

land; but the timber, for the most part, has passed into the hands of private individuals, by leases extending over a period of from twenty-one to ninety-nine years.

The prospect of land being required for gold mining purposes seems to have influenced the Government in making an arrangement which would otherwise have little, if anything, to recommend it as productive of public benefit.

Your Committee are of opinion that it ought not to have been left to the Land Purchase Agent, considering his previous relations to those transactions, to determine the nature and extent of those rights of private persons which the Government had authorized to be respected.

It is clear to the Committee that the equity and value of such rights as have no legal sanction should, in these and all future cases, be the subject of investigation by some independent tribunal; and some means should now be taken satisfactorily to adjust the claims to timber, the title to which may require validation, and to settle upon a permanent basis the respective rights of the holders of these leases, and of the public.

The Committee, while recognizing the difficulties which the Government had to encounter when establishing the Land Purchase Department, are of opinion that the state of things which, as shown by the evidence, exists in the Land Purchase Department is not an unnatural result of the anomalous position occupied by some of the purchasing agents. Thus, Mr. Mackay stands in a singularly undecided position. At one time he is admittedly a Government officer, at another he claims to be in an independent position, conducting land purchases for the Government on commission. In his employment, and standing in confidential positions towards him, Messrs. O'Halloran and Crippen have the opportunity of taking part in Government land-purchase business, and are in a position to ascertain the intentions of the Government, and have access to Government records, and yet, at the same time, they are not in any way whatever under the control of the Government.

The Committee consider that the engagement of persons on such conditions is inconsistent with the public interest, and they recommend that in future all persons employed by the Government as agents for the purchase of land, no matter whether paid by salary or commission, and all persons in their immediate employment, should be taken to be Government officers, and be subject to the ordinary rules of the Civil Service.

Finally, the Committee express their opinion that the general effect of the evidence is to create a feeling of distrust in the administration of the Land Purchase Department, and to render it necessary that strong measures should be taken to purify the system, and remove from it those elements which, as shown by the evidence taken in regard to some of the agencies, are likely to bring discredit on the Public Service.

With this view legislation will be necessary. As the law affecting the purchase of Native lands now stands, and in view of the power which the Government has to intercept or to prohibit private negotiations, the public generally refrain from entering upon private purchases, knowing the difficulty of completing them without the consent, tacit or expressed, of the Government. This has already, in some instances, as shown by the evidence, subjected officers of the department to solicitations from private parties, on various grounds, to allow them to complete, and sometimes to assist them in completing, private transactions.

The Committee consider that the law should be altered so as either to re-establish the Crown's right of pre-emption, or else to permit the direct-purchase system to have full sway.

The Committee are also of opinion that the purchase or leasing of Native lands directly or indirectly to their own interest or advantage, or for other persons, by Government officers or agents whose duty it is to purchase Native lands for the public, is contrary to the public interest, and that it should be an instruction to persons employed in the Land Purchase Department to refrain, on pain of dismissal from the Public Service, from being concerned in such transactions in the future.

Under the second order of reference, of Friday, 27th August, your Committee have taken a large amount of evidence, on oath, of a most conflicting character. Upon this they do not feel that they can arrive at any decisive or satisfactory conclusion. They have directed it to be appended to this Report.

G. GREY,
Chairman.