

within the meaning of land described in clause 6 of the Act of 1856. Some of these sections have been allotted to the Natives for individual occupation, and are not available for other purposes. The total area under the Act on the West Coast amounts to 4,226 acres. Of this quantity, there are forty quarter-acre sections in the Town of Westport, and a similar number in the Town of Cobden; the remainder consists of rural land.

A few of the town sections at Westport are let, as well as some of the rural, but the bulk of the land is at present lying unproductive, owing to the want of demand. The gold-mining activity that formerly prevailed in the district has disappeared, and the coal-mining industry, that was expected to create a demand for property, has not produced any appreciable improvement in that way. No demand has yet arisen for the town land at Cobden, but possibly when the bridge is constructed across the River Grey it may lead to the sections being taken, as a disposition to settle on that side of the river will be sure to grow up, the climate being milder, owing to the locality being better sheltered from the gorge wind.

In Westland the quantity set apart as Native reserves amounts to 5,936 acres 1 rood 16 perches, in blocks varying from 10 to 2,000 acres, situated mostly on the seaboard between the River Grey and Jackson's Bay.

The most valuable property in the district is the reserve at Greymouth, and next in importance is the one at Arahura. With the exception of a few other parcels, the remainder of the estate is situated in such out-of-the-way localities as to render the land practically valueless up to the present time. The aggregate rental produced from the whole estate under occupation amounts to £3,543 10s. 2d., of which Greymouth produces £3,146 9s. This reserve comprises an area of 500 acres, but only about one-half of the land can be utilized, the remainder being too rugged and hilly for occupation. The value of the available portion has been largely increased by the improvements made at the expense of the tenants and sub-tenants. It is highly desirable, therefore, in justice to the persons who have enhanced the value of the estate by their capital and labour, that care should be taken to prevent a loss being inflicted on them when the time arrives for granting fresh leases, as it would be inequitable to apply all the results of such outlay to the aggrandizement of the persons beneficially interested. What is needed in the interest of all concerned is that the property should be assessed, and the value of the improvements ascertained; the leaseholds should then be submitted to public competition, subject to the amount fixed for the improvements, in addition to whatever sum might then be determined on as a fair annual rent. To protect the sub-tenants' interests, the property should be divided into as many lots as there are holdings at the time, and the money paid by the purchaser for the improvements should be paid to the respective parties who incurred the outlay, or who acquired the premises by purchase.

The position of the tenants at Greymouth differs materially from that of a speculative builder, who has taken land from a landowner for building purposes for a lengthened term at a nominal rent on the understanding that he erects certain houses thereon according to specification; such build-ings, &c., to become the property of the ground-landlord at the expiration of the lease. Under these circumstances the builder makes his own arrangements to recover the capital expended on improvements in addition to the ground-rent during the subsistence of his lease; but the case of the Greymouth tenants is entirely different: they have paid an adequate rent from the outset, in addition to the outlay incurred for improvements on their respective leaseholds, as well as moneys expended in forming streets and otherwise improving the town, all of which enhances the value of the property, and tends to enlarge the letting value in the future.

The reserves in the Marlborough District contain an aggregate area of 21,004 acres 2 roods 8 perches. A few blocks have been let; some are in the occupation of the Natives for cultivation and pastoral purposes, and for fishing-places, but a large proportion consists of hilly and worthless land, not likely to be utilized.

In the Provincial Districts of Canterbury and Otago the reserves, with one exception, come under the category of private lands, the Natives having received grants either direct from the Crown or through the Native Land Court. These lands, in many instances, have been granted to ten persons without power to alienate beyond a lease for twenty-one years; and, in other cases, a certificate of title has been issued containing the same restriction. None of these lands are subject to "The Native Reserves Act, 1882." The exception alluded to is the Hokonui School endowment, containing 2,000 acres, set apart, in terms of the Stewart Island purchase, as an endowment for educational purposes. The reserve produces a rental of £100 per annum, and the proceeds are only applicable to the educational requirements of the Natives residing in the neighbourhood of Foveaux Strait.

Touching the question of tenants' improvements, alluded to in my memorandum of the 5th instant, I append a copy of a telegram that appeared in the *New Zealand Times* of the 18th instant, notifying that a public meeting of the Motueka tenants had been held on the subject, and a resolution passed to present a petition to Parliament through Mr. Hursthouse, the member for the district:—

"Nelson, May 17.—A public meeting of tenants of Native reserves has been held at Motueka. It appears that hitherto tenants of these reserves have had no difficulty in obtaining renewals at a reasonable and fair rent; and, acting under the impression that such privileges would be continued, many have been induced to make substantial improvements upon their leaseholds, so that the loss of these would, in some cases, be nothing less than ruinous. Under the new Act, however, upon the expiration of existing leases, the land, with all improvements, will be put up to auction. The lessees consider that these clauses should be expunged or amended, holding that for purposes of renewal the land should be valued. Mr. Hursthouse, M.H.R., was present at the meeting, and it was resolved to present a petition on the subject to Parliament through that gentleman."

With reference to the question at issue the following particulars are furnished:—