I.—3_A.

Lysaght did not pay cash, but executed a mortgage for the value of the improvements, and the interest was paid to the Natives in the usual way. The statement of the petitioner to the Committee that the Public Trustee lent her money to Lysaght and charged her interest on it is nonsense. No money passed to him, and she, with others, received the interest due under the mortgage. The new rental was £113 15s.; the interest on the mortgage £19 4s. 3d.: total, £132 19s. 3d. The old rental was £67 10s. The rates due by the petitioner have nothing whatever to do with the Public Trust Office. They are fixed by the local body. She appears to think she has cause of complaint against the office because it deducts these rates before paying her her rents. The office does this in all cases. It is obviously more convenient for the Natives and the local bodies for this to be done. If the local body had to hunt up each Native for his proportion of the rates there would be trouble. Some Natives are interested in several grants, all in different districts, and they may get but a few pence from each grant. The local bodies could not collect rates without great expense and inconvenience, and if claims for them were enforced the rents in many cases would vanish in Court fees.

The repeated statement of the petitioner that she is charged commission on the rent she pays under her lease is incorrect. She is entitled to nearly £70 per annum. From this, rates, land-tax, and Public Trust Office commission are deducted. She is then paid the balance less the amount due under her lease—£16 4s.

An explanation as to this lease held by the petitioner must be given. Originally an occupation license, it was converted under the Reserves Amending Act of 1893 into a perpetual lease. Occupation licenses are peculiar to these reserves. The system was introduced in order to encourage Natives to abandon the communism of the kaingas and to stimulate individual effort. A Native who had his own plot of ground would be more likely to cultivate it, fence it, and use it to the best advantage than if the place was the common property of the hapu.

When a grant contains more land than is needed for the support of the Natives interested, the portion not so required is submitted to competition under perpetual lease. If the Natives occupying the remainder desire it, the whole or a part of the unleased land is given to individuals, partners, or

families who want a portion for their exclusive occupation.

The Reserves Agent consults with the beneficiaries of the grant, and the division is agreed upon, the boundaries of the occupations being fixed, subject to survey. As soon as convenient after the arrangement, a surveyor is employed and a proper plan of each part made, and licenses are then issued with accurate plans indorsed. These documents are of the simplest nature, but they give the holder an exclusive right to the area mentioned, and protection for his crops and improvements. They also in a small way gratify the Native desire for mana. They vary in size from a few acres to 200 acres or more. Natives have to pay rent for them. This fact is puzzling to others than Natives, but the answer to the question, Why should Natives pay rent for their own land? is this: In hardly any case do all the Natives interested in a grant live upon it. In some cases only a few out of many do. They may be anywhere throughout Taranaki or even in other parts of New Zealand; many of them permanently absent. In such cases those who are getting the exclusive benefit of a piece of ground belonging in part to others should pay something to the others for it. A rent is fixed which the occupier pays. As these rents are all pooled and repaid to those interested in the grant, including these same licensees, there is no hardship, while justice is done to those absent.

If every Native interested lived on the grant and no changes took place by succession it would be easy to give each family or individual a piece of ground of a value representing their respective interests, and in such case no rent need be or would be collected; but this is a hypothetical condition of affairs that is not found in reality. Some holders of these licenses surreptitiously lease to Europeans. The petitioner states that some licensees of the Hapotiki grant are doing this, and appears to think that it should be stopped, while in the same breath she complains of not being permitted by the terms of her lease to do the same. Such leases to Europeans are utterly valueless, and in most cases are simply a right to graze a few cows or other stock when feed is scarce and the Native has some to spare. If a Native has some surplus grass or turnips he has as much right to dispose of them as he has to sell his potatoes or fruit, and for the Public Turrete to prevent it would be an act of petty tyranny. Natives holding occupation licenses are, as a rule, more industrious and progressive than those living under the old communal system. There are 303 such licenses in existence, including altogether 20,304 acres; average area of each, about 66 acres. Where leasing to Europeans is abused it shows that the Native has more land than he requires for his use, and that there is a demand for it for leasing. In such cases the office will cancel the license, issue another for a smaller area, and lease the balance by competition in the interest of the absent owners.

By the amending Act of 1893 the holder of an occupation license could convert it into a perpetual lease, and the petitioner elected to do this with hers. In order to prevent the Natives doing this, and then dispossessing themselves by subletting or assigning to Europeans, such transactions were prohibited. Petitioner complains of this, but such precautions are necessary; not in her case perhaps. Her immediate successors, however, may not be so intelligent or well educated as she is. The average condition of the Native is still far from satisfactory, and, pending an all-round improvement, they must be considered as not yet sufficiently advanced to control the reserves provided for them.

must be considered as not yet sufficiently advanced to control the reserves provided for them.

Petitioner asks that Natives like herself should get a grant of her share and be allowed to do as she pleases with it—short of selling it. It must, however, be pointed out that these reserves are held on a different tenure from other Native lands. They are legally vested in a trustee and the Natives interested have life interests in them only, and are not in the same position as owners of other Native lands. If it were decided to grant petitioner's request to give titles to some Natives who had progressed more than others, what test could be applied? An educated Native is not necessarily a thrifty one, any more than is an educated European always a prudent person. Who is to judge of the fitness of the Native for such a concession? Again, a Native may be much above the average European in edu