

1874.

## NEW ZEALAND.

## WAIRARAPA FIVE PER CENTS.,

(REPORT ON THE PAYMENT OF BALANCES ON THE).

*Presented to both Houses of the General Assembly by command of His Excellency.*

No. 1.

Major HEAPHY to the Hon. the NATIVE MINISTER.

SIR,—

Wellington, 31st December, 1873.

I have the honor to report that in pursuance of your instructions I have paid the Natives of the Wairarapa the balances of "Five per Cents." due to them on the 30th September last. These payments relating to accounts that have been running from fifteen to twenty years, render it, perhaps, necessary to recall the circumstances (well known, however, to you) under which the liability arose. I may premise, then, that previous to the year 1853, large tracts of land in the Wairarapa had been rented by the settlers, as runs, direct from the Natives. This practice was in contravention of the provisions of the Land Purchase Ordinance. It was desirable that settlement should be on a more regular basis, and many of the tenants felt the inconvenience of their precarious tenures. Accordingly, in 1853, a vigorous effort was made by the Government to obtain land at the Wairarapa. Many large blocks were purchased, the payment being made to extend over a period of several years. In 1860 the Commissioner was thus able to report the completion of the purchase of 957,864 acres, the area including most of the rented holdings; but as this extinction of the Native title involved the sacrifice of the rents that the Natives had previously enjoyed, it was agreed between the Chief Land Purchase Commissioner (with the sanction of the Government) and the Natives, that, in addition to the purchase money paid down, 5 per cent. of the net proceeds of land sales within certain of the blocks should revert to them or be expended in their benefit. The blocks bought under this agreement were the following:—

	A.	B.	P.
Turakirae, comprising	66,760	0	0
Turanganui	30,253	0	0
Tuhitarata	20,900	0	0
Wharekaka and Puhangina	28,398	0	0
Moroa and Tauherenikau	61,400	0	0
Makoura	2,291	0	0
Whareama No. 1	11,583	0	0
"      No. 2	12,931	0	0
Pahaua	107,000	0	0
Manawatu	45,550	0	0
In all	387,066	0	0

In fulfilment of the agreement, an account was entered at the Treasury, by which 5 per cent. of the net proceeds (the expense of surveys having previously been deducted) was carried to the credit of a separate Trust Fund, for the benefit of the Native sellers.

In 1869 the liability of the Province of Wellington, existent and prospective, for the payment of the 5 per cents. from its land revenue, was commuted by the payment of the sum of £1,200 to the General Government. In the first instance, certain expenses of schools and the gratuities given to chiefs were, in virtue of agreement, charged against this fund; but, for reasons that it is beyond the scope of this Report to specify, it was found proper to place these charges against other funds. The Natives had freely given up a considerable income in rents, and as it was not desirable that they should have cause to regret their act, as few deductions as possible were consequently made from the amount that had accumulated. It must not be considered from this that the Natives were underpaid for their land; such does not appear to have been the case, and in a document attached to this Report, it will be seen that they now admit having received "a high relative price" for their lands.

From time to time sums of money were drawn by different chiefs, and flour-mills were given or built for them. Unfortunately, in one instance, where the Natives were given the purchase money for a mill, the intention was not advantageously carried out by them.

In 1870 Mr. Commissioner Kemp paid the Natives the sum of £2,000 on account. He did not, they state, furnish them with any accounts, or inform them of the balances which remained. Two other sums have been paid since that date.

On receiving your instructions to pay the Natives what was owing, I found that up to the 30th September, 1873, the amount at credit of the account in the Treasury was £596 3s. 9d. I left Wel-