

vested in the grantees therein named, who unanimously and strongly protest against any such alienation. (*Vide* their evidence hereto appended, and translation of letter attached, "F.")

Some of the lessees objected to the sale of the land on the ground that, being unable to purchase their holdings, they would fall into the hands of speculators or mortgagees.

Your Commissioners are of opinion that if the Greymouth reserves were classed as lands for building purposes and leases for sixty-three years given at a fair rental, with a compensation clause for improvements, most, if not all, of the benefits expected to be derived from the sale of the land would accrue to the tenants under this improved tenure. The Native grantees favour this course. (*Vide* letter "F" attached.)

Having thus in detail reported, as directed, upon the grievances preferred by the tenants of the reserves in each locality, we have now the honour to answer the remaining questions submitted to us.

We have inquired into the management and present condition of the said reserves. We find many complaints preferred and much dissatisfaction existing, but, after careful consideration, and admitting (as we think must be admitted) the justness of both, we are of opinion that the causes are attributable to a sudden change from the personal management by an officer thoroughly conversant with the exceptional questions requiring to be dealt with, holding large discretionary powers as Governor's delegate under the Native Reserves Acts of 1856 and 1862, unfettered with statutory limitations, to the strict control of a Board created by statute, with duties so rigidly defined as to preclude the exercise of any discretion in dealing with individual or special cases.

Apart from this the only complaints deserving of remark are as follows—namely, the complaints of Messrs. Jones and Menteath, solicitors, as set forth in their letter attached (marked "E"), which appear deserving of attention, and we would recommend the same for favourable consideration.

Complaints have also been made that the fee charged for recording the Trustee's assent to assignments, subleases, mortgages, or surrenders, is excessive. (*Vide* evidence of Mr. Guinness, page 52.) Our attention has been directed to the extremely stringent covenants contained in the new leases for agricultural sections issued by the Board under the Acts of 1882 and 1883. Tenants state that they could not possibly comply with the conditions contained in these leases. We are of opinion that, taking into consideration the position and condition of the reserves and tenants, the covenants should be as simple as possible. The exceptionally stringent covenants providing for insurance, skilful husbandry, legal fencing, &c., appear to the Commissioners quite unnecessary, considering that no tenant right exists as against the Trust.

Strong complaints were made at Greymouth by the members of the legal profession there, that the prevailing custom of the department requiring all assignments to be forwarded to the Trust Office, Wellington, to be recorded before the consent of the Trustee is indorsed is in practice felt to be vexatious, expensive, and somewhat hazardous to the safety of the deeds requiring to be forwarded. The indorsement of the consent being a matter of form, complainants ask that they may be permitted to submit the assignments to the local agent, with full written particulars of same for record in Wellington, and that the local agent be authorized to indorse the consent. We beg to forward the complaint for favourable consideration.

We find that "promises were made" by Mr. Commissioner Mackay to certain tenants of Native reserves in various places that the rentals payable by them should be reduced, which promises, with the exceptions noted in Schedule "B" attached, have been carried into effect; the said reduced rentals having been accepted by the Commissioner, and, subsequently, by the Public Trustee, notwithstanding the covenants contained in the said leases.

We find that universally the tenants and occupiers, or sub-tenants, "have good cause of complaint, and have suffered serious damage to their interests in the said Reserves by reason of the passing of 'The Native Reserves Act, 1882,' and of 'The South Island Native Reserves Act, 1883,'" both passed since the creation of such interests; such complaints having been dealt with in our reports. We now proceed to set forth the same in detail, as under: Firstly, by being deprived of a well-grounded expectation of renewal of their leases—an expectation founded on the direct promises and unvarying custom of the Commissioner in granting such renewals when applied for—either at the termination or during the currency of the said leases. (*Vide* report of Mr. Commissioner Mackay, dated the 30th July, 1883, to the Under-Secretary of the Native Department—Parliamentary paper, G.—2A, extract appended, D," appended hereto—and his evidence given to the Commission, page 105 and following pages; also, the general testimony given by the tenants from all parts of the reserves.) Secondly, in consequence of the loss of the right of valuation for their improvements, tacitly conceded to them by the Commissioner, taken away from them by the Act of 1882, and only partially restored by the Act of 1883.

The right to a valuation at all is granted only by subsections (3) and (4) of the Act of 1883, and there is limited, firstly, to improvements effected on existing leases; secondly, under subsection (4), improvements made, even on these leases, subsequent to the passing of the Act, are unprotected. The immediate result has been the cessation of all improvements, and the stoppage of expenditure, even for necessary repairs. The extent of the loss thus suffered may be gathered from the well-founded statement of Mr. Commissioner Mackay, that the value of the improvements thus transferred by the Act of 1882 amounted, in the Town of Greymouth alone, to the sum of four hundred thousand pounds. (*Vide* Mr. Mackay's memorandum, dated July, 1877; Parliamentary paper G.—3A, Sess. II., 1879.)

In addition to the remedies already suggested, we would recommend the following—namely: The tenants to have the right of appeal from the valuation fixed by the Trust. Such right to be exercised by the Trust appointing one assessor, and the tenant a second, with the privilege of choosing an umpire. If the valuation be reduced on appeal, the Trust should bear the cost; but, if it be confirmed or increased, it should be borne by the tenant. That, in the event of the tenant refusing to accept a new lease, the same should be submitted to public auction—not tender—as pro-