

over to the Commissioner, as a matter of personal convenience to themselves, to be placed on the same footing as other lands leased to Europeans, with this proviso, that, at the expiration of the leases the Natives could regain possession (on payment for improvements), if the land was required by them for cultivation.

The evidence taken by the Commissioners, at Motueka, of Native and European residents and lessees, together with the evidence of Mr. Mackay, is to the effect that the land asked for is not required for occupation, more land being now in Native possession than they can utilize, but that it is wanted simply to re-let; further, that an injustice would be done to the present lessees if deprived of their holdings. We are decidedly of opinion that the land in question should remain under the control of the Trust, and the present lessees be placed on the same footing as other tenants, in respect of renewal, &c.

Hohaia Rangiauru complains that a man named McNamara is in occupation of a portion of the reserve without a title. McNamara gave evidence in support of his claim to hold the land in right of his deceased wife, a Native woman. We would recommend that the Trustee inform both the Natives and McNamara that the latter has no right to be there.

District of Arahura, including Hokitika.

The leases in this district, originally taken up in the early days of a goldfield rush, when land was scarcely obtainable, and valued accordingly, have been occupied as agricultural leases, the reserve being covered with a dense bush, and subject over a considerable area to periodical inundations from the River Arahura, resulting in a serious loss of area to some lessees. The rents were fixed at a time when the land had a fictitious value, on a sliding scale increasing in amount every seven years. The settlers have had a long and arduous struggle against adverse circumstances, spending from £30 to £100 per acre in an endeavour to clear and bring into cultivation their holdings. They now complain that at a time when the value of their holdings has largely decreased in consequence of Crown lands adjacent being taken up as freehold at £1 per acre, added to the prevailing depression in agricultural produce, they (the lessees) are now called upon to pay increased rents, with the possibility of having to compete with the public for their holdings at the expiration of their leases.

These complaints have to some extent been met by the Commissioner conceding reduction in rent. Enough, however, remains to warrant our recommendation that a complete revaluation of the whole reserve be made as soon as possible, and that the present lessees be offered a renewed lease at the rent then fixed.

The subjects of complaint common to the tenants of all these reserves—namely: (1) Renewal of lease; (2) Sale by auction, not tender; (3) Compensation for improvements; (4) Voice in the valuation—have here also been brought forward as grievances by the lessees on much the same grounds as at Nelson and Motueka. For the reasons advanced elsewhere, we recommend that the like concessions suggested in the case of tenants of other reserves be conceded to the lessees here.

The special grievances brought to our notice are dealt with in Schedule B attached hereto, with the following exceptions: Several tenants complain that they have no road to their sections: this is a question of management, apparently within the province of the Board to deal with.

A question of some importance to the reserves generally, and to the Arahura Reserve in particular, has been brought to the notice of the Commissioners by the directors of the Humphrey's Gully Gold Mining Company, Limited, in a letter, "C," appended to this report. It would appear that certain portions of this and other reserves are likely to be injured by sluicing and other mining operations carried on in the neighbourhood, and that, to some extent, this has already taken place. A piece of ground adjacent to the Humphrey's Gully Company's mining lease, being injured by their operations, was leased by a Mr. Harcourt from the Commissioner. The company had to purchase his lease entirely unimproved, at a cost of £1,500; this lease, now in the company's name, is practically used as a tailing site by them, of course to its detriment. The company wish to have a right conceded to them to use this ground as a mining lease, being prepared to pay the capitalized value of the rent and hold it at a small rental. The right of re-entry on Crown lands, alienated or otherwise, for mining purposes, has been affirmed by statute. We think it certain that trustees of Native reserves, within mining districts, must accept the inevitable, and be prepared to yield their lands for similar purposes. This is anticipated in section 15, subsection 1, of "The Native Reserves Act, 1882," and section 13 of "The South Island Native Reserves Act, 1883."

The evidence of the Hon. Mr. Bonar, Chairman of the Humphrey's Gully Gold Mining Company, taken in conjunction with the statements set forth in the letter "C" attached, and the evidence given by various settlers, have decided us to recommend that the application of the company be acceded to. In addition, we would strongly call attention to the necessity of inserting a covenant in all future leases within mining districts, reserving the right to the Public Trustee to re-enter and determine the lease, should the same be required for mining purposes; of course on payment of compensation for improvements and goodwill. This would place the Board in a position to deal with the mining applicants for the land, without fear of unreasonable claims arising from the lessee.

Town of Greymouth.

The interests of the tenants in the Greymouth Reserve are so involved with those of the occupiers or sub-tenants, and both have suffered such serious injury by the legislative enactments of 1882 and 1883, that questions of extreme complexity and difficulty have arisen.

For example: the lessees—meaning the tenants of the Board—gain absolutely nothing—under the Act of 1883, but a claim for the value of improvements made by themselves prior to its having