

of terms, conditions, &c., under which the various leases are granted by the Commissioners. I have also had typed a copy of a pastoral lease and the form used for ordinary leases for your information. These will show that the conditions are fair and reasonable; and, so far as my experience goes, the interests of the tenants have always been carefully considered by the Commissioners, who individually know the positions of the various lessees.

D. BARRON,
Commissioner of Crown Lands.

Education Reserves Office, Dunedin, 26th October, 1903.

The Commissioner of Crown Lands, Dunedin.

IN reply to your memo. of the 24th instant, I beg to say that the following are the conditions of leases issued by the School Commissioners of Otago in respect of education reserves:—

“The Public Bodies’ Powers Act 1887 Amendment Act, 1891,” under which the Otago School Commissioners administer their endowments, limits the lease to a term not exceeding twenty-one years, and in the case of town and agricultural sections the term fixed has hitherto been either fourteen or twenty-one years.

In the districts referred to in the petition eighty-nine sections are held at present on a term of fourteen years, and seventy-three sections for twenty-one years. In the case of some pastoral sections in a mining district, which are liable to be resumed at any time for mining purposes, a term of seven years has been used.

Three months prior to expiration of lease a valuation is made by the landlord and the tenant (settled in case of dispute by arbitration) of all buildings, fixtures, and fencing; and a new lease is offered by auction or tender subject to payment by the incoming tenant to the outgoing tenant of full value of improvements as so ascertained. In the event of the outgoing tenant not taking up the lease himself, and there being no other purchaser, he must either accept a new lease at a rent to be determined by arbitration or surrender his claim for valuation. In leases prior to the Commissioners coming under the Public Bodies’ Powers Act there was no such provision, and in several instances a deadlock ensued, and the Commissioners had to reduce the upset rent much below the value in order to induce the outgoing tenant to take up the land which was burdened with heavy valuation.

I enclose herewith form of lease used for agricultural sections. The form used for pastoral lands is similar, except that the land is leased subject to the provisions of “The Mining Act, 1891,” and “The Coal-mines Act, 1891,” and all timber (except such as is required for the lessee’s use) is reserved. Also, that the tenant is only allowed to cultivate for station purposes as follows: “That the lessees will use the lands as hereby demised for pastoral purposes only, and accordingly will not break up or plough the soil of the said lands or any part thereof, or in any other way alter the character of the said lands, without the previous consent in writing of the lessors: Provided always that the lessees shall be at liberty to cultivate for station purposes only, and not for sale, such reasonable area as the lessors shall approve of, such cultivation to be in manner following, that is to say: The lessees may take one white crop and one green crop off such land, which shall be then laid down with good and sound grass and clover seeds of the descriptions and proportions usually sown in the district and most suitable for the land; the land shall remain in grass for a period of three years, after which the same process of cultivation may be repeated, but so nevertheless that all such cultivation shall be subject to the inspection and approval of the lessors or their agent.”

I may say that in the case of agricultural and town lands the charge made to the tenants for preparation of their leases is 10s. 6d., in addition to stamp duty.

C. MACANDREW,
Secretary, Otago School Commissioners.

D. Barron, Esq., Commissioner of Crown Lands, Dunedin.

MEMORANDUM OF LEASE.—AGRICULTURAL LANDS.

THE School Commissioners for the Otago Provincial District (hereinafter called “the lessors”) being registered as the proprietors of an estate in fee-simple, subject, however, to such encumbrances, liens, and interests as are notified by memorandum underwritten or indorsed hereon, in that piece of land described in the schedule hereto, and having, in exercise of and in compliance with “The Public Bodies’ Powers Act, 1887,” and “The Public Bodies’ Powers Act 1887 Amendment Act, 1891,” offered the said piece of land for leasing by public auction [or public tender]; and _____, of _____, in the Provincial District of Otago in the Colony of New Zealand, (hereinafter called “the lessee”) having become the purchaser of a lease of the said piece of land for the term, at the rent, and upon the terms, conditions, restrictions, exceptions, reservations, and covenants hereinafter appearing: Now, therefore, the lessors do, in pursuance of the powers conferred on them by the said Acts, hereby lease to the lessee all the said lands (excepting and reserving as is hereinafter excepted and reserved) to be held by the lessee as tenant for the space or term of twenty-one years (hereinafter called “the said term”) computed from the 1st day of May, one thousand _____, at the yearly rent of _____, and so in proportion for any less period than a year, payable by equal half-yearly instalments always in advance on the 1st day of May and the first day of November in each year during the said term, subject to the following covenants, conditions, restrictions, exceptions, and reservations, that is to say: The lessors except and reserve from this demise unto themselves the lessors all mines, metals, minerals, coal, lignite, limestone, slate, and freestone in, under, or upon the said lands, together with full power and free liberty for the lessors and the lessors’ agents, servants, and workmen to dig, search for, get, dress, make merchantable, and carry away, sell, and dispose of the said mines, metals, minerals, coal, lignite, limestone, slate, and freestone hereby excepted and