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are expected to be in the same condition by June 30th. Should these anticipations (of which I have little doubt) be realised, the number of known scabby or infected sheep in the colony will amount to very little over 50,000. Of these latter one flock of 4,000 is being killed off, and another, the largest infected flock remaining, has now been reduced to under 30,000, which, after four or five miles of fencing now in course of erection is completed, will place this flock within fenced boundaries. These sheep have been continually mustered and dipped during the season with every probability of their coming in clean next year. As a matter of fact the infected flocks are now confined to the roughest as well as the most difficult country we have to deal with. This for many years past has been a fastness for wild scabby sheep, whose numbers were continually supplemented by stragglers from adjoining flocks. Before finality in these cases can be arrived at, all the roughest and inaccessible portions must be fenced off, and all sheep outside fences destroyed. Until this is effected, and the fenced-off portion left unstocked for a few years, the chances of reinfection

from wild sheep and stragglers must be continuous. During the year about 10,000 sheep have become reinfected from this cause. exception these outbreaks have occurred in the Sounds, Marlborough District, in each case attributable to unfenced boundaries and wild sheep. Most of these flocks so reinfected were cleaned during the period that certain clauses in the Sheep Act were suspended in the Marlborough District: they have held clean certificates since; but, being depastured on runs bounded by rough, hilly, and bush country, when this has been scoured for stragglers, either wild scabby sheep have been picked up, or, in other cases, scabby wild rams have joined the adjacent flocks. Any danger to be apprehended from these Sounds sheep is very remote, as they are either on islands or in such isolated positions that their mixing with the larger flocks is as a rule impossible. Further, the owners, although of small flocks, are fencing in the available parts of their runs, and purpose scouring the unfenced portions; but with such country as Arapawa and D'Urville Island in the Sounds, Tophouse, Red Hills, and the bush country in Blenheim Subdivision, before a thorough scour can be completed rather more comprehensive measures will be required than can possibly be effected within the means of owners occupying this description of country, or future danger from this source removed. Wild sheep, though not really numerous, or, as a rule, very scabby, are sparsely distributed through the whole of this country. Only one case of reinfection to which I attach much importance has occurred during the year: this has taken place within the last few weeks, at Tophouse and Red Hills, near a main road between the Marlborough and Nelson Districts, wild sheep again in this instance being the cause. No actual scab had been seen in this flock for over four years, but during a portion of that period it appears on the infected list through legallyinfected sheep having mixed with them. Within the last two years this country has changed hands, the new owner increasing the stock from the original number, 800, to over 3,000, and during the same period has destroyed from 1,500 to 2,000 wild sheep and stragglers, some of which were stated to be diseased. As the country was scoured so the sheep were allowed to go back, and undoubtedly some of the flock have become reinfected from wild sheep remaining on the back country; the reinfection is but slight, only one diseased sheep having been seen by the Inspector. Prompt measures have been adopted to have all sheep on this and adjoining runs mustered at once. The country available here for fencing is extremely limited; the block as a whole will not carry more than a sheep on from 7 to 10 acres; very rough, part heavily timbered and poor; boundaries practically unfenceable. This is a case where, if infection has spread, I see no other resource but to reduce the stock to the number that can be kept within fences, then thoroughly scour the country for stragglers, and leave it unstocked for some years.

Whilst dealing with the subject of wild sheep on waste lands, I may mention that during the year, wherever fencing has been completed, a systematic muster of the above areas has either been initiated or carried out—in some places dealt with a second time; the result has been the destruction of several hundreds of wild and stray sheep. One large block mustered last season, and on which some 700 wild and stray sheep were destroyed, when gone over again this year but 32 sheep in all were found, 5 only of these being wild sheep, the remainder stragglers from adjoining runs; none were scabby. It is contemplated next season to gradually extend operations of this

nature until all dangerous or suspected country has been thoroughly dealt with.

Good progress having been made in the reduction of scab during the past year, and as it may be fairly anticipated that next season will see the number of infected sheep reduced to a minimum, it becomes a question should not some other means than those at present at our disposal be adopted to attain the desired end. By some it is advocated that within a given period all infected flocks should be purchased by the State, destroyed, and the country where they have been depasturing left unstocked for some years. With this suggestion I do not wholly agree. I maintain that wherever fenceable country exists and available for sheep pasture, this land, if possible, should be retained. The sheep within the fences, when cleaned—and if kept so—would afford the best criterion as to the state of the country fenced off; at the same time the direct incentive would be given to someone taking care that all wild and stray sheep were destroyed on the unoccupied country adjoining. The total abandonment of country, except where imperative, will leave large blocks with a few wild sheep scattered throughout, and with no one having a direct personal interest in their destruction. Further, would not the purchase of remaining infected sheep, unless at a very low figure, be offering a premium to those who have not used the same efforts to eradicate scab as their neighbours?

Another course, both feasible and more practical than the destruction of all infected flocks, appears open and worthy of consideration—that is, where owners of infected flocks are the lessees of Crown lands for runs, and are unable to erect fencing or make other improvements necessary for the thorough stamping out of the disease, could not the State in these cases, after due examination and inquiry being made, advance such owners a certain amount sufficient to fence in available country at a reasonable rate of interest, such advance to be the first charge against the estate?