

To each Native whose name appeared on McCleverty's deed of award of 13th October, 1847, the sum of £30 2s. was given, and the Native Land Court was called on to determine as to the ownership of the interests of the deceased awardees. On the 12th February, 1873, the Court made orders in favour of twenty-three owners, and at a date previous to these negotiations had made an order in favour of other eight.

The Natives interested agreed that all the derivative owners should "share and share alike," and the sum of £16 8s. 4d. was paid to each of 22 Natives. Possession of the land has been given up to the railroad authorities.

In 1864, the sum of £915 9s. 10d. was lent by the Government to the Chief Te Manihera Rangitakaiwaho, of Greytown in order to extricate him from his pecuniary difficulties. The money was advanced on the security of the Wharekaka Estate of 1,389 acres, the property of that chief.

By the sales of sheep, in which a portion of the money lent was invested, and from the rental of the land, various sums were from time to time paid into the Treasury on account, and on the 12th March last I received from Te Manihera, and paid into the Public Account, the sum of £327 17s. 5d., by which the loan was recouped. The property was released to Te Manihera.

The reserves awarded by Colonel McCleverty to the Port Nicholson Natives have been hitherto in their own management. The owners now find that some of the lands might be made more productive, and the rents of other portions more satisfactorily applied; they have therefore voluntarily placed the following lands with me for administration:—

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| 6th May, 1873.—Town of Wellington, Sections 13 and 15, | Leach, tenant. |
| " " " " | 14, J. Fitchett, jun., tenant. |
| " " " " | 37 and 39, J. Brown, tenant. |
| " " " " | 23, Wyngate, tenant. |
| " " " " | 18, 20, 22, Mrs. Leach, tenant. |
| " " " " | 49, O'Connor, tenant. |
| " " " " | 45, J. Dransfield, tenant. |
| " " " " | 27 and 28, unlet. |

Town Belt, Te Aro, 41½ acres, Leach, tenant.

Ohariu, Section 91, unlet; and Sections 7 and 8, R. Bould, tenant.

The decision of the Court of Appeal in *Regina v. Fitzherbert* declares that the lands known as the "Tenth Native Reserves" are legally demesne lands of the Crown, unencumbered with any trust. This casts a doubt on the status of a considerable number of estates, here, and at Nelson, that are yielding a revenue for Native purposes. It has also prevented the letting of several reserves in Wellington and at Manawatu, for which tenders were received.

While declaring the reserves to be the property of the Crown, the Court of Appeal indicated that there might exist a moral obligation towards the Natives in regard to an interest in the lands.

There is no doubt that when the land was purchased of them, the Natives were solemnly promised that these reserves should be made for their future benefit, and it is essential that faith should not be broken. A Bill has therefore been prepared to give by enactment a legal status as Native Reserves to such of the lands as have not been granted.

PROVINCE OF AUCKLAND.

At the request of the Waikato Natives, who are again bringing their produce for sale to Onehunga, the Native hostelry or grain store at that place has been put into a habitable state, at an expense of £59. It had been unused by the Natives since the outbreak of the Waikato war.

The occupation by Mr. McIntosh of the building erected as an hospital at Mangonui has ceased, by which £10 8s. a year is lost until another tenant can be found.

The lease of the Reserve No. 89, at St. George's Bay, now let for £13 a year to Mr. Blackett, expired in June, 1873. It is proposed to offer this land—6 acres and 1 rood—in building allotments, by which a much larger rental than that heretofore received for it as pasturage land is expected to be obtained.

The Thames and Waikato Natives have placed in trust with Mr. Searancke, R.M., and myself, the following properties, viz.:—Maungatapu, on the Piako, 6,110 acres by Te Raihe and others; and Te au o Waikato, 8,560 acres, by Tuhakaraina and others.

Applications have been received also from the under-mentioned chiefs, for me to undertake the management of their granted lands, viz.:—

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| From Kiriama Tauwhare and others—Pera | ... | ... | 8,020 acres. |
| " Te Raihi and others—Hinuwera | ... | ... | 5,396 " |
| " " " —Matamata | ... | ... | 5,468 " |
| " Tu Whenua and others—Paritu | ... | ... | 24,229 " |

The reserve No. 72, of Section No. 1, Town of Tauranga, containing 25 perches, has been let to Mr. James Weir Greay, on a yearly rental of £7. A lease for twenty-one years to be given as soon as it can legally be done.

PROVINCE OF HAWKE'S BAY.

400 acres of the Pakowhai Estate, B 1, No. 1, held in trust by Samuel Locke and Charles Heaphy, have been let for twenty-one years to Mr. Alexander McHardie, at a rental of £1 an acre per annum, for first eleven years, and £1 10s. an acre per annum for the remainder of the term. Mr. McHardie to pay £1,000 of his rent in advance; receiving temporarily an allowance of 8 per cent. interest. This arrangement has been made at the request of the Native beneficially interested. 434 acres, including the village, will remain reserved for purposes of cultivation and subsistence.

Account current to 30th June, 1873, is furnished herewith.

The Hon. the Native Minister.

CHARLES HEAPHY,
Commissioner of Native Reserves.