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In order that the position of pastoral tenants on gold fields may be properly understood, I think it best to give a very brief historical *résumé* of the laws affecting runs.

It is well-known that, at the suggestion of what was then known as the Otago Pastoral Association, of which, if I remember rightly, Sir F. Dillon Bell was President, and Mr. D. F. Main, Secretary, a proposal was made in 1865, in the Otago Provincial Council, to grant an extension of pastoral licenses to ten years beyond the term of the then existing licenses. For this extension the pastoral tenants were to pay an increased rent. “The Otago Waste Lands Act, 1866,” carried this suggestion into execution, and under it pastoral licensees were entitled to ten years beyond the term they then held, they paying at once an increased rental. There were two provisions, however, that were believed to provide for settlement: First, the Superintendent had ample power (*see* section 69) to refuse to grant the leases for the ten years’ extension; and, secondly, there was a full and ample power to declare the land open to settlement by proclaiming hundreds. For such practical cancellation of their leases as declaration of hundreds implies, the pastoral tenants were entitled to compensation for improvements; but the amount was not to exceed at the rate of three years’ rental, and was payable only if the proclamation of hundreds was made after the expiry of the tenure of the original licenses. This limit of the amount of three years’ rental practically meant that in no case could the compensation exceed, say, 1s. per acre, and as an average it would not amount to 6d or 7d.—that is, provided improvements had been made. This was understood to be the law affecting runs.

In the same session of the Assembly, however, in which “The Otago Waste Lands Act, 1866,” was passed, another Statute was enacted—viz., “The Gold Fields Act, 1866”—a Statute that was not confined to Otago. By its new provisions were made as follows:—

1. A pastoral lease could be cancelled under section 16 if a gold field was or had been discovered or proclaimed without declaring the lands into hundreds.
2. Blocks of land in any runs could be taken for settlement on the agricultural-lease system (*see* section 33).

In both such cases it was provided that the pastoral tenants should have full compensation—that is, compensation not only for improvements, but also for good-will. This Act was passed, and instead of the Provincial Government, when land was needed for settlement, withdrawing it from the gold fields, and then proclaiming it as hundreds, a “misuse” was made of the provisions of “The Gold Fields Act, 1866,” and enormous sums, ranging up to 9s. per acre (more than all the rent and interest thereon together), were paid to pastoral tenants. Against this “misuse” of the provisions of “The Gold Fields Act, 1866,” and against this breach of understanding between the pastoral tenants and the Government, ratified by “The Otago Waste Lands Act, 1866,” none of the signatories to the telegram raised their voices.

The result of this “misuse” of “The Gold Fields Act, 1866,” was that no settlement of any account took place in the gold fields, and men anxious to settle—desirous of acquiring land—had, with their money in their pockets, to leave Otago. There was also another “cruel and disastrous course” carried out, which was also a “misuse” of the provisions of “The Gold Fields Act, 1866,” and against which only few protested. Large blocks of land were improperly sold—I mention the Moa Flat Block to Mr. Clarke, the Marawhenua Block to Hon. R. Campbell, and the large block to Messrs. Cargill and Anderson.

The difficulty in acquiring land became greater, and the pressure of those anxious to settle could not long be resisted: hence was introduced the Hundreds Act of 1869. This gave to pastoral tenants the following advantages they had not bargained for in their leases:—

1. No hundred could be proclaimed unless one-half was declared to be fit for agricultural purposes.
2. No hundred was to exceed 15,000 acres in extent.
3. Officers were to determine, instead of the Government, if a hundred was necessary.
4. No limit was fixed to the amount payable for compensation for certain improvements, such as fencing, and laying down in grass.
5. Two shillings and sixpence per acre was fixed as the maximum compensation for good-will.

Against this Act the then Provincial Executive, or rather a majority of them, protested, and the result of an agitation that was carried on in Otago was that an amending Act was passed in 1870, and the 1869 Act was modified as follows:—

1. One-third instead of one-half of a hundred must be fit for agricultural purposes.
2. The hundred was not to exceed 20,000 acres, instead of 15,000 acres.
3. No compensation was paid for any improvements, save fencing.
4. The maximum compensation, 2s. 6d. per acre for good-will, was kept.
5. A pre-emptive right of 640 acres at £1 per acre was granted to pastoral tenants.

These provisions were to apply to runs within gold fields, and, in so far as the Act in that respect affected the gold fields, less compensation was payable than under “The Gold Fields Act, 1866.” Of course, the Government could always have taken land out of the gold fields by a simple Proclamation. The pastoral tenants always, however, resisted this course, and declared that it would be a breach of faith to them to do so—a position which, in my opinion, was utterly untenable.

“The Otago Waste Lands Act, 1872,” consolidated the law existing, but made provision for opening land on deferred payments. “The Land Act, 1877,” was also a consolidating measure, but it created a new mode of disposing of pastoral land—that was, by selling it on deferred payments. Pastoral lands may now be sold on deferred payments—

1. If no pastoral license or lease over the land exists;
2. Twelve months before the expiry of an existing license or lease.