

I may add that other tenants, who never spent a shilling on protecting the river-banks or in upholding the rights of the reserve, have had their rental reduced without harass or difficulty. Begging that you will give my grievance your best consideration,

R. C. Hamerton, Esq., Public Trustee.

I am, &c.,

WILLIAM MCKENZIE HARCOURT.

As regards the last paragraph, it is absolutely untrue as regards new leases.

9. *Mr. Macdonald.*] Have you had no other new leases?—Yes, one I shall bring before the Commissioners. I want the Commissioners to note this: that I did not feel myself justified in accepting a rental of 3s. when 4s. 8d. per acre had been paid for twenty-one years; I therefore took the only course open to me by law—to order valuation. There was no hardship in that. I exercised the discretion given to me. The arbitrators found that the land was of the value which the tenant had offered. Of course I could not foresee that.

10. That showed his *bona fides*?—That is perfectly true. The law says that the fees to be paid to the valuers shall be paid by the incoming lessee. Therefore I could not, by any stretch of conscience, charge the Native beneficiaries, and therefore insisted on the payment by the incoming lessee of the £7 6s. which the arbitrators charged. In reply to this letter from Mr. Harcourt, protesting against the payment of the arbitration-fees, I sent this answer: "In reply to your letter of the 12th June, I have to state that if you will point out any method by which I can release you from the payment of the costs of the arbitration in the face of a distinct enactment on the subject, I shall be glad to give it my consideration. In the meantime, I shall request you to act in accordance with section 4 of 'The Westland and Nelson Native Reserves Act.'" He then telegraphed, "Beg you to put my letter of 12th June, *re* Section 38, before the Trust Board." I telegraphed back, "Will place your letter before the Native Reserves Board at next meeting, ten weeks hence." The Native Reserves Board only meets when it is called together. It consists of the Public Trust Board proper and two Natives. These Natives both live at a distance, and I am obliged to give them a week's notice before I can have a Board meeting. As a matter of fact, the Native Reserves Board meets probably no more than six or seven times a year. Mr. Seddon wrote a long letter to me on behalf of Mr. Harcourt, dated 26th July, 1890, asking that the tenant be not charged with the cost of arbitration. The matter went before the Native Reserves Board on the 4th August, 1890. The Board resolved, on the 4th August, 1890, "That, as the law specified that the fees are to be paid by the incoming tenant, they are unable to relieve Mr. Harcourt from payment." On the 30th July Mr. Harcourt wrote demanding a new lease. I then referred to the office Solicitor, Mr. Wilson: "I apprehend this lease cannot be proceeded with until new plan is received. Please advise." I should explain here that in preparing to issue some leases of the Arahura Native Reserves it was found that the river had made such inroads that we could not get on with the leases without a resurvey of the whole reserve. I had directed a resurvey to be made, at a cost of £96. Mr. Wilson replied, "The leases can be prepared on the old plans, as modified by this record. It would need a Native Board meeting for execution, but it would be injudicious to do so, because Mr. Harcourt's present area is more uncertain than most of them." I gave directions, "The new plan is promised this week. Prepare new lease on arrival." The surveyor in Arahura, Mr. J. M. Smythe, says that "between Sections 34 and 38 the road-reserve is shown on the map. Harcourt says it was cancelled, but I have only his word for it. The road-reserve is of no use, as there is another one, and a road formed and used on the west side of Section 34, which leads to the bridge over the Arahura River. Will you cancel the first-mentioned road-reserve, or shall I retain it?" The upshot of that was that it was left to the Chief Surveyor at Hokitika and Mr. Smythe. The Chief Surveyor says, "I have seen Mr. Smythe on the subject, and, finding that this road would have to be closed through the County Council, and a Proclamation and *Gazette* notifications would have to be issued, and that months would elapse before the road could possibly be closed, I decided upon abstaining from making an attempt to close it. Moreover, there is a chance of this very road-line being required in after-times." So that the road-line was not closed, as according to Harcourt's statement it had been. The point to be brought before the Commissioners is, that, although I was attacked for my action as regards the arbitration, I submit that I was absolutely within the law in doing so. If the law is defective, that, of course, has nothing to do with me.

11. *Mr. Loughrey.*] Was there any reply to Harcourt's last letter?—Yes; I minuted, "Prepare lease on arrival of new plan; inform writer."

12. No reference was made to the arbitration-fees?—No. It has been stated that I refused to issue this lease at all until the £7 6s. was paid. That is inaccurate. I know that if I refuse the lease I shall have no justification. If I issue the lease and sue for £7 6s. there is the law against him.

13. *The Chairman.*] However, there has been no lease issued yet?—No. Then there is the case of Batchelor, and that is more in favour of the tenant. In Batchelor's case he offered a rental which was refused, and I forced him to arbitration in the same way as in Harcourt's case, and they found that he should pay 6d. an acre less than he had offered. Consequently the hardship was greater upon him. But there was the law. The law says that Batchelor shall pay the costs.

14. *Mr. Loughrey.*] In Batchelor's case, did the agent recommend it in the same way as in Harcourt's?—No. This was my memorandum to my agent, dated the 13th June, 1889: "Section 24, Arahura.—Enclosed are duplicate notices for service on the above-named lessee. One copy is to be returned to this office, duly noted with time and manner of service. If Mr. Batchelor accepts the offer of a new lease, and will agree with you as to the rent which you consider fair, please arrange a sum with him, subject to my approval."

15. What was the agent's reply to you?—"The valuers appointed to decide on rentals of 24 and 38 have finished, but their reports are not yet in. They have promised to let me have their reports to-morrow, when I will forward them." Mr. Seddon, on the 26th July, wrote a letter to me asking that the tenant be not charged with costs of arbitration. Then I wrote to Mr. Batchelor