

that if, on the expiry of the license, the run was put up to auction, and the outgoing licensee failed to become the purchaser, the amount of valuation for improvements to which he was entitled (excluding a rabbit-proof fence, the value of which he was paid under any circumstances) was three times the amount of the average annual rent paid under his license, or five times such amount in cases where the annual rent did not exceed £50—to be paid by the purchaser of the license. Under the existing law there is no limit assigned to the amount of valuation for improvements for which the outgoing lessee is entitled to be paid by the purchaser of the license; he is entitled to valuation for all improvements, on appraisalment. Licensees are therefore under no disability at all if the term of license be limited to fourteen years, while from a State point of view fourteen years is a reasonable term. It permits of the revision not only of the rental, but affords the opportunity of further subdividing the runs, or dealing with them in such a manner as circumstances may warrant.

CARRYING-CAPACITY AND RENTALS OF THE PASTORAL RUNS.

The number of sheep depasturing on the runs included in our inspection as at December, 1909, was approximately 300,000. Generally speaking, the country is not overstocked; for, compared with the sheep returns of a few years ago, the figures quoted show a diminution. No doubt the falling-in of the leases, which may occasion difficulty in disposing of merinos, should the licensees not succeed in obtaining a new lease of the country, has been an incentive to reducing the flocks. We have fixed the carrying-capacity of the runs very carefully. The grazing-value of each block of summer and winter country on the runs has been assessed separately. In fixing the upset annual rentals of runs containing breeding-country, our figures are, of course, based on the carrying-capacity, due allowance being made for the proportion which breeding-ewes bear to dry sheep. On the whole, the carrying-capacities, and consequently the rentals, have been fixed at reasonably low figures, so as to allow a fair margin for possible losses. We have not been unduly influenced by the present satisfactory position, and possible continued firmness, of the wool-market in fixing the rentals: we recognize, however, that the pastoral, like every other industry, must pay its way; lessees cannot have the taxpayers to draw upon, as in 1895, to make up deficiencies.

FENCING-LINES.

A most important consideration—in fact, an essential—in subdividing high country is the selection of practicable fencing-lines. Fencing on a very large area of country which we have inspected costs from £35 to £60, and as much as £80, per mile. Hence the obvious advisableness of determining on fencing-lines which are not only practicable, but also reasonably direct in route. In the subdivisions which we have recommended, the boundary-lines thereof which are shown on the foundation plan of our scheme of subdivision deposited in the Lands Office, Christchurch, may or may not be on good fencing-lines. They are only approximate indications of the positions of the boundary-lines. Obviously we were unable, in the time at our disposal, to examine every fencing-line. The duty of determining the best fencing-lines will be a duty devolving on an experienced surveyor, who will vary them, no doubt, as the character of the country may render necessary.

FREEHOLDS ON THE RUNS OR ADJACENT THERETO.

The total area of freeholds having frontage to the pastoral runs, and worked in conjunction with the runs, is a little in excess of 38,000 acres. It is the popular belief that the purchase of these lands was a design to “gridiron” the frontages to the Crown lands. An examination into the circumstances under which the lands were acquired does not warrant that assumption. The Canterbury Waste Lands Regulations are responsible for it. These regulations permitted of any person purchasing a section or more of 20 acres in extent