

further occupation on the reserve was quite *ultra vires*, for it had no right to put these people on it, particularly in the face of the land being likely soon to be required for the Westport–Ngakawau Coal-Field Railway, then in contemplation of being constructed, and for the terminal and wharfage purposes of which it had specially been set apart years previously. It has led to more loss to the colony than twice the value of what unoccupied Crown land of sufficient extent and equally suitable for the purpose in a township point of view would have sold for, besides all the complications otherwise which have beset the matter for the last ten years. However, the mischief was done, and when the question arose in 1874 as to proclaiming the necessary land required for the railway purposes referred to, it was found that the whole question of the occupancy so constituted was in a tangled mess. After a careful investigation by myself into the matter, and also a discussion on the subject raised by Mr. E. J. O'Connor, the then member for the Buller District in the session of 1875, the Government, at Mr. O'Connor's request, appointed a Royal Commission, which was composed of Mr. Thos. S. Weston, M.H.R., then District Judge of Westland, and Mr. Richmond Beetham, Resident Magistrate, to inquire into and report on the whole question as to the rights of the occupiers of the sections on the reserve, and the position of the Crown in relation thereto. This Commission, after a lengthened and exhaustive investigation of the whole subject, recommended, as regards the particular class of claimants represented by the petitioners, as follows:—

We therefore beg to suggest to your Excellency,—(1.) That, upon payment of all arrears of rent at the rate of £1 per annum, the claimants whose names are included in the first and second subdivisions of A and B respectively, should be permitted to receive for the allotments claimed by them respectively a lease, in the form appended hereto, for the period of seven years, to be computed from the 1st day of January, 1876, at the yearly rent of £5 per annum, payable half-yearly, clear of all rates and taxes. (2.) That upon the erection, by the claimants comprised in subdivision B of each such class, prior to the 1st day of July next, of an approved building of the value of £50 upon the allotments claimed by them respectively, and upon payment of all arrears of rent at the rate of £1 per annum, they also might be permitted to receive a lease for the term at the rental, in manner and upon the conditions referred to in the last preceding paragraph. Provided always that the claimants against whose names we have written our initials shall not be entitled to receive a lease prior to the payment to your Excellency's Government of the amounts received by them upon the sale of the allotments granted to them respectively in anticipation of the submersion of the allotments for which they now respectively claim.

The Commission also drafted and recommended the following form of lease to be granted by the Crown to the several claimants entitled to leases:—

Form of Lease.

[This is the rejected form of lease Mr. Munro refers to in his evidence.]

THIS DEED, made the _____ day of _____, 1876, between Her Majesty the Queen, hereinafter called "the lessor," of the one part, and _____, of _____, in the Province of _____, hereinafter called "the lessee," of the other part, witnesseth that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements hereinafter contained and herein implied, the lessor doth hereby demise and lease unto the lessee, _____, executors, administrators, and assigns, all that parcel of land situate at _____, in the Province of _____, containing by admeasurement _____ more or less. Bounded—_____ as the same is delineated in the plan drawn on the back hereof and therein coloured _____, together with the rights and appurtenances thereto belonging. To hold unto the lessee, _____, executors, administrators, and assigns, for the term of seven years, to be computed from the first day of January, 1876, subject, however, to the provisos hereinafter contained: Yielding and paying therefor yearly and every year the annual rent or sum of five pounds, by equal half-yearly payments to be made on the first day of January and the first day of July in each year, the first of such payments to be made on the first day of July now next ensuing: And it is hereby declared and agreed, That all covenants on the lessee's part implied in leases under or by virtue of the Conveyancing Ordinance of New Zealand, Session II., No. 10 [Sections twenty and twenty-one], shall, except in so far as the same may be modified by these presents, be herein implied: And it is hereby expressly agreed and declared that the lessee, _____, executors, administrators, and assigns shall not be bound to keep the buildings erected, or which may be hereafter erected on the demised premises in good repair; nor shall he or they be liable to reinstate such premises as may be destroyed either by fire or other inevitable accident: And it is also agreed that the lessee, _____, executors, administrators, and assigns, shall and may, prior to the expiration of the said term hereby granted, remove from the land hereby demised such buildings as may now stand or which may be erected thereon during the term hereby created.

Provided always that if the rents hereby reserved, or any part thereof, shall at any time during the said term be in arrear and unpaid for the space of twenty-one days next after any or either of the days hereinbefore appointed for the payment thereof, it shall be lawful for the lessor, her successors or assigns, to re-enter upon the demised premises and thereby determine this lease: Provided lastly, and it is hereby expressly declared and agreed, that in case it may be necessary to exercise the power of re-entry hereinbefore contained, or any other power or authority which may be exercised hereunder by the lessor or her successors, it shall be sufficient if such be exercised on behalf of the lessor or her successors by the Colonial Secretary of the colony for the time being, or by any person authorized by him for that purpose.

In witness whereof His Excellency the Governor of New Zealand, on behalf of the lessor, hath hereunto set his hand, and hath caused these presents to be passed under the Seal of the Colony; and the lessee ha hereunto subscribed name _____, the day and year first above written.

The claimants, however, on being called upon to take up leases on the aforesaid tenure and conditions, as laid down by the Commission, demurred to doing so, their main objections being to the shortness of the term of seven years, and to the rent being an uniform one of £5, irrespective of locality; and in June, 1877, they deputed Mr. John Munro, M.H.R., then Mayor of Westport, to proceed to Wellington, and, in conjunction with Dr. Henry, the then M.H.R. for the Buller District, to interview the Government "for the purpose of settling the matter of leases on the reserve, and bound themselves to abide by the arrangements arrived at between the Government and the deputation (Mr. Munro and Dr. Henry)."

The arrangements arrived at between the deputation and the Government, and which I was instructed by the latter to carry out, are embodied in the following blank agreement, a proof copy of which I took the precaution to get Mr. Munro to agree to and sign before it was published in the Westport papers:—

Westport Colliery Reserve.

NOTICE is hereby given to all persons entitled to leases in terms of the "Report of the Royal Commission on the Westport Colliery Reserve," as published in the *New Zealand Gazette*, No. 14, of 14th March, 1876, that the Government will grant them leases on the following terms:—

1. That on payment of arrears of rent due, at the rate of £1 per annum for the years 1873 and 1874; and £2 10s. per annum for the two and a half years ending 30th June, 1877, leases will be granted for twenty-one years from the 1st July, 1877.

2. That for the first seven years the rents shall be as per following Schedule: (1.) For sections fronting Palmerston Street, including corner sections of cross streets, from south side of Wallabi Street to Section 34, south side of Wakefield Street,