

There is one question as to which I think the Europeans certainly suffer under a grievance—that is, with regard to the question of fencing as between themselves and lands in the occupation of the Natives. The Natives in a great number of cases will not by their labour contribute to the erection or repair of boundary-fences, and the law directs that their income is to be protected from being attached by any legal process. The European fences the land, and as he knows that he will have to do so when he applies for his lease, I do not think he has cause of complaint here; but the Natives' pigs and cattle constantly destroy or injure the fences, and the tenant is practically without redress. I have recently placed the position before you, and again bring it under your notice, as the matter is one which it seems to me requires legislative action.

The administration by the Public Trustee of the Native lands naturally interferes with the business of Native agents, solicitors, and would-be speculators, and I have some reason to believe that any feeling of discontent on the part of the Natives is made the most of by interested Europeans. Some trouble has occurred during the past two years with the Natives, and they created on two occasions disturbances. The first of these was caused by a purely Native squabble, one class of Natives claiming the occupancy of a certain piece of land whilst another set were in occupation. The dispute was one of many years' standing, and the Natives not in possession did as they had done on more than one occasion previously—broke down fences and destroyed some crops. I believe this dispute is now finally settled by the issue to each Native of a license to occupy his particular portion of the reserve, and no trouble is likely to recur. The other occasion was of a more serious nature. The Natives trespassed on and did injury to lands of European tenants. I do not think any person can say with any degree of certainty what was the real cause which led to this trouble. I reported to you fully at the time. Since then I have visited a great number of the reserves and Native settlements, and could obtain no evidence of any well-founded complaints. At many of the settlements individual Natives had complaints, but in almost every case, on going into the matter, I found what was desired was some personal benefit to the complainant, which he was to obtain at the expense of the other Natives interested.

With a view to encouraging the Natives to occupy and cultivate holdings for themselves, I issue a license to occupy to any of them who desire it, so that they obtain for their exclusive occupation as a home an amount of land proportionate to their interest in the reserves, the only condition attached to their holding being that they must personally occupy and not sublet; that they pay the rates, keep fences in repair, and keep down noxious weeds, &c. For this occupation each Native is debited with the annual value of the land he occupies as against his share of rent; otherwise he would be drawing his full share of rent and, in addition, be obtaining the sole occupancy of part of the land reserved for the general use of the hapu.

The Native reserves other than the West Coast Reserves are a source of considerable trouble. The titles are in many cases difficult to ascertain, and it sometimes happens that it is almost impossible to say whether a piece of land is or is not vested in me under the Native Reserves Act of 1882. In other cases certificates of title or Native Land Court orders have been issued to Natives for portions of reserves as if the Natives were the absolute owners. In turn the Natives have dealt or attempted to deal with the land, and the result has been a considerable amount of litigation, past and pending. There are a great number of Acts dealing with these reserves, and I submit for your consideration whether the time has not arrived for a consolidating statute.

In compliance with your request I have made inquiries as to opening a safe-deposit business in connection with this office. The office is already prepared to receive, and does receive, deeds and papers for custody, but no guarantee is given against loss or destruction by fire or otherwise. The office undertakes as a gratuitous bailee only. To undertake to receive deeds, valuables, or goods for custody the office would require a proper building. This would cost an enormous sum, and I feel confident that the business done would never pay interest on the money expended. It would be necessary to have properly constructed buildings at each of the four centres in the colony. People here have not the jewels and other valuable personal effects which they have in older countries; the banks and solicitors take charge without expense of documents for safe custody, and I cannot see the least prospect of such an addition to this office paying, or being really of much use to the public. If, however, the Government decides that the department shall have a building of its own, the possibility of a safe-deposit department in connection with it should be borne in mind when the plans are prepared. I propose to make some closer inquiries personally into the business of the safe-deposit companies in Australia and elsewhere, and I will communicate with you subsequently upon what information I can gather.

I have, &c.,

The Right Hon. the Colonial Treasurer.

J. C. MARTIN, Public Trustee.