Ć.—3.

(j.) Right to acquire the Freehold.—The right conferred upon holders of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District is very much appreciated by settlers, but we are of opinion that in cases of lands that will probably never be required for mining purposes a freehold title free of restrictions might be permitted. This matter is dealt with in our recommendations.

(k.) Term of License.—The term of license at present provided is twenty-one years, without any absolute right of renewal. We concur in the opinion generally expressed by witnesses that this term is too limited. Our recommendations provide

for a perpetual right of renewal.

(l.) Compulsory Residence.—We are of opinion that in order to obtain the best results from settlement it is desirable that licensees should be required to reside upon their holdings. It is fully recognized that in some instances a strict enforcement of this condition would be somewhat of a hardship, but the discretionary power of the Land Board to dispense with personal residence on sufficient and satisfactory grounds for non-residence being shown makes ample provision for dealing with such cases. In the case of land classified as third class we would recommend that personal residence be not required until the expiration of seven years from the date of the license, provided that improvements are effected to the value of double the amount required by the terms of the license.

(m.) Licenses exchanged for Renewable Leases.—By the Land Laws Amendment Act, 1907, a right was given to holders of licenses under these regulations to exchange their tenures to renewable leases. A number of excellent settlers took advantage of this right, being unaware at the time that the acquisition of a renewable lease had the effect of bringing the land within the national-endowment area, and thus debarring them from acquiring the freehold at a later date. The right of acquisition of the freehold conferred upon the holders of Hauraki pastoral licenses by the Amendment Act of last year is therefore not available for these licensees. In our recommendations for amendment of the statutes we submit a clause for insertion in an enabling Bill reserving to such licensees the right to acquire the fee-simple under the conditions provided in the case of Hauraki pastoral licenses.

(n.) Exempted Areas.—The First Schedule to the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District prescribes certain areas over which licenses must not be granted. We are convinced that the exemption of these areas to the extent and in the form provided is not justified, and tends seriously to retard settlement. Our recommendations provide for the uplifting of the reservations over these areas, and in lieu thereof it is proposed that the Warden shall be empowered to prescribe the maximum area for leases within

mining reserves adjacent to towns.

(o.) Proportion of Revenue to Local Bodies.—On account of a large proportion of the Hauraki Mining District having been dealt with under these special regulations very little revenue is derived by the local bodies from "thirds," as no proportion of the revenue from these licenses is payable to the local bodies. We are of opinion that the local bodies should receive one-third of the first fifteen years' rent, as in the case of other settlement tenures. Our recommendations under clause 7 of the order of reference provide for such payments both in respect of licenses at present in existence and those that may later be granted.

Leases under Part VIII of the Land Act, 1908.

(a.) Acquisition of Fee-simple.—Lessees under this tenure claim that they should have the same rights of acquisition of freehold as enjoyed by the holders of licenses for the occupation of pastoral lands in the Hauraki Mining District. We are of opinion that this claim is reasonable, and our recommendations for amendment of the statutes provide for conferring this right upon them.

(b.) Limitation of Area.—The maximum area that may be held by any person under this tenure is 100 acres, which we consider quite inadequate. Our recommendations provide for the abolition of this tenure, and the substitution of a tenure subject to the ordinary restrictions as to area provided in section 97 of the Land

Act, 1908.