

matter for the Native Land Court, and that if they were dissatisfied they must appeal. Notice of appeal was given. The office had then to attend to other matters in connection with the appeal, and it was discovered that an Order in Council was necessary to give jurisdiction. All papers in connection with the Order in Council, getting it signed by the Governor and gazetted, had to be attended to by the office. Ultimately, the Appellate Court decided that some of the Natives included in the former order should not have been there. The decision of the Appellate Court was that 142 Natives were interested. We have now the list of these 142 Natives, and we shall have to pay them the rent which we get from this reserve. The rent amounts to £12 15s. a year, and our commission for all this work and all the distribution that will take place in years to come is 19s. 2½d. a year. This case is typical of many of the reserves. Mr. Wi Pere will, I hope, understand the difficulties in dealing with these matters, and I would ask him to think what the Natives would have to pay for all the work in this case. It would be much more than 19s. 2d. It would come, I am sure, to £10 a year. Or I would put it in this way: Does he think that that reserve would ever be leased at all if there was not some office like the Public Trust Office to do all this work in connection with it?

38. That is a very exceptional case; but I will not follow that up. I wish to come to your evidence where you object to the Natives having the management and leasing of their own lands, as you say that instead of the expense being £6 16s. per £100 it would come to about £40?—I am satisfied it would, and also that many of these leases would not be taken up at all.

39. You say it would come to £40. Take an imaginary case of £100 a year in rent coming from land, and you deducting 7½ per cent. for twenty-one years. How much would that come to?—Seven and a half per cent. of the total amount.

40. What would it come to in twenty-one years?—To a good sum.

41. About £157?—Yes.

42. And yet the reason you give for objecting to the Natives having power to lease themselves is that it would cost £40, but you charge £157?—It would cost them £40 a year. Every year they would get only £50 or £60 at the outside if the leasing were managed by themselves, where they now get over £90.

43. Your objection was—following your own evidence—that the expense would be not £6 16s. per £100, but probably £45. What would the expense of £45 a year be for?—For collecting, distributing, and doing all this work.

44. Your knowledge may be extensive as regards matters on the West Coast, but I can tell you of a case on the East Coast where there are three hundred owners of a block of land, and the tenant gives them a cheque and it does not cost them a sixpence?—If they come down they have the expenses of the journey to pay. I say that taking the total rentals of the reserves that the Natives get from us, if they had the management of these reserves themselves I am quite sure they would not get half, for this reason: A lot of expenses would be incurred in the case of the big reserves—expenses that are not at all paid by them now—and the small reserves would not be let at all. Consequently, the Natives would get no rent from the small reserves. How could 142 Natives lease a bit of ground of 175 acres?

45. It is done?—But the expense is great.

46. I do not think so; but that does not matter now. You still maintain, then, that the Natives would not get the same rents that you do?—I emphatically maintain that.

47. Are you aware that all leases have to go before a Judge of the Native Land Court, and they can be refused for inadequate consideration?—Yes; and look at the expense of bringing the matter before them. I am quite satisfied that we would have got more in some cases that I know of which have gone before the Court.

48. Your answer comes to this: that the Judges of the Native Land Court do not do their duty?—No; I do not say that. They have to take into consideration the expense of getting the leases and other expenses.

49. I do not think you are correct in suggesting that the Judge could or would only take into consideration the expense of it, because he has to consider whether the amount is a fair one?—The expense of getting the lease must be considered with the question of the rent.

50. You put down the expense at the paltry sum of £45 a year, and I certainly should have liked something a little more satisfactory to me in the way of explanation as to that £45. My own experience is that the Natives would get a much better rent—as is proved, I think, by your statement. You say you lease to the Natives at 5s. an acre, and they go and sublease at 10s.?—Yes.

51. Surely that is an illustration that the Natives can get a better price than you can?—No; because when those leases were given to the Natives—ten years ago—those lands were worth less than they are now. I am speaking in a general way about leases. Ten years ago we leased land at 3s. an acre. To-day we would get 13s. an acre for some of it. Men there have leases of areas of perhaps under 300 acres, and are selling their goodwill for £1,200. That is not our fault. The Natives could not have got any more at the time. The reason for this is the expansion of the dairying industry and the consequent rise in values.

52. *Mr. Heke.*] I understood you to say, in answer to a question of mine, that it was by friendly arrangement that you settled what rents were to be paid?—Yes.

53. And that the object in leasing the land to the Natives was to encourage them to work it themselves?—Yes; to encourage habits of industry in them; but in some cases the Natives will not work.

54. *Mr. Wi Pere.*] The Public Trustee leases the Native land, and then all the preliminary troubles are over; but that land continues under the lease which has been arranged by the Public Trustee, and regularly every year he deducts from the rental £6 10s. for every £100 of rent received. I can understand that in the first year, when all the necessary arrangements have to be made in connection with the lease, the expenses should be heavy during that year. Would not the Public Trust Department be