed, and another record increase in the butterfat-production in all parts of the district.

The effect has been to largely compensate the farming community for the disappointing market-conditions, and the continued downward tendency in the prices of all farm-products. Although it is impossible to forecast the trend of values in the immediate future, it is anticipated that the end of the production year, so far as dairying is concerned, will yet disclose a favourable balance.

Sheep-farming and Grazing.—Further progress is to be recorded in the management and clearing-up of hill country in many parts of the district, and top-dressing is doing much to increase the carrying-capacity of this class of land. The fall in wool-values has seriously affected the returns of the sheep-farmer, to the extent of making the year unprofitable one; but, with improvement in pastures, greater carrying-capacity, and a stimulated demand for wool, something better can be looked for next season.

Dairy-farming.—The weather-conditions above mentioned have been very favourable for dairying, and though the wet weather caused the loss of a good deal of grass during the haymaking period, and a number of newly made haystacks were destroyed by fire, due to damp stacking and subsequent spontaneous combustion, the majority of dairy-farmers took advantage of the great flush of feed by converting it into ensilage. This is becoming the universal practice in many parts of this district, where its importance as part of the farm-work is now fully recognized. The cutting of the surplus grass for this purpose not only avoids waste and enables the settler to get the fullest possible return for money spent on top-dressing, but it has the direct effect of keeping the pastures in a fresh and green condition throughout the season. The grass can be cut when ready, irrespective of weather-conditions, and the ensilage, as supplementary feed during the winter, provides all that is necessary to keep the dairy cow in first-class condition.

All factory returns, both for butter and cheese, show an increase in production over the record season of last year, but, whilst the basis of payment by the various companies left nothing to be desired during the first few months, this has, at the time of writing this report, been considerably reduced owing to the unexpected fall in the market prices. Unless an improvement takes place, it is possible that the small farmer and struggling settler will receive little or none of the usual bonus payment which he depends upon to help him over the slack period of the year.

Special Settlement of Inferior Lands.—No new areas have been opened for selection during the past year. One additional area of 504 acres has been selected, giving a total of ten selectors under this heading on the books at present, holding an area of 4,070 acres.

Land opened for Selection.—The total area opened for selection during the year amounted to 33,855 acres, while a total area of 48,989 acres was actually selected on permanent tenures by 266 selectors, this representing an increase over the previous year of sixty-seven selectors and 5,871 acres of land. In this district the Crown has commenced the development of two extensive areas of Crown land at Te Kauwhata and Guthrie, with a view, after they have been grassed and improved, of subdividing and opening them for selection.

GISBORNE.

(E. H. FARNIE, Commissioner of Crown Lands.)

As has been mentioned on previous occasions, conditions vary slightly in the different parts of this district, and I have followed the established custom of reporting separately on the different areas.

Poverty Bay District.—Dairying: The season commenced well, and suppliers were optimistic when payments were on the high side, commencing at 1s. 4d. per pound until after November. Throughout the season there has been plenty of rain, and this has brought about an abundant growth, the best yet experienced in Poverty Bay; but there was not the same sustenance as in the case of normal times. A spell of fine months was required to provide the proper nutritive qualities conducive to high production. This came at the end of February, and the seasonal decline in the butterfat-production was stemmed. Even with payments down to 1s. per pound for March the total of the