Name and Address of Owner	Name and Address of Owner.					
Mowatt, K. C., Middlehurst			14,600			
McMahon, P., Kaikoura			120			
McRae, P. R., Blairich	•••	•••	29,00 0			
McDonald, Starborough	•••	••• }	200			
McCallum, A., Blenheim Murray, Spring Creek	•••		300 450			
Murphy, C., Spring Creek	•••		600			
McCallum, J., Blenheim			76			
McCallum, D., Blenheim	•••		72			
McDonald, George, Wairau Valley Murphy, S., Spring Creek	•••	••• [72 60			
Matthews, R., Pelorus	•••	:::	240			
Newman, John, Kaituna	•••		5 00			
Neale, —, Picton	•••	•••	5 0			
O'Leary, J., Blenheim Otterson, H., Mount Gladstone	•••		40 6 79 1			
O'Donnell, James, Kaikoura	•••	:::	6,784 48 0			
O'Sullivan, L., Kaituna	•••		150			
O'Donnell, J. L., Kaikoura	•••		75			
O'Dwyer, P., Spring Creek	•••		176			
O'Dwyer, C., Spring Creek	•••	•••	200			
Pike, W., Blenheim Peoples, P., Kaikoura	•••	•••	60 32 0			
Peoples, John, Kaikoura		•••	100			
Parsons Brothers, Kaikoura	•••		1,100			
Parker Brothers, Blenheim	•••		745			
Powick, —, Tua Marina	•••		1 450			
Paul, E., Moorlands Phillips, —, Blenheim	•••		1,452 52			
Reeves, Mrs., Spring Creek	•••		150			
Redwood. —, Vernon	•••		22,640			
Rogerson, —, Kaikoura	•••		220			
Renwick, Thomas, Delta	•••		5,542			
Renwick, —, Dumgree Rose, John, Blenheim	•••		12,150 130			
Richmond, A. J., Richmond Brook			16,704			
Rutland, -, Pelorus	•••		120			
Reamington, —, Kaituna			450			
Randle, —, Kaituna	•••		200			
Redwood, J. J., Kaikoura	•••	•••	60 27 0			
Rousin, J., Kaikoura Rorison, J. L., Kaikoura	•••		50			
Redwood, Thomas, Burley	•••		3,400			
Redwood, Charles, Riverlands	•••		1,750			
Seymour, A. P., Meadowbank	•••		21,277			
Sheat, Joseph, Blenheim Sutherland, W. A. D., Spring Creek	•••	••••	48 130			
Sullivan, D., Kaikoura	•••		143			
Spencer, J. H., Kaikoura	•••		200			
Soper, William, Spring Creek	•••		300			
Storey, George, Renwick Town	•••		400			
Standen, James, Picton Sinclair, J., Blenheim,	• • •	•••	240 63			
Shroder, Mrs., Kaikoura	•••		45(
Smith, W., Kaikoura	•••		5,330			
Smith, W. G., Kaikoura		•••	250			
Smith, W. D., Kaikoura	•••	•••	200			
Stafford and Hodson, Fairfield Downs Stafford, H. H., Upton Fells		•••	11,200 24,000			
Soper, R., Spring Creek	•••	•••	2 2,000			
Selmes and Barnett, Tua Marina		•••	868			
Tinline, R., Kaikoura			2,500			
Taylor, R., Kaikoura Teschemaker, C., Avondale	•••	•••	400 13,5 43			
Trolove, F. W., Clarence		•••	6,04			
Terrell, F., Blenheim	•••		50			
Thompson, James, Picton			45			
Thomas, —, Pieton	***	•••	10:			
Ward, Joseph, Kaikoura Ward, Felix, Wreskin	•••	•••	44,376 636			
Wallace, J., Kaikoura	•••	•••	5 ,13			
Weston, J., Picton	•••	•••	450			
Williams, H. D., Birch Hill		•••	21,988			
Watt, C. F., Lansdowne		•••	7,43			
Whedon, —, Blenheim	•••	•••	100			
Wilson and Reader, Pelorus Western, C., Queen Charlotte Sound	•••	•••	150 130			
Webster, Picton	•••	•••	10.			
Warner, R., Picton	•••	•••	150			
Wallace, W., Kaikoura	•••		1,000			
Watson, S., Renwick Town	•••	•••	. 8			
Wyatt, John, Blenheim	•••	•••	8			
			707,10			

Sheep Inspector's Office, Christchurch.

SIR,—I have the honor to forward a report upon the state of the flocks in the Sheep District of Canterbury for the year ending 31st December, 1878.

The approximate number of sheep on that date is 3,350,000. Of these, 1,750,000 were depastured on freehold land and 1,600,000 on runs, against a return of the previous year of 1,411,510 on freehold land and 1,837,738 on runs.

The following statement shows the comparative increase and decrease from the year 1864 to 1878:—

Year.	No. of Sheep.	Increase.	Decrease.
1864	1,433,644		***
1865	1,735,416	301,772	•••
1866	1,930,322	194,906	
1867	2,041,318	110.996	
1868	2.123.776	82,458	
1869	2,367,280	243,504	•••
1870	2,452,058	84,778	
1871	2,503,745	51,687	•••
1872	2,595,950	92,205	•••
1873	2,813,601	217,651	•••
1874	2,954,850	141,249	•••
1875	2,954,105	,	745
1876	3,249,248	295,143	
1877	3,307,711	58,463	
1878	3,350,000	50,000	
1010	0,000,000	00,000	•••

The returns disclose the fact that, out of the large number of sheepowners in the Sheep District of Canterbury, nearly three-fourths own a less number than 500 sheep, the proportions of ownership being as under:—

1.437	persons own	1 500	sheep and	under.	
95	,,	500	٠,,		1,000
51	,,	1,000	,,		1,500
26		1,500	,,		2,000
78	,,	2,000	,,		5,000
62		5,000	"		10,000
53	,,	10,000	,,		20,000
28	,,	20,000	,,		40,000
8	,,	40,000	,,		90,000

During the past twelve months the number of sheep imported into the Sheep District of Canterbury has been 24,636—viz., by sea, 716; and by land, from Nelson, 1,974; from Otago, 21,543; and from Westland, 403; against an importation of 28,444, in the previous twelve months.

The flocks in the district continue free from scab; and I have every hope that with due watchfulness they may remain so; but the extreme length of the northern boundary, and the state of the flocks in a considerable portion of the Amuri Subdivision, is a constant source of anxiety. Considerable danger may at any time arise should sheep purchased in Canterbury be taken to the Amuri for the purpose of stocking country north of the Waiau-au River, as their tendency will be to make back to the country on which they were bred. With respect to this, I may mention that the Amuri Inspector has received the strictest instructions to exercise the greatest vigilance in carrying out clause 46 of "The Sheep Act, 1878," which provides that no sheep shall be driven through any infected run.

I regret to say that a considerable number of the long-woolled sheep are more or less affected with lice, but I trust that, with the power given under clause 68, "Sheep Act, 1878," and which is being exercised by the Inspectors, I may be able to report more favourably in this respect next year.

Attention is again drawn to the large area of Crown lands alienated in the past twelve months, from which cause a large increase in the number of sheepowners may be looked for, and also to the division of many estates into properties of smaller size, which necessitates an increase of work to the staff of Inspectors.

The lambing has been a fair one, but the extreme severity of the past winter in the back country will