

again representing the matter to the next Parliament. The most important consideration is that under existing leases the whole improvements are vested in the lessee up to £5 per acre. The lessees read this to mean not only the actual appraisable improvements effected on individual sections, but also the improvements to the district effected by the lessees' rates, subscriptions, and other moneys during the twelve years' currency of their leases, as by the New Plymouth Harbour, Opunake jetty, flaxmills, dairy factories, close settlement, good roads, &c.; that is to say, that in estimating an equitable rent the lessees argue that the present unoccupied and unimproved value of individual lands is not the basis of estimate, but that condition those lands were in prior to those outside improvements being effected, in great measure by the lessees' money, and in no way by the help of the Native owners. Take an instance: If a settler's land is now worth £6 per acre, his improvements, valued at £3, would leave the Native interest at £3; but from this should be deducted the value of improvements to the district, and therefore to the lands as paid for by the lessee, which are probably worth at least £1 per acre. The position then would be: settler's interest £4, Native interest on which rent is paid, £2. I cannot see that in asking a valuation on this basis the lessee is in any way proposing a robbery of the owner, or going beyond his equitable rights. Should you be able to bring this matter before the Trustee, a valuator is absolutely necessary who, like yourself, knew the actual state of the district prior to settlement, and who has carefully watched the development of the lands during the last twelve years. At the same time, it should be understood the valuation shall be exhaustive and complete, the actual improvements being fairly valued, and valuation to be available at the expiration of the lease. Were the Trustee to appoint a gentleman who had the confidence of the lessees, very shortly the whole estate would be under the one Act. If you can do anything to bring this consummation about you will materially assist the Government prospects next year. I am sure you will excuse me writing to you on this matter.

"I remain, &c.,

"JAMES J. ELWIN."

"The PUBLIC TRUSTEE to Mr. J. J. ELWIN.

"Public Trust Office, Wellington, 7th April, 1896.

"SIR,—

"*West Coast Settlement Reserves.*

"Mr. C. E. Major has forwarded to me your letter to him of the 16th ultimo, in which you venture upon an explanation of the considerations which should, in your opinion, influence me in fixing the value of the land and of the improvements thereon, for the purpose of any applications that may be made for new leases under the provisions of the West Coast Settlement Reserves Act.

"The obligation, however, of the Public Trustee in the administration of the estate in question is, as by this time you cannot but know, to take a course which would be defensible only so far as he should have reasonably acted co-relatively with the profit of the beneficiaries. The considerations which you urge I cannot, therefore, regard as entitled to such weight as you and the lessees whom you represent would doubtless be glad to see me allow, or even to any weight whatever.

"The interests of the estate, the only interests which, in a justifiable administration, should be favourably considered by and influence me, were surely not even paramount in your mind when you were making the statement that, 'Were the Trustee to appoint a gentleman (to value) who had the confidence of the lessees, very shortly the whole estate would be under the one Act.' The obvious assertion of truth in that proposition will be acknowledged by every one who derives from your letter the meaning of the expression, 'confidence of the lessees.'

"In justice to Mr. Major, I think it required of me to assume that he would deprecate the association of compliments respecting his knowledge and ability with an insinuation that he could, by doing 'anything to bring about this consummation, materially assist the Government prospects next year;' for though you protest that you 'cannot see that you are in any way proposing a robbery of the owner,' I am unable to understand how the 'Government prospects' or the reputation of Mr. Major, could profit by a coalition to divest a private property, which happens to be held in trust for the Natives, of the right to such an administration in the interests of the beneficiaries as if they were not Natives. I should not imagine that you yourself could be easily persuaded to appoint the Public Trustee to administer your own estate for the benefit of your descendants if you were possessed of any fear that he might, in appointing an agent for the administration, either be influenced by 'the Government prospects next year,' or propose to inspire a confidence such as your 'confidence of the lessees'—a confidence not required by the interests of your estate.

"I will, however, allow that you may be embarrassed in your representation of what you regard as the rights of the lessees, by the difficulty which naturally embarrasses us all in our attempts to rise, even in the simplest and most successful of our essays at impartiality, superior to the consideration of our own interests. The judgment is rarely satisfactory which is not disinterested; and the recognition of this truth must operate to qualify any opinion that you may express adversely to Mr. Jones as a competent valuer of the reserves.

"I am, &c.,

"J. K. WARBURTON,

"Public Trustee.

"Mr. James J. Elwin, Waiweranui, Puniho, Taranaki."

A considerable area of the land to be reserved for the tenancy of the native owners was, during last year, surveyed and subdivided for the purpose of being leased to them without competition, under the provisions of "The West Coast Settlement Reserves Act Amendment Act, 1893." The object is to remove the cause of a long-felt and reasonable complaint from a large number of the Native owners that their occupation of the land in common renders it impracticable for individual members to appropriate to themselves the fruits of their labour and forethought, and that they are thus deprived of the strongest motives to economy and industry. The satisfaction of the Natives with the arrangements which have been made for the subdivision and for the necessary surveys,