

lessees are now residing on other holdings in the vicinity, but good improvements have been effected on the runs, and, with favourable seasons and good prices for stock, these holders have done exceedingly well.

Pastoral Runs.—There are seventy-eight pastoral-run licenses, comprising 1,692,608 acres in North Canterbury, practically the whole of this consisting of the high pastoral country on the slopes and spurs of the main alpine range. It has already been mentioned that the leases of three pastoral runs in this portion of the district were reoffered during the year, and disposed of at a considerable advance on the upset rentals. During the ensuing year the leases of three other runs, comprising a total area of about 11,925 acres, situated in the Malvern Hills, will fall in, and it has been decided that two of these, together with some other adjoining Crown lands, comprising in all 12,675 acres, shall be divided into five blocks, and offered for settlement occupation under the small-grazing-run system.

In connection with pastoral runs it may be noted that the growth of gorse, sweetbriar, and blackberry on some of the runs is a matter for earnest consideration and attention, seeing that unless effective measures are taken for checking the growth and spread of these pests, the value of the Crown's pastoral estate, which now yields a yearly revenue of £34,115 within the whole of the Canterbury District, will be seriously diminished.

SOUTH CANTERBURY. (South of the Rangitata River.)

Lands opened.

Exclusive of lands opened under the Land for Settlements Act, the lands offered may be classified as follows:—For cash sale at auction: Thirty sections in the Townships of South Rangitata and Arowhenua, comprising a total area of 7 acres 3 roods 29 perches; twenty-two sections were sold, and realised £237 10s., being an advance of £7 on the upset. Under pastoral license for a term of twelve years: One run, comprising 17,000 acres, in the Waimate County, at an upset of £200 per annum, an advance of £20 per annum being realised by the sale. Under temporary-occupation tenancies for terms of seven years: five lots, comprising 112 acres $\frac{1}{2}$ 2 roods 21 perches, situated in the Orari Village, and near Orari and Timaru. The upset rental of these was £26 13s. 10d. per annum, and the rental realised £30 3s. 10d.

Lands occupied.

Exclusive of those under the Land for Settlements Acts, the following are the areas occupied under the principal systems:—

			Number of Holdings.	Area.		
				A.	R.	P.
1. Deferred payment, rural and village	..	..	2	368	2	10
2. Perpetual leases, rural and village	..	..	29	1,033	0	28
3. Occupation with right of purchase, rural and village	..	..	14	807	0	29
4. Leases in perpetuity, rural and village	..	..	178	54,376	2	24
5. Village-homestead settlement	..	..	108	2,052	0	31
6. Small grazing-runs	..	..	28	88,364	0	5
7. Pastoral runs	..	..	67	1,781,568	2	8

Deferred Payments.—The freehold of one section, comprising 300 acres, was acquired during the year, leaving only two more holdings under this tenure in South Canterbury.

Perpetual Leases.—Two leases, comprising 133 acres, were converted into freehold, and two others, including 68 acres, were exchanged to lease in perpetuity, leaving twenty-nine holdings, with an area of 1,033 acres and 28 perches, still under this system.

Occupation with Right of Purchase.—One holder of 40 acres acquired the freehold of his section during the year.

Lease in Perpetuity.—Except for the increase of two holdings exchanged from the perpetual-lease tenure, there has been no alteration under this system. The greater proportion of the area occupied is included in leases of pastoral sections, classed as second-class lands, ranging up to 2,000 acres in size. Most of these are situated on the Waitohi Hills, near Geraldine, and on the Hunter's Hills, extending from the vicinity of Albury towards Waimate. They comprise pastoral land of generally good quality, and with favourable seasons and prices for stock, &c., the lessees are doing well. The holders in some instances reside upon the lands, and in other cases upon lower lands adjacent thereto. The improvements consist generally of buildings (where necessary), fencing, clearing of scrub, &c., and surface sowing, and although the values effected are in most cases much below legal requirements, they are sufficient for the working of the lands.

A considerable area is also held under this system at Ashwick Flat, near Fairlie; the land is of light and stony quality, and suitable only for occupation in good-sized blocks. Most of the sections are residually occupied, and improved as far as the quality of the land will permit.

In the Nukuroa and Wainono Settlements, near Studholme Junction and Waimate, there are numerous leases in perpetuity, in areas of from 10 to 40 acres. These consist of excellent agricultural lands, used for dairying and mixed gardening, occupied by small settlers who have good homesteads and improvements, and are in a prosperous condition.

Small Grazing-runs.—One run of 2,331 acres in the upper Hakataramea Valley has been selected during the year. The runs held lie principally in the vicinity of Burke's Pass, and thence southward along the hills towards Waimate, and between that place and Hakataramea. In many cases, by reason of the fact that the free-selection system originally practised had deprived the Crown lands of almost