

The foregoing provisions respecting the sale of new leases shall not apply to the Native reserves in the Provincial District of Nelson known as the "Arahura and Motueka Reserves;" and as to these lands it shall be the duty of the Public Trustee to offer to the several persons now in lawful occupation a new lease for twenty-one years of their several parcels of land, at a rental ascertained or to be ascertained in manner hereinbefore provided; and only in the event of such tenants or such of them as shall refuse or neglect, for one month after notice in writing served upon each of them or left at their holdings, to accept such new lease shall the said parcels of land held by them so refusing or neglecting become subject to the provisions of this Act respecting sale and tender: Provided that in any case in which no buildings have been erected, and the land has not, in the opinion of the Court, been substantially improved, the tenant shall not be entitled to a renewal of his lease: Provided that any tenant unsatisfied with the decision of the Commissioner may apply to the Governor in Council, whose decision shall be final.

Then, section 4 of the same Act sets forth the course to be pursued in the event of an agreement not being come to. Section 4 is as follows:—

The Public Trustee shall, not more than twelve months nor less than six months before the expiration of the several leases now subsisting of any, or any part of any, Native reserve in Westland and Nelson, and also forthwith in the case of any Native reserve situate as aforesaid, in lawful and recognised occupation by any person whose occupation originated in a lease by deed or memorandum of lease which shall have expired, obtain a valuation of all improvements on each parcel of land so leased or occupied, so as to ascertain the value—(1) of lessee's improvements; (2) of sublessee's improvements; (3) the rack-rent of each parcel of land as then separately held, as if no improvements existed thereon. Such valuations of (1) lessee's improvements, and (3) the rack-rent of each parcel of land as then separately held as if no improvements existed thereon, shall be made by two valuers, one to be appointed by the Public Trustee, and one by the lessee; (2) such valuation of sublessee's improvements shall be made by two valuers, one to be appointed by the Public Trustee and one by the sublessee: but should the lessee or sublessee fail to appoint a valuator within two weeks of his being requested by the Public Trustee in writing so to do, then the Public Trustee shall appoint the valuator in lieu of the appointment the lessee or sublessee has failed to make. In the event of such valuers not being able to agree they shall appoint an umpire, whose decision shall be final and conclusive. The fees to be paid to the valuers shall be charged to the incoming lessee: Provided always that it shall not be necessary to make any such valuations if the amount thereof shall be agreed to by the Public Trustee and the lessee or the sublessee as the case may be.

Mr. William McKenzie Harcourt holds two leases. As to one there is no difficulty: we agreed as to the rent to be paid, and there is no difficulty at all about that. Now, the lease of Section No. 38 expired. Mr. Wade, the agent of the office, was directed to ascertain if he could agree with Mr. Harcourt for a new lease in terms of section 13 of the Westland and Nelson Native Reserves Act of 1887. Mr. Harcourt wrote to Mr. Wade, "Having this day inspected with you my Section 38 of the Native Reserves, Arahura, I am willing to pay the sum of 3s. per acre per annum if I am granted a new lease." The rent paid by Mr. Harcourt during the previous twenty-one years was 4s. 8d. an acre per annum. Mr. Wade reported, "Section 38, Harcourt: This section I agreed with Mr. Harcourt to value at 3s. per acre, the reasons for low value being that it is poor land and subject to every flood; therefore unsafe to either crop or fence. I do not think that any one would take it up if Mr. Harcourt did not." I minuted here, "I am unable to ratify this agreement, and prefer to go to valuation," which I had a perfect right to do under the Act. And Mr. Wade was informed, "In reply to your memorandum of the 13th instant, I am unable to ratify the agreement made by you with the above lessee, and prefer to go to valuation." Then, the position at that moment was this: Mr. Harcourt had agreed to pay 3s. an acre. The agent had erroneously said "All right." When it came before me I argued it this way: Here is a gentleman who has been paying 4s. 8d. per acre per annum for the last twenty-one years, and he gave this when the land was covered with timber. How can I justify a lower rent to the Natives at the present day? And I declined to take 3s. an acre. The usual notices were then sent out that I was about to appoint, and did appoint, Mr. William Duncan, of Hokitika, as valuator; and Mr. Harcourt was requested to appoint a valuator. On the 2nd April I received a notification from Mr. Wade that Mr. Harcourt had appointed Mr. J. L. Smith as his valuator. Then, on the 19th April I received from Mr. Wade a valuation of this Section 38 made by Messrs. Duncan and Smith, in which they assessed the annual rental at 3s. per acre. Now, the Commissioners will notice that the valuers agreed with the offer made by Mr. Harcourt, and of course the lease was prepared at that rent. I had no option; it must be done. Then arrived a letter from Mr. Harcourt, dated 12th June, 1890, and is attached to Record 90/302. Mr. Harcourt asked to be relieved from the costs of arbitration. The letter is as follows:—

DEAR SIR,—

Arahura Native Reserve, Westland, 12th June, 1890.

I beg to call your attention to the unfair manner in which I am treated with reference to a fresh lease, and fixing the ground-rent of my Section No. 38. The twenty-one years' lease of the same lately expired. You requested me to make an offer. I offered an annual ground-rent of 3s. per acre, which is considerably more than the real value, leaving no pretext for arbitration. Your agent accepted and recommended my offer as ample value, and the document I signed to that effect was forwarded to you by Mr. Wade. My offer was promptly refused, and forthwith you appointed an arbitrator, and compelled me to appoint one on my behalf. Your arbitrator, being ignorant of the tenure and vested interests of the tenants on this reserve, postponed the business to give time for information being obtained from head-quarters. Finally the aid of an umpire was called in. The three valuers unanimously agreed to fix the annual ground-rental on Section 38 at exactly the same amount—namely, 3s.—as I had previously offered, and was indorsed by your agent.

You now notify me to pay the costs of this unnecessary arbitration, which amount to £7 6s.; and, further, that if the sum is not paid as part of conditions the lease will be put up to auction, and the section burdened with the £7 6s., thus jamming my escape from such an imposition. I therefore protest against the costs being saddled on me; and also against the arbitrary and harsh manner in which my offer of 3s. per acre was refused by you, while the same amount of rent, arrived at by a cost of £7 6s., was accepted. This, too, on a section of less than twenty acres of land, known to the Trustee to be badly damaged, such costs and rental being out of all proportion with the value derived from the said section. I therefore beg of you in all fairness and justice to rectify this imposition. Section 38 cost me not less than £40 per acre to clear the dense forest. I have expended £250 on protection-works on river-banks. The exorbitant rental, costs of fresh leases, and excessive taxation for the benefit of the Native Reserve Trust, as under existing circumstances, with the land damaged or washed away, is becoming ruinous and burdensome.

The paltry sum I received as compensation for rivers and tributaries (which intersect my land) being made sludge-channels did not cover one-half the cost of the surveys and three Supreme Court suits I instituted to protect my land; and my establishing a right to compensation benefited the Native Reserve Trust to the amount of £1,900.