

ing to administer the law so as to promote and encourage the occupation of the runs by the best and most suitable class of persons, and to prevent the runs from becoming mere appendages of large estates. This is in pursuance of the wise policy of establishing as many families on the lands as possible. There were no arrears of rent on the 31st March, 1892.

*Pastoral Runs.*—Under this system will be found the great bulk of our Crown lands. Though there are only 148 licenses, the area under occupation is 3,170,008 acres, the average area being 21,419 acres. The promptness with which the rents were paid last year indicates the estimation in which the licensees hold their privileges. The only arrears were on three runs. The non-payment in one case is accounted for by the death of the licensee; default in another is now the subject of a Supreme Court case; and the payment on the third was delayed by negotiations due to resumption of part of the area comprised in the run. The general impression left on my mind by inspection of several of the runs is that in many instances the Crown lands have deteriorated in value in consequence of the unwise manner in which some of the runs have been overstocked, and by the unreasonable or too frequent application of fire.

It appears to me that the licensees should occupy their runs under such provisions of tenancy as would induce them to treat the lands in their Crown leases as jealously and carefully as though they were their own freeholds. By so doing both the State and the tenant would mutually be benefited. I have to suggest that the officers of the Stock Department might co-operate with the Lands Department in seeing that the provisions contained in pastoral licenses are attended to by the runholders. The short-dated leases, renewed from time to time, for some of the runs in the Midland Railway Company's area have not worked quite satisfactorily for the Crown's interests. Some few of the runs will be resumed next March, with the view to subdivision into smaller areas to meet a real demand for holdings which prevails in Canterbury. It will be necessary that you materially strengthen the survey staff to enable me to have the surveys executed and the lands placed on the market by the 31st March, 1893.

*Coal and Mineral Leases.*—The attached table gives the particulars of the leases under this heading.

*Timber Licenses.*—The areas held are at Oxford Bush, and, being within the Midland Railway area, the royalties are paid to a suspense account.

*Miscellaneous Leases.*—The fifteen leases, which comprise 18,504 acres, are within the limits of the Lake Ellesmere Reservation, and have only been renewed to the 31st August, 1892, in order that the department may have a free hand in dealing with the lands under settlement conditions in the event of the law being altered next session.

*Reserves.*—The lands of this class are scattered throughout the length and breadth of Canterbury; they number 174, and include 44,146 acres, made up of river-bed lands and miscellaneous reserves, which are not at present required for the purposes for which they were set apart. It is proposed to place on the market all other reserves which can be similarly dealt with.

*Proposals.*—To meet the wishes of the Hon. the Minister of Lands, efforts are still being made to place in the market all available lands in the manner best calculated to meet the requirements of the public. To this end Mr. David McMillan and myself have effected inspections, and given consideration to the whole question, and propose to lay our views before the Land Board, and subsequently to submit them for your approval and action. The areas with which we are dealing embrace about 70,000 acres. Though, for reasons given before, the lands are not what we desire, we will do our best to utilise them for settlement.

*Departmental.*—The current business of this branch of your department, as may be gathered from the particulars which have been set before you, has taxed the energies of the staff to the utmost. I have to report that very essential work has been left undone during the year, in consequence of the small staff being unable to undertake everything that appeared necessary to be done; this notwithstanding that we worked at high pressure, and almost constantly extra hours. I have to refer you to the Survey Report for particulars of part of the work done, and to state that a vast amount of other business was attended to in connection with preparation of schedules of lands for sale and lease; returns of all land transactions and holdings held on settlement conditions, and inspections of the same; the preparation of warrants, leases, licenses, attention to accounts, and general correspondence. The public have been well attended to, titles have generally been kept up to date (except, of course, when the arrears of surveys have caused delay). I have elsewhere urged that the staff be increased to overtake arrears of surveys and mapping. We could with great advantage to the public employ another clerk. I have to acknowledge the obligations I owe to Mr. D. McMillan for the very valuable assistance and advice which he has afforded me in connection with the classification, pricing, and the general land business of the district; likewise to Mr. District Surveyor Brodrick, and Mr. J. E. March, the Superintendent of Village Settlements, for their cordial co-operation in effecting inspections of selectors' holdings. In conclusion, I have to bring under your notice the zealous and very efficient manner in which Mr. J. Bendely has filled the post of Acting Chief Clerk.