

springs Act, 1881.” Their desire is that the land be leased to Maoris and Europeans, after reserving 495 acres for papakaingas as follows:—

	Acres.
Te Koutu Pa	20
Oruaroaorangi	400
Te Tawa	10
Te Tikitiki	10
Whatarau	20
Whakaraumanuka	10
Te Nokoroa	5
Tahunapo	20
	495

Some of the owners applied to have the various subdivisions incorporated. We do not think that this would in any way interfere with the administration of the land for leasing purposes under the Thermal-springs District Act. As we pointed out in our first report on the county (dated the 10th March, 1908), the Committees of incorporated blocks should occupy an important position in the scheme of settlement of the Rotorua lands. They would make the arrangements and give the assent contemplated by section 12 of the above-mentioned Act. They would define the areas to be reserved for papakaingas and Maori settlement, and indicate the terms and covenants that the Native proprietors would agree to have embodied in the leases.

NGATI-WHAKAUE LANDS.

The Ngati-Whakaue Hapu submitted the balance of their lands to be dealt with by the Commission. These comprised more than one-third of the lands referred to the Native Land Court for partition, but which we were asked to investigate prior to completion of partitions. This hapu offered for lease only an area of nearly 25,000 acres. They asked that we amend our recommendations in respect of blocks already reported upon, and recommended by us to be reserved for Maori occupation. These amendments are shown in the accompanying schedule.

The Ngati-Whakaue desire this area to be dealt with under section 12 of “The Thermal-springs Districts Act, 1881,” and leased by auction. We think that Your Excellency, or the Board, if it be appointed agent for the purpose of administering the leasing, should have power to set aside sections for lease to Maoris only, with or without competition. In fact, the mode of leasing to Maoris under Part II of “The Native Land Settlement Act, 1907,” should be adopted. It would, we are sure, be taken advantage of by the younger Arawas. In offering practically the whole of their lands for settlement the Ngati-Whakaue insisted on the following conditions:—

- (a.) That no part of the land be sold;
- (b.) That the term of lease should not exceed forty-two years, and should be without compensation for improvements at the end of the term;
- (c.) That in taking lands for public works, scenic reserves, and like purposes, adequate compensation should be allowed by the State Departments.

In our first report we referred to the area given by the Ngati-Whakaue to the Thames Valley Company, afterwards sold to the Crown for the purposes of a railway; and to the sale of the Rotorua Township land. Their experience in the latter transaction has made them extremely suspicious of the Crown's management of their lands. Therefore, they wish it made clear at the outset that they do not desire any part of their lands sold. We interpret this to mean that they do not desire any land sold without first consulting them. In our opinion they have in the past sold enough land. The balance should be reserved for them and their descendants, and should, after reserving papakaingas, be leased for their benefit. The younger members of the hapu can obtain sections for individual occupation by lease.