

that most had exceeded the limit with a full knowledge of that limit. Further, many of them have subleased at greatly increased rents, enabling them to retire from active operations. We may reasonably assume that those who have not converted are doing well, and have reaped the full benefit of their contract of lease.

3. With regard to the third inquiry in the order of reference, when we consider the legal and equitable interests of the Native owners, and the evidence given as to their individual fitness for profitably using the leaseholds, we are of opinion that all the areas of land now leased under the West Coast Settlement Reserves Act, 1881, and its amendments, may hereafter be required by the Native owners for their use and occupation. Therefore, all the lands now held under the West Coast Settlement Reserves Act, 1881, or its amendments, should remain under the present tenure; and this furnishes another reason, if such were needed, for refusing to give another opportunity for conversion.

4. We are asked in the fourth inquiry what provisions should be made to enable such Native owners to get financial assistance from the Government to enable them to work their farms, should any of them become tenants of such leaseholds. By virtue of subsection (8) of section 4 of the West Coast Settlement Reserves Act Amendment Act, 1893, the share, estate, or interest of Natives under leases of land forming part of the West Coast (North Island) Reserves is not (except so far as the Public Trustee is concerned) liable to be seized, sold, attached, or levied upon by any process whatever, or become vested in any Official Assignee or creditor's trustee in bankruptcy, or be subject to any law relating to bankruptcy or insolvency, or be assets in bankruptcy. So long as the law thus stands it is, of course, hopeless to expect that the Native can obtain any advance from private persons or lending companies. He must therefore look for help to the only legal entity against whom this statutory provision does not operate—namely, the Public Trustee—and accordingly section 18 of the Maori Land Laws Amendment Act, 1908, empowers the Public Trust Office Board to advance to any such lessee out of the Common Fund of the Public Trust Office, on the security of his interests in the lease, a sum not exceeding three-fifths of the value of such interest. As the acceptance or rejection of any security offered most necessarily depend upon its own circumstances, we cannot suggest any provision for enabling a Native lessee to obtain financial assistance other than that already provided by section 18 of the Act last quoted. The Public Trustee, in a memorandum dated the 11th December, 1909, states that the improvements would be a sufficient security for advances made by the Government if there were authority given to make such advances.

We now respectfully return to Your Excellency the commission with which you honoured us, together with this report, the evidence, and minutes of proceedings.

In witness whereof we have hereunto set our hands and seals, this twenty-fourth day of June, one thousand nine hundred and twelve.

A. McARTHUR.  
WILLIAM KERR.