

Judging by appearances, and from experience, I am of opinion that these 30,000 acres are not inferior, class for class, to the low-lying lands and downs in the vicinity of Waimate and Timaru ; that the lands would grow good grain- and root-crops, and even better pasturage than at present both for sheep and cattle, and be found favourable for dairy-farming, and for the cultivation of fruit and garden-produce.

Water.—The whole area is at present well watered, but in the event of subdivision into small areas it would be necessary in many parts to obtain water by artificial means.

As to the estate as a whole, subdivision for settlement purposes raises the question of the tapping of existing streams and lagoons for stock and household purposes. At present there appears to be an abundance of water, but in dry seasons it is but reasonable to assume that parts of the several blocks would be destitute of running streams. In this respect the property is not in a worse position than most of the large estates in Canterbury.

By a judicious apportionment of the water frontages, and by resort to well-sinking, and water-races connecting with the Waiau, Hurunui, and other permanent streams, all necessary wants should be met.

Climate.—From inquiries I apprehend that the climate is mild, the rainfall more copious than in the country in North Canterbury ; that falls of snow are light, even on the highest hills. No doubt contiguity to the sea proves beneficial to both stock and pasturage.

Timber and Coal.—The most serious drawback to the establishment of settlement, except the isolation of the estate, is the absence of local building-timber, firewood, or coal. The patches of bush and scrub on the estate are, as a rule, very inaccessible ; the bulk of it is in the north-eastern corner, or across the Waiau, on Section 7, Block V., Cheviot Survey District. Drift-wood can be procured on the beach at Gore Bay, and in the Hurunui and Waiau river-beds. No doubt the wants of settlers would soon be satisfied by private enterprise.

Carrying capacity.—By the official returns Cheviot Hills carried 86,000 sheep last April, besides cattle. The Assessor assures me that there were 40,000 breeding ewes. The appearance of the pasturage and stock indicate that the run has not been overstocked. The percentage of lambs is stated to be from 70 to 80. The export of wool last season was given by the manager as 2,209 bales. This is now said to have included the wool from Happy Valley Run. The number of sheep sold off the run annually is given as 20,000, and in all probability the number might be largely increased.

Rabbits.—The estate is protected on the west and north by durable and well-constructed wire-netted fences, and on other sides by the sea and Hurunui River.

There appear to be no rabbits on the run, and every precaution is being taken to prevent their incursion.

Improvements.—Being unable to procure particulars of the accepted items and values of improvements, I have culled the following from the manager's evidence before the Assessment Court :—

	£	£
Buildings	14,952	
Seven Bridges	340	
Roads, 30 miles	2,000	
Slip	3,800	
Sheep- and cattle-yards	908	
Fencing, 140 miles	8,105	
Orchard, 10 acres, at £10	100	
Plantations, 163 acres, at £50	8,150	
		38,355
6,000 acres laid down in English grasses at £1 5s.	7,500	
20,000 acres surface-sowing, at 10s.	10,000	
Wheat crop, 12,000 acres, at £1	1,200	
Reclaiming swamps, 1,000 acres, at £3	3,000	
		21,700
Total		60,055

Excising the wheat crop, which should not be allowed for, the sum of £20,500 claimed for the grassing and reclamation can be thrown in with the land values, thus leaving only £38,355 to be dealt with. Though these improvements may possess for the estate the value asserted, we have to consider whether they could be utilised in the event of the estate being taken over.

The valuations on the orchard and roads and bridges may be admitted for present purposes.

The value put on the plantations appears to me excessive ; to utilise them would involve their total or partial destruction. By the sworn evidence the slip is valued at £3,800. The buildings, which include £8,000 for the mansion ; £1,368 for the woolshed ; £1,400 for a store and stable ; £1,000 for the manager's house, and £908 for cattle- and sheep-yards, would be difficult to utilise. Most of them are old, and grouped together near the homestead. The fences might be generally utilised at reduced values.

As I found that the landed estate appeared sufficiently valuable to cover the proprietor's whole valuation, and being pressed for time, I did not make a minute examination of the buildings. On consideration of the whole of the circumstances, and difficulties attending the disposal and utilisation of the improvements, valued above at £38,355, it appears to me that it would not be safe to set them down as worth more than £20,000, and then the principal buildings would have to be treated in a special manner as hereafter suggested.

Conclusions.—It will be gathered from the foregoing remarks that I have formed the opinion that the Cheviot Hills Estate is an exceptionally fine property.