

MEMO. BY MR. A. MACKAY.

"Class A (2).—For the benefit of Natives generally.—Schedules, 1 to 5; Class A. 2 include Reserves under this head; being lands in the Town of Nelson, and the original Districts of Motueka and Moutere, set apart by the New Zealand Company (in accordance with the original scheme), to provide a fund for Charitable and Educational purposes on behalf of the Natives, and now under the operation of 'The Native Reserves Act, 1856.' Land in the district of Golden Bay set apart originally for the use of the Natives, and now subject to the operation of the Act of 1856; and land on the West Coast of the Province of Nelson set apart in 1860 under the provisions of 'The Native Reserves Act, 1856,' in accordance with instructions from the General Government, on the land being alienated to the Crown.

"In the Town of Nelson there are 54 sections, comprising 53a. 1r. 30p., of which 45 sections are occupied by tenants; of the remaining nine (9) one is reserved for the use of the Natives, one has been sold to the Provincial Government, for £400, and forms part of the site on which the Government Buildings now stand; two (2) have been exchanged with Messrs. Curtis Brothers for Section 946 in the Town of Nelson; and five (5) are unlet; of these three (3) are situated on the mud flat, and are subject to be covered by the tide which renders them untenable; the fourth is situated on the Fife-shire Island at the mouth of the harbor, and the fifth is on the side of the hills overlooking the Waimea Road. The latter is the only one likely to become occupied, but the others from their character and position will probably never be of benefit to the trust. The gross rental producible from the property in the City of Nelson at the present time is about £600 per annum, this amount will be slightly augmented in course of time as the rent of many of the leases (most of which are for terms of twenty-one years) increase after the first seven years of the term.

"In the Motueka and Moutere Districts there are one hundred New Zealand Company's sections of fifty acres each, or five thousand acres in all. One thousand (1000) of which are in the occupation of the Natives, and as they have been in possession of many of these sections since the commencement of the settlement, it may be presumed that the land so occupied, must have been chosen with the idea of providing land for their future use and cultivation, though looking at this arrangement from a pecuniary point of view it is greatly to be regretted that the interests of the Trust was not better considered by taking the precaution to provide land for the Natives elsewhere, instead of allowing them to settle on some of the richest land belonging to the estate, whereby the Fund is deprived of a considerable addition to its revenue annually.

"Nine hundred and eighteen acres (918 a.) have been granted to the Bishop of New Zealand as an endowment for an Industrial School for Native children, and the remainder, less 300 acres unlet, and 150 acres exchanged with Mr Charles Thorpe, of Motueka, for Section 9, Takaka, is occupied by tenants.

"The property at Motueka and Moutere produces a good rental of £370 per annum; many of the rents increase, as in Nelson, at the expiration of the first seven years of the lease. The gross rental producible from the entire estate at present may be set down at £970 per annum, although in course of time when the rents commence to increase, it may be estimated at over £1000 annually.

"The total amount collected since the 1st January, 1857 (the date at which the Native Trust Estate came fairly under the control of the Commissioners of Native Reserves under the Act of 1856), to the 31st December, 1869, amounts to £10,876 14s. 8d.; and the expenditure on behalf of the Natives during that period, amounts to £9,674 13s. 4d., leaving a balance of £1,202 1s. 4d. Six hundred pounds (£600) of which is invested on mortgage in the Province of Nelson, and £602 1s. 2d. is the balance now standing to the credit of the Fund in Public Account.

"Concerning the disposition of the amount expended for the Natives, as the proportion of the Estate appropriated to the Bishop of New Zealand is considered amply sufficient to supply all the proportion of the fund that should be devoted to educational purposes; the revenue accruing from the portion of the estate in the occupation of tenants is spent in various ways for improving the general condition of the Natives by assisting them in their industrial pursuits, such as providing them with bullocks, carts, ploughs, harrows, harness, &c., and agricultural implements; also in aiding them from time to time to erect a better class of houses in place of the dirty hovels in which they usually reside; by providing them with bricks for chimneys, windows and doors, and the necessary ironmongery. Small sums are also lent, without interest, to the most deserving from time to time, to aid them in procuring anything conducive to their welfare, on the understanding that the several amounts are to be repaid as speedily as circumstances will permit. Medical attendance is also provided for them out of the fund, and rations allowed to the sick and indigent. There is also a charge of £110 annually on the fund for salaries, and 10 per cent. for the collection of rents in Motueka and Motuere.

"The charge for salaries comprises the Secretary's salary, £50, the proportion of the Commissioner's salary payable by the fund £50, and the Interpreter's salary, £40.

"The Reserves in Golden Bay, under the operation of the "Native Reserves Act, 1856," are not producing a rental as yet. With respect to Section 9, Takaka, received from Mr. Thorpe in exchange for Native Reserve section at Motueka, it is proposed to subdivide it amongst the resident Natives, in accordance with the original intention for which the exchange was effected.

"The Reserves under class A. 2, on the West Coast of the Province of Nelson, consisting of several blocks of land, in all about 3,500 acres, were selected by Mr. James Mackay for charitable and educational purposes, in pursuance with instructions received from the General Government, and were conveyed by the Natives in 1860 to her Majesty, subject to the provisions of the "Native Reserves Act, 1856," on the extinguishment of the Native title over the surrounding land. Besides these blocks, there are two smaller Reserves brought under the operation of the Act, by the Natives for whom these lands were originally set apart, a demand having arisen for the land in consequence of its proximity to the town of Westport.

"The Reserves set apart in 1860 have as yet proved unproductive, but a demand for land is now arising in the Upper Grey, and several applications have been received for the occupation of the