

1. *Te Karae*.—Estimated area, 19,536 acres. Mr. Edgecumbe, who is surveying the block, says that on survey the area will probably exceed 20,000 acres.

The block is in four subdivisions, now being surveyed, and known by the names of the ancestors entitled,—

No. 1. Ruawaha	3,000 to 3,300 acres.
No. 2. Tohukakahi	8,900 to 9,250 „
No. 3. Umutahi	2,250 to 2,500 „
No. 4. Tama and Parangia	4,600 to 4,900 „

The owners of No. 1, represented by Waaka Hohepa, wished to retain the whole of their subdivision. There are five families interested, with five small kaingas, a few cultivations, and small clearings. They wished papakaingas reserved round these kaingas, and the balance of the subdivision cut up into sections for lease to some of the owners. We are of opinion that 1,000 acres would be ample provision, out of which provision should be made for papakaingas, and the rest divided into convenient sections for lease to Maoris.

The owners of No. 2, represented by Rihari Mete and some of his sons and members of the late Hori Karaka Tawiti's family, asked that 800 acres be reserved for a papakainga, and the balance of the block, with the exception of a portion at the north-west end, estimated by Mr. Edgecumbe at slightly over 1,000 acres, should be cut up into sections and leased to the owners, a list of specified tenants being handed in. Rihari Mete urged (1) that *Te Karae* was the best land owned by his family, the only block in which their interests were consolidated, and one which but for the delay in the investigation of title and the disposal of timber areas would have been farmed on a fairly large scale; (2) that they were giving up their interests in all other blocks—viz., 743 acres in Waihou 3A, 900 acres in Waima North, 90 acres in Rangiahia, nearly 1,000 acres in Pukahu—in all about 3,000 acres—for general settlement.

We are of opinion that liberal provision should be made for the owners of this subdivision. There are ninety-seven of them, and at the present time a number of them will make fairly good farmers, and in a few years, as the younger members of the families grow up, provision would have to be made for them. Inclusive of papakaingas, we are of opinion that 3,500 acres should be reserved for Maori occupation; the balance, after defining papakaingas, to be cut up into sections and leased to the owners.

The owners of No. 3 were represented by Hirini Kiroa, who stated that there were three small kaingas on the block. They wanted 200 acres for papakaingas, to include the kaingas. The balance they wished to be divided into two equal parts—one for leasing to Europeans, the other for leasing to Maoris.

We are of opinion that, apart from papakaingas, which should not absorb 200 acres, 700 to 800 acres will be sufficient to provide sections for lease to those of the owners who may desire to farm land.

As to No. 4, Taipari Heihei, who acted as spokesman, was satisfied with a reservation of 400 acres. He was under the impression that the subdivision did not exceed 2,000 acres. We are of opinion that 800 acres will be ample reservation for the owners to include papakaingas and sections for lease.

Summarised, our recommendation is that the following areas be reserved:—

	Acres.
No. 1	1,000
No. 2	3,500
No. 3	900
No. 4	800
Total	5,200

This will leave between 14,000 and 15,000 acres for lease to the general public.

Our impression during the inquiry was that the demand for large reservations was probably due to the fact that many of the Natives are cutting out timber for supply to the timber-mills in the district, without accounting to the other owners for royalties. The Natives are now willing that the Boards should handle all the timber and what may be required for building purposes. No doubt the Board will make special conditions regarding the timber in the leases, whether to Maoris or Europeans.

2. *Motatau No. 2*.—Estimated area, 35,000 acres.

The majority of the owners who appeared before us at Kawakawa and Kaikohe asked for liberal reservations, and stated that a large area of land has been cleared and grassed during the last four years. The chief hapus interested, Ngati-Hine, Te Orewai, and Kauimua, have two main kaingas, Opahii and Waioio, and two smaller kaingas, Ahikiwi and Tiweka. The area reported to have been recently cleared is 1,600 acres.

It may be that the vesting of the land in the Board has spurred some of the families to work. But, in our opinion, efforts of this kind should not be discouraged by precipitate action on the part of the Board. The Board should not proceed on the assumption that the beneficiaries will never improve the land because they have so little to show for the length of time they have been in possession of the land. While the papakaingas should be limited to the actual kaingas and surrounding cultivations, the beneficiaries should be fairly considered in the reservation of sections to be leased to them.

We are taking into consideration the probability that Motatau 3 and 4 (total area, 8,000-odd acres), belonging to practically the same owners as in No. 2, will be reserved for Maori occupation, and that one-half of Motatau No. 5 (still papatupu) will be similarly reserved. On the other hand, considering the position of the Bay of Islands County generally, the area proposed to be