

SIR,—

Department of Lands and Survey, Wellington, 23rd February, 1903.

I have the honour to acknowledge the receipt of your letter of the 19th instant in reference to the question of the surrender of the Whakaangi lease. In reply I have to inform you that the matter has again been under the consideration of the Hon. the Minister of Lands, and at his request the Commissioner of Crown Lands has been instructed to furnish evidence of the present value of the land, and of how the amount of £2,174, value of improvements, is made up. As soon as that information comes to hand the Minister will be able to arrive at a final decision.

I have, &c.,

C. de Lautour, Esq., Gisborne.

WM. C. KENSINGTON, Under-Secretary.

Blocks 5A1 and 5B1 Whakaangi.

The Commissioner of Crown Lands, Napier.

23rd January, 1903.

IN reply to your memo. 2227/13, of the 16th instant, I have to inform you that the matter has again been placed before the Hon. the Minister, and he wishes you to obtain a statement from the Ranger as to why the capital value should be fixed at only £1 5s. per acre when you propose to allow the section to be burdened with improvements to the value of £2,174.

Before coming to a final decision the Minister would be glad of the following information: (a.) Evidence as to the capital value of the land; (b) as to how the £2,174 value of improvements is made up.

So soon as this information comes to hand the Minister's decision will be given. Possibly it might be as well for you to consider whether it would not be advisable to open the land as a small grazing-run rather than under the optional clauses of the Land Act.

WM. C. KENSINGTON, Under-Secretary.

DEAR SIR,—

Gisborne, 18th April, 1902.

I desire to bring before you for your consideration and the consideration of the Waste Lands Board the circumstances of my lease at Whakaangi.

The leases of the whole of Whakaangi No. 5A and No. 5B were originally obtained from the Natives by my predecessors in title, Messrs. Murray and Bentley. Subsequently to their acquisition of leasehold title the Crown was purchasing Native lands in Waiapu district, and, as I am informed, through inadvertence some shares were acquired in Blocks 5A and 5B, the Crown paying the unimproved value only (a few shillings per acre) to the Native vendors. I am confirmed in my information that the Crown's purchase in these blocks was not intended, because in no other case that I am aware of did the Crown ever authorize negotiations of purchase in blocks held by Europeans under existing valid leasehold titles.

The leaseholds of 5A and 5B became vested in the Bank of Australasia, and I subsequently purchased from the bank, giving £1,000 for the value of the improvements, there being no other goodwill in the leases at that time.

The Crown cut out its interests as purchaser from some of the Native owners, and was awarded 51 acres 1 rood 7 perches, being 5D, as its interest in 5B Block, the portion to the non-sellers, 484 acres, being denoted as 5B2. It was also awarded 513 acres 1 rood 34 perches denoted as 5A1, being the shares of the vendors in the 5A Block, the balance of the block, 605 acres, being awarded to the non-sellers. The locations in all other orders were subject to the original leases over 5A and 5B.

At the time of my purchase from the bank the law permitted purchases of the fee-simple from the Natives in the two blocks, and but for the intervention of the Crown I have no doubt that I should have been able to acquire the fee-simple of the greater part of the block and protected myself as to the considerable sum I had paid for improvements.

I am sure you will appreciate the fact that the Crown has not purchased my improvements, and yet at the expiration of the balance of the term, about twelve years, under the original Native lease these improvements will fall to it, although it has given no value for them and will not give such value.

It seems to me that there are two courses open to me: First, to wait for the expiration of the term and then trust that my equity to the improvements would be recognized in the new term of years then to be offered to the public; second, to ask the Board now to permit me to surrender the portions of the two leases which the Crown has acquired the fee-simple of, and in offering new leases of years to the public to protect me as to my present improvements which I have either bought from the bank or created since by further heavy expenditures. I respectfully urge that the second course may be permitted, for this reason: that upon 5A1, out of 1,153 acres, there are still 621 acres in bush unimproved. I do not think I ought to be asked to expend a further sum of £1,242, which at least would be needed to improve that area on my present tenure. Yet if I do not so improve it I shall be paying rent for twelve years on land which will produce me nothing. I therefore hope you will see your way to recommend that the portions of the two blocks may be permitted to be surrendered loaded with improvements, and that the block as a whole may be again offered for lease under the system of occupation with right of purchase on the same terms as leases recently offered to the public in the same district.

I have, &c.,

The Commissioner of Crown Lands, Gisborne.

C. A. DE LAUTOUR.