which are vested in the Governor, subject to the provisions of existing Acts, which have either been reserved by the New Zealand Company, in accordance with their scheme of colonization in the original settlements founded by them, or set apart by the Government for Native purposes, but over which the Natives have no control; and lands excepted from sales by the Natives, which have come under the operation of "The Native Reserves Act, 1856," with the consent of the owners, or lands of the same class which may hereafter be brought in the same manner under the operation of any law then in force for the administration of Native Reserves.

In regard to the latter class of lands, the persons beneficially interested might reasonably claim a fair voice in the management of properties so appropriated, and in the application or apportionment of he income derived from them; but, in regard to the former class of reserves, the handing over of these ands to the management of the Natives would have been a violation of the principle on which they were originally set apart, *i.e.* that they should be held in trust, and administered by the Government for the benefit of the families of the ceding tribes.

In preparing the alterations for the amending Act, the whole of the Reserves to be effected by it have been classified, and a distinction made between lands over which the Natives have no control, and lands over which it may be considered advisable to give them a voice in the management. A distinction has also been made in respect of lands which do not come under the operation of the Act, in order to clear up any doubt that might arise as to how certain classes of lands will be effected.

The Assembly, in passing the Act of 1873, having declared its belief that it was advisable that the Natives should have a voice in the management of their lands, this right has been extended to them in the case of Reserves of the fourth and fifth class; but, in place of effecting this by a Board of Management composed of three Natives and a European Commissioner, it is proposed to abolish the Board, and give the Commissioner to be appointed power to issue leases for any term not exceeding twenty-one years for agricultural purposes, with the assent of the persons beneficially interested, and, with the same assent, to execute leases for building purposes for sixty years, subject to regulations to be made by the Governor.

This will give the Natives concerned a direct voice in the management of their lands, without the intervention of a Board composed of persons holding views probably inimical to the interests of the owners of the land.

It may not be considered out of place to point out that the principle involved in regard to the intervention of the Native owners may probably be found to operate prejudicially to their interests by interfering with the *bonâ fide* occupation and improvement of the property, besides placing the Natives concerned at the mercy of designing persons, having in view their own aggrandizement.

The mode proposed also embodies an opposite principle to the law in operation in England in regard to the administration of landed property belonging to persons under a disability. In the case of lands belonging to an infant, the guardian *in socage* can execute leases for years, and transact all affairs in his own name without any intervention or direction of the infant; the view being that the guardian derives his authority from the law and not from the infant; but to prevent any abuse of such authority, the law requires the guardian to account to the infant on his coming to the age of fourteen. The Court of Chancery is also empowered to authorize leases of settled estates to take effect in possession or within a year from the making—for twenty-one years as to agricultural purposes, forty years as to mining and like leases, and for ninety-nine years as to building leases; and in order to reduce expense, the Court may vest the power in trustees.

It has been contended of late that it is not expedient, in regard to the Native Reserves, to keep the Natives in a state of pupilage, but that the management should be placed in their own hands. The proposition is no doubt a desirable one, provided it could be carried out satisfactorily; but it will probably be conceded, on the matter being viewed dispassionately, that the Natives of the present day, although very much advanced in knowledge, can scarcely be considered competent to deal satisfactorily with large and valuable estates in which the interest of a large class of European tenants are involved.

In England, the owners of settled estates under the control of the Court of Chancery are not looked on as being under a state of pupilage because their estates are managed through the intervention of trustees.

It will probably be found, by experience, that the most satisfactory and beneficial mode of dealing with the class of Native Reserves that will be effected by the Act is to place them under the absolute management of individual trustees, who, without the power of alienation, might make such arrangements for letting them—subject to regulations to be made by the Governor in Council—as would secure the largest pecuniary return for the *beneficiares*, to whom they should be required to account, as well as to the General Assembly.

In place of the powers conferred on the Governor under clause 19, it is proposed that the Commissioner should have power to issue leases for certain terms and purposes, subject to regulations to be issued by the Governor, instead of the needless reference of every lease to the Governor in Council.

The advantage of empowering the Commissioner to issue leases, subject to certain restrictions, instead of by the mode prescribed by the Act of 1873, is obvious: the question becomes entirely severed from political influence; and, whilst the administration of the property would be subject at regular intervals to a thorough scrutiny, the officer having charge of the estates would be free from that series of references and interferences at every step which paralyzes business.

It will no doubt be generally admitted that the system for administering these trust estates should be simple, and free from all cause of unnecessary delay and uncertainty; for if the procedure is to be made tardy or costly, or clogged by a necessity of referring frequently to the seat of Government, and especially of references backwards and forwards, it will most surely fail in its object, *i.e.* of utilizing those lands to the best advantage, as no *bonâ fide* occupant would care to subject himself to such a vexatious ordeal.

It is proposed, in regard to the issue of leases for building purposes, that instead of making them at once for a term of sixty years, that power should be given to issue leases renewable for three separate