might be satisfactory to all parties. At that time no way out of the difficulty presented itself as far as I am aware. Luckily, however, about that time Mr. David Whyte, representing a syndicate from Hawke's Bay, called upon me (being an old friend) and asked me to subscribe for shares in a company formed to take over the Stubbs's coal property, and the Mokau lands if Lewis succeeded in getting the freehold. I refused to take any shares, but, having heard the whole proposals of the company, thought it would overcome the Native scruples against parting with their land if they could sell and retain an interest in the form of shares. I forthwith laid the proposition before the Natives, and it was promptly accepted, all facts having been divulged and afterwards published in Wellington.

E. H. HARDY.

No. 12.

[TELEGRAM.]

Bell, Gully, Wellington. Te Kuiti, 20th February, 1911.

NEW authority excluding Macdonald signed by Natives. Have been very successful as to signatures as to writ, &c. Hope see you shortly. Notified Board *re* adjournment.

HARDY.

No. 13.

THE MOKAU BLOCKS.—OPINION OF MR. H. D. BELL.

AT the present time I have only before me the facts as set forth in the report of the Native Land Commission, G.–11, 1909, and in the Special Powers and Contracts Act, 1885, and in the Mokau-Mohakatino Act, 1888. From that report I am unable to ascertain precisely the title under which the Natives held the blocks. It seems that the original title was a certificate under the Native Land Act, 1880, but there may have been, and probably have been, partitions into subdivisions since 1882, and the orders on such partitions may have altered the original title. It is, however, I think, unnecessary for me to obtain full information as to the Native title at this point of time and for the purposes of this opinion, for in any case since 1894 (Native Land Court Act, 1894, section 73) every Native owner of land which has been investigated is proprietor of his estate in fee-simple. A more serious difficulty that I have felt is that I have not before me copies of the leases executed by some of the Native owners to Mr. Jones. But again I think I have sufficient information from the report of the Commission to enable me to advise generally upon the rights of the Native lessors.

Block No. 1 contains about 60,000 acres, and is divided into two approximately equal areas by the line drawn due south from the mouth of the Mangapohue Stream to the Mohakatino Stream. The western half is the land described in the lease of 1882. The eastern half was not included in the description in that lease. The western part is Block 1F. I have not yet been able to ascertain when the partition into lettered blocks took place.

Though Mr. Jones's lease of 1882 covered 1F only, the Act of 1885 excludes the whole of Block 1 from the effect of the Act of 1884, and refers to negotiations entered into by Mr. Jones for lease of the whole of Block 1. And the Act of 1888, in directing a partition of Block 1, speaks of the lease as being a lease of the whole block. Notwithstanding the apparent permission thus granted to Mr. Jones to extend his acquisition of leases into the eastern half, if he had negotiated at all in respect of that half, I think, for the reasons stated in the report of the Commission, that it is more than doubtful whether any lease obtained by Mr. Jones of the subdivisions of the eastern half had any legal validity.

It is necessary to separately consider the lease of 1F from the leases of the eastern half, and I take first the lease of 1F. Upon that lease, which is dated 1882, the Commissioners state three matters for consideration: First, that the lease has not been executed by seventeen of the Native owners; second, that the term of the lease commences a year after its date; and, thirdly, that the covenant to expend £3,000 per annum in development has never been performed. With the most unfeigned deference to the high authority of the Commissioners, I am unable to advise the Native owners to rely in any degree upon the second objection. For whatever legal effect the postponement of the commencement of the term might have had, I think that any Court would hold that the lease is referred to in terms in section 3 of the Mokau Act of 1888, and that the permission given to obtain further signatures to that lease, and the further permission by section 4 to register the lease, and the further express recognition of its validity by section 5, prevent any question being raised as to the validity of the lease in this respect. But, of course, the seventeen who did not sign are entitled to all their rights as owners unaffected by the lease, and the lessors were and are entitled to insist upon performance of the covenant. For the reasons given by the Commission, I think that the agreement to abandon the covenant in consideration of a higher rent is one not binding upon the Natives who signed it. The seventeen are tenants in common in fee-simple of the whole block, and can assert their right as owners over every part of the block so long as they do not exclude the lessee of the co-owners from occupation. And if any timber is being cut by the lessee the seventeen are, and each of them is, entitled to bring an action to restrain further cutting and for an account of the profits of past cutting of timber. And the seventeen are clearly entitled to an order of the Native Land Court to partition, allotting them their own land. I am unable to understand upon what ground the Native Land Court in November last declined to make an order, but this will be ascertained later if the seventeen determine to assert their rights as advised by me.