

REPORT.

REVIEW OF PAST YEAR.

FROM a climatic point of view the past year was, in so far as the greater part of the Dominion was concerned, not favourable for those engaged in farming pursuits. Most districts were adversely affected by a cold and wet spring, followed by an exceptionally dry spell during the late summer months. These conditions resulted in a lowering of production and a consequent drop in the revenue derived from the land.

Dairy-farmers in particular suffered from the lack of rainfall, and this factor contributed to a reduction in the production of butterfat. As a result of the guaranteed price, however, the cash returns of those engaged in this branch of farming were fairly well maintained.

Those engaged in sheep-farming found conditions very difficult owing to the low prices for wool and the depressed state of the market for surplus sheep. This applied particularly to pastoralists on high country, whose income is derived mainly from the sale of fine wools.

The grain crops, on the whole, gave satisfactory returns, and in the southern districts there were some very heavy yields.

The departmental receipts, although below those of last year, have kept up well, and, following on the completion of action connected with applications under the Mortgagees and Lessees Rehabilitation Act, 1936, the majority of settlers, under normal weather conditions and with average prices for farm-produce, should be able to meet their future commitments.

Very satisfactory progress has been made in the development of Crown and settlement land, and the reconditioning of deteriorated holdings which have reverted to the Crown. These matters are dealt with in detail under separate headings.

Selections of Crown and settlement lands on all tenures during the year totalled 271,549 acres. This subject is dealt with more fully further on. At the 31st March the tenants on the books of the Department numbered 36,694, occupying a total area of approximately 18,067,226 acres. Pastoral runs account for 8,168,787 acres, while 1,783,304 acres of purchased estates are held under the provisions of the Land for Settlements Act.

LEGISLATION.

The Reserves and other Lands Disposal Act, 1938, contains thirty-nine sections dealing with Crown lands, reserves, &c.

PROTECTION OF HIGH AND STEEP COUNTRY AND BUSH-PRESERVATION GENERALLY.

During the year further attention has been given to the question of the best method of dealing with blocks of Crown land which possess little, if any, value for settlement, but which nevertheless have a very real value to the State if they can be conserved in their natural state. As a result, areas totalling nearly 250,000 acres were handed over to the State Forest Service for proclamation as permanent State forest, while approval was also given to the permanent reservation of over 150,000 acres of provisional State forest reserves. Dealings of this kind during the past three years have been as follows:—

	Crown Land pro- claimed as Perman- ent State Forest.	Provisional State Forest Reserves made Permanent Ones.
	Aces.	Aces.
Year ended 31st March, 1937	54,437	95,009
Year ended 31st March, 1938	158,592	31,518
Year ended 31st March, 1939	249,757	151,413
Totals for three years	462,786	277,940

An endeavour has also been made to exercise closer control over high-country runs let under pastoral licenses with a view to the checking of indiscriminate burning and burning-off at wrong times of the year, and various cases that have come under notice have been investigated with a view to impressing on the licensees concerned the necessity of complying with the conditions of their licenses.

Various freehold properties which are situated in high country in various parts of the Dominion and which should, if possible, be owned by the State for water-conservation and protection purposes have been noted, but as explained in last year's report both legislative authority and finance for their acquisition have been lacking. There has, however, been considerable activity in the purchase of privately owned bush lands for scenic reserves within the somewhat narrow limits imposed by the smallness of the Department's vote for that purpose.