

The total receipts from rents of runs last year was £128,463, being £54,417 less than the receipts of the former year. The discrepancy is entirely due to the large sum paid as advance rent in that year for leases which only began on the 1st March last, and from which no rent is in this year's returns. Similarly, the runs sold this year have paid in advance the rent for next year, so that it will be the 1st March, 1885, before all the runs have got back into the normal condition of paying rent for the then current year. The rental will then be according to leases now current, and to begin on the 1st March, 1884, £176,000 for 11,000,000 acres, or an average very nearly of 4d. an acre. Of that rental from Crown lands the Otago Land District will contribute fully £106,000; and if the rents from the runs let by educational and other public institutions in that district be added, the total income from the natural pastures of the Crown and public lands of the colony will be close on £200,000 a year from the 1st March, 1885. The pastoral area of New Zealand seems insignificant when compared with the almost continental areas of pastoral country of such colonies as New South Wales, Queensland, and Western Australia; but in the matter of rental none of these or the other Australian Colonies draw such a revenue from their pastoral estate as New Zealand. In a recent report by Messrs. Morris and Ranken on the Crown lands system of New South Wales, and issued by the Government of that colony, it is stated that the greatest annual revenue ever derived from 82,000,000 acres of pastoral country was £110,000, or about $\frac{1}{3}$ d. per acre, over an area equal in extent to one and a quarter that of the entire area of New Zealand.

The great increase of the revenue of the pastoral estate from the time, twenty-six years ago, when the country went a begging at 1d. a sheep, till now, when the country is eagerly competed for at a rent equivalent to 2s. a sheep, is one of the most convincing testimonies of the great progress the colony has made meanwhile in the confidence of settlers. This pastoral estate, so well grassed, so well watered and healthy for stock, has in the steady export of its products been really the main basis of the colony's stability and steady progress. It is capable of still greater development, and a very effective step towards that end was the passing of section 66 of the Act of last session, extending the term of leases by empowering the Land Boards to grant leases of runs for a term not exceeding twenty-one years, instead of for a term not exceeding ten years, as was formerly the law. (See section 121 of "The Land Act, 1877.")

COMMONAGES, SMALL RUNS.

Throughout the Otago gold fields very considerable areas, ranging from seven to twenty thousand acres each, were set apart many years ago with the object of affording grazing privileges to the farmers and others on the gold fields. Their utility in this respect has never, from various causes, come up to expectation. There is no revenue derived from them by the Government, nor would that matter much if they were really a benefit to the settlers in general, which they are not. They are in charge of the County Councils for the most part, and fees are collected for grazing rights which are absorbed in expenses of management, leaving nothing for eradication of rabbit-pest, the expense of which devolves on the Government. In addition to the commonages there are still larger areas withheld from occupation for various reasons, at present on the gold fields. The Government has been paying as much as 4d. per acre for the poisoning of rabbits on some of these areas, with the unpleasant foreknowledge that the same will have to be done every year while the land is commonage.

A system is wanted that will enable the agricultural settlers in the plains and valleys to have an opportunity of combining grazing with agriculture, and at the same time place the country under a tenure that will make the occupant responsible and induce him to improve the country as far as practicable. The commonage system fails in both respects. The pastoral deferred-payment system in the residence condition debars an agricultural settler from occupying land under it unless he is prepared to forego his already-established home for a time, and go through an enforced residence on the land merely to comply with the letter of the law. It is very undesirable to either force or tempt settlers into such a course. It would meet the case were it enacted that there was power to let small runs not exceeding a certain area on the under-mentioned conditions: (1.) That no one should be allowed to lease more than one small run. (2.) That improvements, either in erecting houses, yards, fences, or grassing or planting, to a value bearing a certain proportion to the rent should be made during the first few years of the tenancy. (3.) That residence would be imperative for five years after the first twelve months unless the lessee resided on and farmed at least fifty acres within a given distance of the hill-land leased. (4.) That the term of lease should be not less than fourteen nor more than twenty-one years. (5.) That full valuation for improvements should be allowed at the end of the lease, the incoming tenant paying the same, unless the Government resumed the land, in which case Government would be liable.

There are many areas in both Islands suitable for small runs and that would work very well in with an arable farm. In the inland districts of the colony remote from markets it may be laid down as an axiom that, to be successful, the settler must have a certain amount of grazing land, and that his main resource will be the stock he can raise.

FOREST TREES PLANTATIONS.

Under the Forest Trees Planting Encouragement Acts of 1871 and 1872 four land orders were issued in the Canterbury Land District, of a value of £2,434, being a bonus of £4 per acre on 608½ acres planted and grown according to regulations. In the Otago Land District one land order, of a value of £237 16s., was issued for 59 acres 1 rood 32 perches planted. Adding these to what was formerly reported, the total area planted, for which the bonus has been granted, is 1,928 acres 1 rood 16 perches. This work is divided among three districts, of which Canterbury has twenty orders and 1,443½ acres planted; Otago, nine orders and 360 acres 3 roods 16 perches planted; and Hawke's Bay, one order and 124 acres planted.

In the matter of planting forest trees Canterbury is greatly in advance of the other districts of the colony, for, in addition to the above results, the Planting Board of Canterbury continues its good