3 C.-12B.

little or no opportunity of seeding, and are each year providing less feed for the winter months. To protect the winter pastures they should be fenced off. If this were done at the tenant's expense the State would be the gainer, for the reason that its property would be improved, and the tenant himself would reap a rich return for his outlay in the shape of an increased revenue from his run, and the enhanced value of the goodwill, should he desire to sell it. Should the Government consider this proposal worth carrying into effect, it might also consider if it would not be expedient to impose a time-limit for the completion of the feneing. The imposition of a timelimit or other restrictive conditions would perhaps tend to prevent trafficking in these leases until such times as the fencing conditions had been carried out.

Although we have been at pains to indicate the obstacles to the settlement of these runs, our object has been to show not that subdivision of some kind is impracticable, but that it can easily be overdone. To place men on small blocks of this country would entail loss, and infinite worry to the Government, and at the same time inflict hardship on the tenant. The winter grazing, especially in the Mackenzie country, is of so limited an area compared with the summer country that, unless runs are to be altogether without the former, they must be given large tracts of the latter. There are thousands of acres of the Mackenzie country which by a simple process of geometry could be cut into 5,000-acre sections, carrying from 1,000 to 1,500 sheep. But, if this were done, a few of the blocks would consist entirely of winter, and the majority entirely of summer, country, which would mean disaster to the tenants. As a rule, to which there are very few exceptions indeed, the minimum carrying-capacity of the runs in the country we have inspected should be 6,000 sheep. In a few instances this rule might be disregarded, but to do so would be to grant a concession to the principle of closer settlement rather than to benefit the State or the individual. In one case, at the lower end of the Mackenzie country, this concession might have been made without reservation but for the presence of a particularly active tussock grub. This grub has already laid waste a huge area of the flat country of several runs, and now threatens the slopes. Its ravages, unless they are checked, cannot fail to have a most disastrous effect on the State's property within the Mackenzie basin.

Before passing to a detailed reference to the runs inspected, we should like to point out that a widespread opinion appears to exist in favour of the State treating the outgoing tenants with something more than the barest legal justice. It is admitted, of course, that the tenants have no legal claim on the State: but it is held that, owing to the system under which their freeholds were originally taken up, they ought to be treated as leniently as possible—indeed, with some measure of generosity. It has been suggested that, as the State might not care to purchase the freehold of the homesteads, it might consider the advisableness of amending the law in the direction of assisting those tenants who under the existing law might, having lost their leases, be left with a block of freehold which, while valueless to themselves, they were unable to dispose of except at a price much below that at which they were originally obliged to purchase it from the State. To meet this difficulty it is proposed that in the event of a run being subdivided the outgoing tenant should be granted the option of leasing one block at a rent to be assessed by the State for a further term, while in the case of a run which is not subdivided the outgoing tenant should receive a corresponding privilege. Naturally in each case the tenant would have to comply with the regulations prohibiting the possession of more than one leasehold, and, in the event of the proposal being given effect to, the Government would doubtless take care to see that the letter as well as the spirit of the law was unbroken. Provided the necessary precautions were taken, it is difficult to see how the proposal would act other than beneficially. Where a run was subdivided a minimum of hardship would be inflicted on the outgoing tenant, while in all cases in which the option was exercised the State would have the satisfaction of retaining as its tenants individuals with a lengthy and intimate knowledge of a class of country in the successful working of which experience is the most important factor of all.

The following is a detailed report on the runs inspected:--

## THE MACKENZIE COUNTRY.

## No. 75; Sawdon; 27,100 Acres: Carries from 8,000 to 9,000 Sheep.

This run comprises a great deal of very dangerous country, and on its merits is scarcely capable of subdivision. Owing, however, to its proximity to the Burke's Pass Township, and the facilities afforded by the nearness of the high road, and the fact that the run is within fifteen miles of the rail-head at Fairlie, the difficulty of removing stock in the event of snow is not so great as on some of the higher runs. A portion of this run lies outside the Mackenzie Basin, fronting the Burke's Pass Township, and, if the Government thought it advisable, a block of this, capable of carrying, say, from 2,000 to 3,000 sheep, might be cut off and converted into a small run, leaving the balance, carrying some 6,000 sheep, to go with the present homestead. cluded in the run are 600 acres of freehold. This run carries ewes, and (except after exceptional snow losses) maintains its own flock.

## No. 76; Tekapo; 27,900 Acres: Carries 8,000 Sheep.

This is a poor run, comprising a great deal of dangerous flat and down country, with a little comparatively safe hill country at the top end. At present it is being worked in conjunction with a freehold farm situated in vicinity of Lake Pukaki, where the majority of the sheep are wintered. There is usually a heavy snow mortality here, and on four occasions at least the flock has been practically wiped out. It carries breeding-ewes, but, striking an average over a number of years, the lambing does not keep pace with the death-rate. There would be no difficulty in which this way though a winter the world be no difficulty in subdividing this run, though, owing to the reasons already given, we do not recommend this course being taken.