35 C.—1.

PAYMENT OF "HALVES" TO LOCAL AUTHORITIES UNDER "THE TIMBER AND FLAX ROYALTIES ACT, 1905."

The total amount paid during the year under the authority of the above-named Act was £606 10s. 1d. The Inangahua County Council received £219 7s. 4d., and the Buller County Council £387 2s. 9d. of this sum.

ARREARS OF RENT.

The total amount of arrears of rent is very much less than it has ever been in this district. Exclusive of the current half-yearly instalments, the arrears amount to £348—made up of small amounts—distributed amongst thirty-eight tenants. Only £5 is owing on land held on occupation-with-right-of-purchase tenure, and £4 on land held on lease-in-perpetuity tenure. Of the balance, £160 is owing on mineral leases granted by the Warden. Out of 600 tenants whose holdings are on the principal tenures—viz., lease in perpetuity and occupation with right of purchase—there are only four in arrear, to the value of £9. This result is in a great measure due to the excellent methods of the Receiver of Land Revenue.

FORFEITURES AND SURRENDERS OF LANDS HELD ON PERMANENT TENURE.

During the year five holdings were forfeited for non-payment of rent. These comprise one license held on occupation-with-right-of-purchase tenure, two leases in perpetuity, and two occupation leases under "The Mining Districts Land Occupation Act, 1894." Five lessees surrendered their holdings—two of them with the view of obtaining lands on a more permanent tenure than mining-districts-land-occupation lease, one because the area was too small, and one lessee assigned no special reason. The surrendered areas are in every instance small.

"THE BUSH AND SWAMP CROWN LIANDS SETTLEMENT ACT, 1903."

An area of 38,441 acres was opened during the year subject to the provisions of "The Bush and Swamp Crown Lands Settlement Act 1903," under which remission of rent and rates are allowed up to four years. Of this area 26,409 acres were selected by seventy-three selectors. The amount of rental remitted per annum was £442 16s. 4d.

RESERVATIONS.

A total area of 56,967 acres was reserved under section 235 of "The Land Act, 1892," for various purposes during the year. Of this area 46,196 acres were set apart as scenic reserves. These scenic reserves include the forest around the margins of Lakes Rotoroa and Rotoiti, and a belt of beautiful forest scenery extending for forty-three miles along the main coach-road Nelson to Westport from the Hope River, at intervals, to the Buller Coal Reserve, about fourteen miles from Westport, thus including the celebrated Buller Gorge, one of the principal beauty-spots of the Dominion.

"THIRDS" AND "FOURTHS."

Pursuant to section 126 of "The Land Act, 1892," payment of "thirds" and "fourths" was made during the year to the undermentioned local authorities: Waimea County Council, £328 0s. 10d.; Takaka County Council, £68 7s. 10d.; Collingwood County Council, £57 17s.; Inangahua County Council, £85 16s. 6d.; Buller County Council, £32 12s.; Waimea West Road Board, £4 18s. 3d.; Stoke Road Board, £32 1s.; Upper Moutere Road Board, £12 19s. 7d.; Dovedale Road Board, £7 10s. 9d.; Suburban North Road Board, £2 17s.

TRANSFERS.

Forty-six transfers were approved by the Land Board during the year. Thirty-four related to leases in perpetuity, fifteen to occupation-with-right-of-purchase selections, and seven to occupation leases under "The Mining Districts Land Occupation Act, 1894." The Land Board exercised discrimination and judgment in dealing with this important branch of its functions, the dominant motive of the Board being to prevent speculation in Crown lands; and I have no hesitation in affirming that it has been successful in attaining that end.

COAL INDUSTRY.

The principal seat of the coal industry in the Dominion is on the west coast of Nelson, between Westport and the Mokihinui River. In this coalfield there are located the Westport Coal Company's mines, Denniston and Millerton; the Seddonville State Coal-mine; and the coal area about to be mined by the Westport-Stockton Coal Company. The areas held by the Westport Coal Company comprise 5,451 acres, and there is in that area an approximate known supply of coal sufficient to last for eighty years at present rate of output; the output from the Denniston and Millerton Mines for the year ending 31st; March, 1908, was 610,759 tons—an increase of 9,846 tons over the previous year; 45,000 tons were exported beyond the Dominion and 565,759 tons were consumed within the Dominion; the total number of men employed by the Westport Coal Company is 1,094. The Seddonville State coal area comprises 2,951 acres; the output during the year was 35,426 tons; there are ninety-two men employed in this mine. The Westport-Stockton Coal Company holds an area of 2,000 acres, but has not yet started operations; an expenditure of £45,000 has, however, been incurred in development; tenders have been let for the rolling-stock and machinery for the bins; the power-house and bin-buildings are in course of construction; the laying of the rails on the formation is proceeding, and the erection of the overhead work of the electric system is being taken in hand; provided no delays occur in the delivery of the machinery, the company expects to ship coal about the end of the present year.