

8. We understand that, in your opinion, if that estate had been properly managed by practical business men, it would be bringing in a better income to-day?—I will say from £4,000 to £5,000. I will tell you how I arrive at that. We will allow ten miles for streets in that block; we will allow the domain—which belongs to the public I maintain—of 10 acres, and the market reserve of 5 acres, making a total reservation of 95 acres. If we cut up the rest we have 628 quarter-acre sections, and if these were leased on terms similar to the hospital leases, they would bring in at least £5 per section. That will produce 5,000-and-odd pounds. But what have they done? They have only built houses on the land where the borough has made roads for them, and the swampy portions remain as they were before. I would say that the whole estate has been managed on a dog-in-the-manger system. Every house built in and round Wanganui helps to increase the value of their property, and yet they have not done a single thing to improve this property. I would like, with the consent of the Commission, to read this correspondence that took place in 1903 and 1904 between myself and the Right Hon. the Premier in reference to the subject of this endowment and its management:—

SIR,—

Durietown, Wanganui, 7th August, 1903.

In the *Wanganui Chronicle* of the 5th instant, I observe that, in answering questions in the House of Representatives on the 4th, you stated “that a Royal Commission should be set up to consider the position of Native-school reserves.” May I ask if the said Royal Commission would be authorised to inquire into the reserve in the Borough of Wanganui, called the Industrial School Grant?

I am not aware whether your attention has ever been called to this matter or not. In bringing it to your notice I feel bound to say that it is high time some inquiry should be made. It is over fifty years since the grant was made for a special purpose, yet at the present time some of the land is in a worse state than it was fifty years ago, when in its primeval state.

Should it be that you would like to know more about this grant, I shall be pleased to furnish you with all the information I can, and would endeavour to answer any question relative to the same that it is in my power to answer. This grant is worth at present at least £80,000 yet the object for which it was given by Sir George Grey is not, or ever has been, carried out. I think it probable that our member, Mr. A. D. Willis, may be able to give you some information on the subject, but I do not think that he is well up in the matter.

Feeling it to be my duty to bring this matter to your notice, and awaiting your reply.

I am, &c.,

JOHN MORGAN.

The Right Hon. the Premier.

SIR,—

Prime Minister's Office, Wellington, 21st August, 1903.

I duly received your letter of the 7th instant, and I take this opportunity of thanking you for the information you have furnished *re* the reserve in question. I do not think it will be necessary to trouble you for further particulars, as I find the records in the Lands Department are ample; however, if necessary, I will communicate with you again. There can be no doubt but that the time has come when the history and use of each and every one of these reserves was gone into. Again thanking you.

John Morgan, Esq., Wanganui.

Yours, &c.,

R. J. SEDDON.

SIR,—

Durietown, 12th July, 1904.

I had the honour of writing to you in August last in reference to the appointment of a Royal Commission to consider the position of “Native-school reserves.” I also asked if such Royal Commission would be authorised to inquire into the reserve in the Borough of Wanganui, called the “Industrial School Grant.” To the above-mentioned letter I received from you a prompt reply, from which I gathered that you were of the opinion “that the time had come when the history and use of each and every one of these reserves was gone into,” tendering me thanks, &c.

I have been anxiously awaiting the setting-up of such a Commission, but am sorry to say have not yet heard of such an appointment. My object in now writing is to impress upon your mind the necessity for such a Commission. For some time I have been devoting much time and thought to the “Wanganui Industrial School Grant”; have also written a brief history of it, which has been published in the *Wanganui Herald*. I believe that I can say that all, or nearly all, I have written can be found in the records of the Deeds Department. My object has been to bring it in a concrete form before the Wanganui public, as there are now but few living that know anything about the grant in question. I have known it from the beginning, which is now fifty-two years. I beg that you will excuse me for bringing to your notice the position of this grant from my point of view—I may say I am not a lawyer, and my opinion is that of a layman. I may add that I should have preferred an interview with you on this subject, as I could have said more in half an hour than I can write on many sheets of paper. Circumstanced as I am I feel that this is the only course open to me.

I trust that you will be good enough to permit me to preface my opinion by saying that the land in question was purchased from the Natives by Colonel Wakefield for the New Zealand Land Company in 1840–41 till 1850, when, I think, the Imperial Government took over the affairs of the New Zealand Company—viz., their assets and liabilities. I take it the assets of the company were the unsold sections of land, and these sections, and the sections alone, belonged to the Government. The streets, Domain, Market, and other reserves belonged to the public.

Having prefaced my opinion as above, I take leave to proceed. 1. I am of opinion that the act of Sir George Grey, the then Governor, in making the grant in question, taking all the circumstances of the case into consideration, was *ultra vires*, inasmuch as a large portion of the land contained in the grant did not belong to the Crown—viz., the streets, Domain, Market, and other reserves belonged to the public. Again, at what date did Sir G. Grey cease to be Governor of a Crown colony? The deed of grant bears date the 13th October, 1852. I admit the first grant