

are everywhere marked so as to afford the fullest information to the Board in determining upon the scheme of subdivision which they would recommend for final adoption.

The plan of subdivision of land to be re-leased, as suggested, represents as faithfully as was possible the principles previously adopted by the Board, and has been prepared with due regard to the grazing capacities of the land to the profitable grouping together of winter and summer country to its configuration of the country so as to insure practicable fencing lines and natural boundaries, and in view of other considerations which were fully laid before the Board in the previous memorandum of the Government.

If the amount which it is proposed to re-lease appears large as compared with that set aside for agricultural settlement and sale, it will be remembered that, under the new system of leasing, it will be competent at any time to take without compensation, at twelve months' notice, further lands for sale and settlement out of the runs; and, further, that the greatest care has to be exercised in assigning the areas for freehold settlement that auriferous ground should not be alienated or the mining industry be otherwise interfered with. On this subject the Government has had important representations from those interested in mining pursuits.

It remains for the Board first of all, in terms of section 114 of "The Land Act, 1877," to consider whether the subdivision and re-leasing of the runs as suggested meets their views, and then in terms of sections 120 and 121, to determine,—(1.) The rates of rentals which should be fixed as the upset price at which they should be put up to auction; and (2.) The term of years—not being more than ten—for which the runs or portions of runs should be re-leased.

Upon the determination of the last point much will depend. The object of those who are intrusted with the administration of these lands in the future will be to increase their productive powers to the utmost, to afford facilities for pastoral and agricultural settlement, at recurring intervals, to a growing population, and to obtain as large a reserve to the State as is consistent with those objects.

The simultaneous termination of a number of pastoral leases is not favourable in many respects to these results. It is therefore suggested, for consideration of the Board, that the term of years for which the runs or portions of runs should be re-leased should be varied according to their character and the position of the land; and that in the case of the subdivision of some of the large runs, the different portions should be leased for different terms of years. It will be observed that in the vicinity of inland townships, and of lands already occupied by agricultural settlers, the runs have been made as small as the nature of the country will permit. In such cases it is thought there will at once be competition for them, and that their size will bring them within the reach of men of moderate means. In such cases, the Board would probably think it well to give the full term of ten years' lease. The same course would be followed with regard to any country where a present demand may be supposed to exist. The term for which other runs would be let would be guided by a variety of considerations: amongst others the spread of the rabbit nuisance, which no doubt can only be encountered under a tenure of fair duration.

But, on the whole, the effort should be made so to re-lease the country that the leases will be falling in at more frequent intervals than they would if they were all let for the same term, and that they will so fall in as to meet the requirements of advancing settlement; and so that the State may obtain the advantage of the greater rental which would accrue from increased facilities of communication and the more immediate presence of a larger population. On the whole, I would suggest that (say) a million acres should be let for a full term of ten years, and the remainder for three different periods of (say) two, five, and seven years.

In the schedule forwarded herewith the upset rental has been suggested at about a half more than what was paid on assessment, at 7d. a sheep. The estimate has been made in view of the present deterioration of grazing property from the rabbit pest. It is hoped, however, that recent legislation will enable the nuisance to be successfully dealt with.

I shall be obliged if you will lay this letter and accompanying maps and documents before the Board at the earliest opportunity, so that as soon as the question has been decided the publication of the map may be proceeded with without delay.

As previously stated, you will be aware that, in terms of the Act, the auction of the runs must take place not later than the end of February next, and that due notice will also have to be given before that date, in terms of section 114, to the present lessees, as to the course which will be adopted.

I have, &c.,

W. ROLLESTON,

Minister of Lands.

The Commissioner of Crown Lands, Dunedin.

#### No. 5.

Mr. VINCENT PYKE, M.H.R., to the Hon. the MINISTER of LANDS.

SIR,—

Dunedin, 23rd December, 1881.

I do myself the honor to forward a copy of resolutions agreed to at a meeting of Otago and Southland representatives recently held in this city, and to request the favour of an early reply thereto.

The last three signatures were authorized by letters and telegram, which would have been attached to the resolutions but for their containing other matters of a private nature.

I also forward a newspaper (*Morning Herald*, 21st December, 1881) containing a report of the meeting.

I have, &c.,

VINCENT PYKE,

Chairman of the Meeting.

The Hon. the Minister of Lands, Wellington.