

In the Collingwood, Takaka, Waimea, and Sounds Counties marked improvements have been made during the past year in the cultivation of freehold and other lands. A few years ago many acres that were covered with fern and noxious weeds have been cleared, and are now cultivated with rape and turnips for the purpose of fattening sheep for freezing and cattle for dairying purposes. The farmers are now realizing the advisability of cultivating and improving their lands in a profitable manner, and ere long I anticipate all the available land in this locality will be under profitable cultivation.

The Crown Lands Ranger who inspected the holdings in the Buller County reports as follows on the state and progress of settlement therein :—

The demand for land for settlement purposes is still very keen, and the country that was at one time looked upon as worthless is being taken in hand by a good class of settler. The forest-clad hills are giving place to grassed clearings. In the northern portion of Buller County, extending from Seddonville to Karamea, there is ample evidence of the progress of small settlement. Clearings appear in nearly all the selections taken up during the year, besides a considerable amount of bush has been felled on the other holdings. The lateness of our summer or dry season was in some degree detrimental to the burns. In spite of the denseness of the bush, want of roads, and many other difficulties to be overcome, the new settlers appear to be in great heart, and their energy seems to be putting new life into the old settlers. The village-homestead special settlement at Seddonville shows little advance on the prosperous condition of it at the end of the last year. Most of the selectors are resident, being content to keep their homesteads in order.

During the year I have inspected 126 holdings, covering an area of, approximately, 25,054 acres, the value of improvements effected being £6,368, and that required by the Act £2,288. Thirty-seven selectors have not complied with the improvement conditions of their leases, and 15 have not fulfilled the residence conditions. The period of four years allowed by law within which residence must take place has not expired in many cases. I have also inspected and reported, for the information of the Land Board, on eighty-four applications relating to land, timber, flax, coal, &c., and, for the information of the Warden, inspections and reports have been made on 161 applications for mining privileges, &c. The office-work and writing in connection with these has been a heavy item in my year's work.

TENURES.

As practically the whole of the land suitable for settlement in this district is either within the boundaries of the mining district or the National Endowment area, the permanent tenures are limited to renewable lease, occupation leases under Part VIII of "The Land Act, 1908," and licenses for the occupation of pastoral lands in mining districts. The pastoral run and small-grazing-run tenures are not availed of, the country being forest-clad.

Eighteen lessees in perpetuity notified their intention to purchase the fee-simple of their holdings under section 177 of "The Land Act, 1908." Fourteen of the lessees have completed the purchases, the total purchase-money being £3,319 for an area of 7,123 acres.

ARREARS.

Of the total arrears, £1,085 (inclusive of endowment lands), no less than £760 is owing on timber and mining leases administered, even to the collection of rents, by the Wardens. £260 of this has since been paid. Of the balance of total arrears £150 is owing on land for settlements, and will be paid shortly. The £58 owing on occupation-with-right-of-purchase and lease-in-perpetuity holdings has since been reduced to £30. Excluding amounts owing on leases under Warden's jurisdiction, the question of rent-payment is very satisfactory, there being not one settler hopelessly in arrear.

THE DAIRY INDUSTRY.

Dairy-farming is essentially a small man's industry, for the unfailing regularity of the monthly cheque from the factory pays his herd and farm expenses, and enables him to carry on free from financial embarrassment. The industry is on the up grade in this district, and modern methods of manufacture are responsible for this. Milking-machines are taking the place of dairymen. There is scope, however, for further development. There are stretches of country in Nelson which are eminently reliable for dairy farming. At Collingwood there are two factories (proprietary); at Takaka one factory (co-operative); in Waimea County there are four factories, three of them proprietary and one co-operative; at Karamea there is one factory (proprietary). In the localities named the initial stages have been passed, and the industry is flourishing. A factory (proprietary), supplied by 320 cows, has been started at Cronadun, in the Inangahua Valley, and the success of the undertaking should be beyond doubt, for both quality of the land and the nature of the climate are favourable. Proposals are now almost complete for the establishing of a factory at Fern Flat, near Murchison, Central Buller, with a branch at Braeburn Settlement, only eleven miles distant. The settlers in the neighbourhood of Murchison have guaranteed to milk six hundred cows. The large area of splendid dairying land at Fern Flat, capable of carrying about eighteen hundred cows—and probably double that number when cultivated and laid down in suitable grasses and winter feed provided for—affords reasonable grounds for the opinion that in a few years Murchison will have become the centre of one of the most important dairying districts in the Dominion. Summarised, the position of the dairy industry in Nelson district is as follows: There are nine factories supplied by 3,900 cows; the output of butter last season was 365 tons, valued at £31,617.