

Certain of the returned rebels settled in the confiscated blocks have asked to be allowed to lease or sell the land allotted to them. Except in extreme cases, as, for instance, where the land is unsuitable for the native mode of cultivation and an exchange might be desirable, compliance with such request ought not, I think, to be conceded. If surrendered natives could lease or sell their allotments, or if their residence on them were not made indispensable, the act of submission might be resorted to for purposes of gain only. It is desirable that natives who come in should experience the advantages of civilisation—of roads and markets in settled districts—and that their improvement in circumstances should be apparent to those who hold themselves aloof. This can only be effected by making the lands inalienable, and by issuing Crown Grants to those who have improved their holdings, and fulfilled a prescribed term of residence. When their holdings are made secure it does not appear objectionable that they should become liable to contribute, in money or labor, to the improvement of the roads in their districts.

UTILIZATION OF RESERVES.

By the action of the Native Land Court the great mass of the Native Reserves in the Province of Auckland have been granted to the natives for whose benefit they were originally set apart. Schedule C—1 shows that 267 deeds, conveying 258,735 acres, have so issued.

These reserves are either granted in trust, or with restrictions that prevent the grantees mortgaging or selling the land absolutely, or letting it for more than 21 years without the Governor's consent.

These lands are of course removed from the immediate control of the Government, but a responsibility rests with the Governor in regard to them that entails the necessity of a supervision, as frequent applications are made to alter the terms or remove the restrictions contained in the grants.

Mr. John White states that at the West Waiuku the native trustees have sold to white people some of the land granted to them in trust for themselves and relations in perpetuity.

The following Native Reserves are let :—

	£	s.	d.
Part of Allotment 19, Section 9, City of Auckland, at per annum ...	75	0	0
Allotment 89, Section 1, Suburbs of Auckland ...	13	0	0
LEASES OR AGREEMENTS SIGNED DURING 1871.			
Part of Allotment 4 of Section 12, City of Auckland, at per annum ...	14	0	0
Subdivision 1, Allotment 11, Section 20, Town of Onehunga, at per annum ...	3	0	0
Do. 2, Do. Do. Do. Do. ...	3	0	0
Do. 5, Do. Do. Do. Do. ...	3	0	0
Do. 6, Do. Do. Do. Do. ...	5	0	0
Do. 7, Do. Do. Do. Do. ...	3	10	0
Allotments 604 to 613 inclusive, Town of Tauranga, Do. ...	2	0	0
Allotments 714 and 715 Do. ...	0	10	0
Allotments 702 and 708 Do. ...	0	10	0
Allotment 50, Suburbs of Tauranga Do. ...	0	12	0
Total per annum ...	£123	2	0

The above rates of the Tauranga lands are for the first seven years of the term of twenty-one years. These lands had been for some time under agreement for lease, but owing to the existence of doubts as to powers under the respective Acts, they could not, until the present month, be definitely let.

The Hostelry Maintenance Reserve No. 4, of Section 12, City of Auckland, has, until this year, remained unused. The footpath in common use from Auckland to Mechanics' Bay traversed its length, and access had to be free to a spring of water in the centre of the allotment. Upon offering, publicly, a portion of this land in March last for lease, objection was taken by the trustees of the adjoining estate of Hone Ropiha's to its probable enclosure. It appeared that the Crown had conveyed away a small street that had formerly given access (on paper) to Hone Ropiha's land in the rear of the hostelry reserve, which was then Crown land. The trustees claimed a right of way through the land, and as it appeared that they would suffer an injustice if the reserve were enclosed, a lane 12 feet wide was set out along the western end of the reserve to afford the required access.

The ground lying between this lane and the spring was then offered at public auction on lease for 21 years, and let to Mr. J. T. E. Rogan for £14 a year.

The Municipal Council have commenced the construction of a path outside of the reserve, it having already been intimated that rent would be required for the further use of the land. When completed this path will afford good frontage access to the remaining part of the reserve, which I estimate may yield about £15 a year on a 21 years' lease. I propose that the sum of £40 shall be appropriated out of the proceeds of the hostelry lands for the purpose of leading the water from the spring to a fountain, to be constructed on the flat near the hostelry, where the water will be of benefit to the natives and the inhabitants of the neighbourhood generally. The lease of the part let contains a provision to prevent the contamination of the water.

At Tauranga four additional allotments may be expected to be let, and at Onehunga one lot, yielding together about £9 a year additionally in the course of the next year.

The lease of the hostelry maintenance land at St. George's Point, Allotment 89, Section 1, will expire on the 9th June, 1873. Six and a quarter acres are here let for £13 a year. I propose to divide the land into four building lots, which I estimate would yield an aggregate of £40 a year.

The local authorities have lately taken down the native market sheds at the entrance of Queen-street Wharf. The hostelry site in Mechanics' Bay is too far from the centre of population of the city for the convenience of purchasers at a market. I therefore recommend that a quarter of an acre of the reserve at Point Britomart, near the Breakwater, should be set apart for a native produce market site. The surface of the reserve is now 40 feet above the beach, but earth is required for filling the intake, and the alteration of level for as much space as will be required at first will present no great difficulty.