D.

EXTRACT from a Report of Mr. Alexander Mackay to the Under-Secretary, Native Department, Wellington, bearing date the 30th July, 1873, and being Parliamentary paper, 1873, G.-2A.

"With regard to the renewal of the leases no practical difficulty exists, and that fact must be generally known, as assurance has been given over and over again that, although a right of renewal cannot be inserted in the leases, the intention is to let the land in perpetuity for the benefit of the Natives, and that, whoever is in possession at the expiration of any of the terms of lease (provided the occupant would agree to pay an equitable rent for the premises in proportion to the increased value of the property), an extension of lease would be granted him. This principle is based on an old-established practice in England, where it is considered that those who are in possession of leases for lives or years, particularly from the Crown, have an interest beyond the subsisting term, which is usually denominated 'the tenant's right of renewal.' This interest, although it is not a certain or contingent estate, there being no means to compel a renewal, yet influences the price in sales, and conduces to the security of the tenure beyond the fixed term.

E.

The Public Trust Office, N.Z. (Native Reserve Branch), to Messrs. Jones and Menteath, Greymouth.

Wellington, 29th July, 1885. Smith to Kilgour.—Assignment Part 186 is herewith returned unassented to in the hope that, with a view to avoiding the inumerable tenancies which would otherwise be created, a deed of sub-lease will be substituted therefor. In any case all rents to end of this year must be prepaid.

R. C. HAMERTON,

Public Trustee.

The Public Trustee to Messrs, Jones and Menteath, Greymouth.

Re Assignment J. Smith to R. Kilgour, Part 186.—In reply to your letter of 13th instant, I have to state that if the assignor will covenant to pay the whole rent, which, on perusal of the deed submitted, you will find is not the case, I can have no objection to assenting to the deed, which is therefore returned for amendment in that direction.

> R. C. HAMERTON, Public Trustee.

Messrs. Jones and Menteath to the Public Trustee.

Sir,-Greymouth, 13th August, 1885.

Smith to Kilgour.—In reply to yours of the 29th July, 1885, we beg to inform you that Mr. Kilgour objects to take an underlease, and trusts you will consent to the assignment. As Smith, the original lessee, pays the whole rent to you and collects Kilgour's apportionment himself, the fact of the assignment being made will not, we think, give your department any extra trouble.

We have, &c.,

The Public Trustee, Wellington.

Jones and Menteath, per A. F. F.

DEAR SIR,-Werita Street, Greymouth, N.Z., 25th August, 1886.

Smith to Kilgour.—The Public Trustee refuses to consent to this assignment for the reasons given in his letters (enclosed). As this is a rather serious matter, we should be glad if you would see him on the subject.

The tenure of the Native reserves, as you are aware, has never been very satisfactory. The tenants have, however, up to this time assigned, sub-let, and otherwise dealt with their holdings, and consent, so far as we know, has never been refused. Since the passing of "The Native Reserves Act, 1882," and "The South Island Native Reserves Act, 1883," and the reserve became vested in the Public Trustee, the tenants have felt more insecure, neither the original tenants nor the sublessees being sure of their position; consequently (of late) some of the original lessees have sold and assigned their interest in portions of the allotments let to them to the persons holding under them for lump sums, the assignees in some cases covenanting to pay an apportionment of rent, the original lessee covenanting to pay balance. As a matter of fact the original lessee pays the whole rent to the Public Trustee, and collects his assignees' shares from them. This is the case with regard to Kilgour, and the Public Trustee will have no difficulty about it.

As we have several deeds in hand now, and are likely to have more of the same nature as Kilgour's, we should like the whole question settled, as we shall have no end of trouble with the Public Trustee if it is not, and this we cannot afford at the price paid for conveyancing here now.

We can hardly see how "the innumerable tenancies" can be avoided if "The South Island

Native Reserves Act, 1883," is any good, as it especially provides for them.

It is not likely that a person who holds only a small part of an allotment would covenant to pay the whole rent on it. We have, &c.,

A. S. S. Menteath, Esq.

Jones and Menteath, per A. F. F.

F.

[Correct translation of letter addressed by the Natives interested in the Greymouth and other reserves to the Native Minister, signifying their opposition to the sale of these lands, and their willingness to grant long leases.—A. Mackay, 20th October, 1885.]

The Native Minister, Mr. Ballance. Arahura, October, 1885. WE, the persons whose names are hereto appended, desire to place this letter before you and the Government in case good may be derived from it for both parties, through the continual crying of 2—G, 4.