Cherical.

The number of letters received during the year was 17,920, and the number despatched was 35,600. These latter comprise letters, telegrams, circulars, plans, lithos, rent-notices, &c. The total correspondence thus dealt with is 53,520. There were 924 cheques covering 844 vouchers drawn on Imprest Account, for a total of £10,250. Other accounts dealt with covered 663 vouchers for £22,487, and there were forty-nine requisitions for imprest-money, representing £12,640, made during the year.

It again gives me great pleasure to acknowledge the zeal and energy displayed by my entire staff, from the highest to the lowest, who have all borne cheerfully the strain of the heavy year's work, which has lightened to no small degree the duties falling on my shoulders.

JAMES MACKENZIE, Commissioner of Crown Lands.

NELSON.

CONDITIONS AND PROGRESS OF SETTLEMENT.

Owing to the large area of 235,040 acres of land lying open for selection, either as unsurveyed or under provisional survey only, at the beginning of the year, and the large amount of arrears of survey of areas previously selected, no large blocks of land have been opened during the year. In the mining districts, and principally in the Buller County, a large amount of land has been taken up on pastoral license, and this tenure seems most suitable in a mining district. The demand for land is very keen, and generally the conditions as to improvements and residence are being well carried out. The lands selected for the past three or four years are now in the hands of good bona fide settlers, as the speculative or incompetent have now been nearly all weeded out, either by surrender, transfer, or cancellation of their holdings.

The construction of roads into the back-bush blocks is still the greatest problem retarding successful settlement, and, as most of the settlers have not much capital, I am of the opinion that the roads should be carefully graded, and lands should be cut up by actual survey for settlement, and the settlers given employment on the construction of the roads in small contracts.

The lands in the Central Buller having the township of Murchison for a centre are nearly all settled and being cleared very rapidly, and within a small radius of this township the bush on 5,000 acres has been felled during the past year. The butter-factory at Murchison has been a great boon to the settlers, and is practically making a great success of all the holdings within a radius of many miles. The railway to Glen Hope is now being proceeded with, and on its completion the prosperity of the Central Buller will be assured.

Land proposed to be opened during 1911-12.

The following blocks of Crown lands will most probably be opened during the ensuing year:—
Howard Block (20,000 acres—of which 17,000 acres are ordinary Crown lands and 3,000 acres national endowment): This land, situated in the Howard Valley, a tributary of the Buller River, will make fair pastoral country for sheep-grazing, and is within fifteen miles of the proposed terminus of the railway at Glen Hope. The area has been provisionally surveyed, and the roads are in course of construction.

Waimea Block (about 5,000 acres): Ordinary Crown lands, situated at the headwaters of the Miner and Serpentine Rivers, about twenty-three miles from the City of Nelson. Chiefly limestone country, suitable for sheep when bush felled and land grassed.

Matiri Block Extension (about 8,000 acres): National endowment, situated on right-hand branch Matiri River. Equal to, if not better than, the land which has all been selected in the main Matiri Valley.

It is also proposed to open for selection on pastoral license about 8,000 acres in the Brighton Block, chiefly limestone formation, and 4,000 acres in the Mokihinui Valley. Many inquiries have been made for these blocks, and no doubt the bulk of the areas will be selected.

INSPECTIONS BY CROWN RANGERS.

The Crown Lands Ranger in charge of the northern part of the district has made 433 inspections of leasehold sections held on different tenures, containing an area of 178,250 acres. The improvements required by the Act amounted to £28,645, whilst those effected amounted to £72,989. There were thirty-three defaulters as to improvement conditions, eighteen for residence and improvements, and forty-one for residence only; seventy-two have been granted exemption by the Land Board, and 136 are still exempt under the conditions of the Land Act. The Ranger has also made eighty-seven miscellaneous inspections for the Land Board and Warden, on land, timber reserves, &c. The access and locality of the holdings being taken into account, the tenants have done very well with regard to both improvements and residence conditions. The bush upon an area of 13,000 acres has been felled in this part of the district during the year, which is a considerable advance on any previous year.

The Crowns Lands Ranger for the Buller County reports that there is a very keen demand for land in his district, and settlement is advancing very rapidly. Several thousand acres have been selected on pastoral license during the past three months in the Waitakere district, and soon all lands suitable for settlement will be selected. Many of the new settlers throughout the district