

The £500, on account of the high price at the time, sufficed to purchase 250 ewes only. The annual grant was continued for the years 1854 to 1859 inclusive. During these years a school was maintained, the attendance at which, though small, was as considerable as, under the circumstances stated (see evidence of the Rev. Samuel Williams, p. 4), it would have been reasonable to expect. (See also report of Mr. Henry Robert Russell, appendix to Journals of House of Representatives for 1862, E. No. 4, p. 31.) Upon the cessation of the annual grants (practically in 1859), the Estate producing no income applicable to the support of a school, and having sustained a severe loss by fire, the school was discontinued. The object of the management since has been to improve the property until it should be capable of producing an income in some measure adequate to the support of a school. The annual profits beyond those which have accumulated in the form of improvements have been insufficient, after payment of current expenses and interest, to repay the moneys advanced and leave a debt due from the Estate, at the end of the year 1868, amounting to the sum of £767 7s. 1d. The annual value of the Estate has been increased from £10 in 1853 to between £500 and £600 at the present time. The sheep have increased to the number of 6,137 at the muster in 1868, and it is clearly shown that the improvements of the property have been judiciously effected.

It will, nevertheless, be apparent that while the object of the management—the rendering the Estate productive of an available income—has been nearly attained, the children of the Native donors of the land have grown up to maturity deriving little or no benefit from the Trust. This has led to complaints from donors and representatives of donors, having some show of reason in them.

The state of the accounts and rental of the Napier School Estate is very satisfactory. The land, two town allotments, in Napier, of one rood each, was purchased with a sum of £10, taken out of moneys originally contributed for the maintenance of a school in that town. The action of the Trustees towards establishing a school is in abeyance, pending the construction of a scheme for its management by His Honor Mr. Justice Johnston, to whom the papers and accounts relating to the property have been referred. The delay in the establishment of a school upon the scheme to be so devised will probably enable the funds (at present about £850) to accumulate until they become sufficient for the erection of convenient buildings, while the annual rental (£235 16s.) will be a valuable endowment towards the expense of maintaining it.

In respect of the Town of Clyde School Reserve, it appears, from the statement of Mr. Sturm, that before the Native title to the district in which this Reserve is situated was extinguished, a piece of land, part of the present Reserve, was set apart for a school for the education of Native and Half-caste children; that Trustees were appointed, and a schoolhouse built, which is still standing and occupied; and Mr. McLean states that, when the district was ceded by the Natives, no express stipulation was made in respect of the land on which the schoolhouse stands. This land, as part of a larger quantity, has been reserved in the ordinary way for educational purposes. The propriety of measures to impress on the land, upon which the schoolhouse stands, the Trusts upon which it was originally given, has been suggested to the Commissioners.

The Commissioners have to submit to your Excellency this their second Report.

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