

such alteration was wholly unauthorized and improper.) I found receipts for the same payment entered in different places for different blocks. I found signatures of certain vendors signed in their own handwriting, and other signatures of the same vendors signed by "mark." I found one signature of a vendor in bold handwriting, and another of the same vendor written as if he had been intoxicated. I found whole batches of receipts signed by the "mark" of illiterate vendors, without any attestation by any person that such mark had been put there by the person whose name stood against it as having received the money. In short, I found that the books and documents purporting to record the transactions of the agents and sub-agents were so manipulated and altered in different handwritings as to entirely destroy their reliability, especially taken in connection with the instances of actual fraud sworn to before me. In this case, which was one of the most tedious and keenly-contested of those brought before me, the hostility of the rival purchasers, who had lost money by paying the same Natives for the same land that was being sold to the claimants before me, aided me in discovering some of the above facts.

11. When the investigation of the cases last referred to had made some progress, and it began to be understood that inquiry before me was not to be a mere formal one, in which everything doubtful could be glossed over and explained away by the production to me of a document called "Form C," some of the cases set down were withdrawn.

12. As far as possible I have avoided being influenced by political or general considerations in judging of matters laid before me; but in some instances it has not been possible entirely to avoid such considerations. In cases where land had been awarded to Native soldiers as part payment for their military services, or awarded to chiefs in payment, or part payment, for services rendered to Government in the purchase of Native lands, I have treated such awards, not as I should have treated lands held under hereditary tribal right, but as lands given to the Native owners in lieu of money. I therefore considered that the Native recipient was entitled to turn the land into money whenever he desired to do so, and that restrictions on such awards of land could only have been placed upon them in order to protect the Native against fraud. I accordingly deemed it my sole duty to see that the Native vendor had been fairly dealt with by the European purchaser, and was getting fair value for what he was selling, and if satisfied on these points I have reported in favour of removing restrictions on sale.

13. I have favourably viewed cases where Europeans already in possession of Native land under some agreement with the Natives had settled on the land, and had expended their capital in improvements. In a case before me at Whakatane, in which the lessee had shown considerable energy in improving his twenty-one years' leasehold run of fifteen thousand acres, and is regularly employing Maori labour in a manner calculated to develop habits of industry among the Natives, I have gladly recommended the granting of an extended lease of thirty-three years for His Excellency's sanction.

14. During the investigation of the Native lease last referred to the Commission has been incidentally the means of bringing under the notice of the Government some evils which might otherwise have been left without alleviation. The two tribes who are the owners of the leasehold in question—the Patuwais and the Whakatane section of the Ngatiawas—had long been suffering under a grievance which sorely tried their patience and loyalty, but which the Commissioner was fortunate enough not only to remedy in the present to the satisfaction of all concerned, but also to prevent any recurrence of it in the future.

15. In the case of applications where no existing negotiations for transfer to a purchaser were disclosed, I have declined to enter on the matter, considering such applications as equivalent to a request that I would report on the expediency of the total removal of restrictions on sales from Natives to Europeans, a question which I deem to be a purely political one, for the consideration of Government or Parliament, and quite outside my province.

16. In concluding this general report, I wish to make one observation, suggested by the evidence I have taken—viz., that the system of inquiry before the Frauds Prevention Commissioners is useless for the prevention of fraud while the "Form C," which plays so prominent a part in proving before the Commissioners the *bona fides* of sale, is a positive cloak for fraud.

17. So far as I can judge, the work of the Commission is nearly half accomplished. From examination of the papers filed in the Native Office, I have every reason to believe that I have already reported on the heaviest and most important cases on the list.

GEORGE ELLIOTT BARTON,
Commissioner, &c.

14th May, 1886.

APPENDIX.

In illustration of paragraph 16 of the preceding report, I place here, by way of appendix, the substance of a complaint of alleged frauds laid before me by way of caveat to prevent the removal of restrictions on the alienation of certain blocks in which the complainant is interested. As the statements are *ex parte*, I suppress names of persons and lands; but the depositions and documents which set out the whole case are ready for production when required.

The applicant (whom I shall call Mrs. A.) had a strong objection to selling her interest in the various blocks in which she was entitled as an owner. She is married to a European, and has eight children; and her husband, who is almost blind, has the same disinclination as his wife to parting with their land. Therefore it became important for Europeans who were negotiating for blocks in which Mrs. A. was interested to find some means of getting rid of their opposition.

The two following instances will show the unscrupulous character of the devices resorted to for that purpose:—

Two large blocks not far from Tauranga were being purchased by Europeans, whose agent, on applying to Mr. and Mrs. A. to sell their interest, was met by a positive refusal. The agent then made a proposal to them that if they would consent to sell on the proposed terms the purchasers would, on their part, let them have at the same rate of purchase-money two hundred acres of land at a spot where they greatly desired to have it. This land had not then been purchased from the Natives; but the agent informed Mr. and Mrs. A. that his principals were then buying the block on