1877. NEW ZEALAND.

RESERVES, NELSON NATIVE GREYMOUTH.

(REPORT FROM MR. A. MACKAY, WITH STATEMENTS OF RECEIPTS AND EXPENDITURE.)

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

Mr. ALEXANDER MACKAY to the UNDER SECRETARY, Native Department.

Native Reserves Office, Nelson, 6th August, 1877. SIR,-I have the honor to forward herewith the annual return of the receipts and expenditure of the Nelson and Greymouth Native Reserve Funds for the financial year ended 30th June, 1876.

The total recipts of the Nelson fund during the aforesaid period amounted to £1,199 1s. 5d., and

the expenditure to £1,053 11s. 6d., leaving a balance of £45 9s. 11d. to the credit of the fund.

The flood that occurred in the Motueka District in February last occasioned a considerable loss of landed property to the Trust, the value of which may be roughly estimated at over £3,000. The quantity of land rendered comparatively valueless exceeds 350 acres, causing a reduction in the annual income of over £100—a serious loss to a small fund, the gross income of which was only £1,800 per annum.

In compliance with instructions given by the Hon. the Colonial Treasurer, an investigation of the Native Reserve Accounts of the colony was made in August last, with a view to open a separate account of each fund, the practice previously having been to treat the revenue accruing from the several estates as one common fund. In adjusting the accounts between Nelson and Greymouth, it was found that the former had a debtor balance with the latter of £910 13s. This amount comprised an overdraft of £501 18s., and a sum of £408 15s., being the proportion of salaries chargeable against the fund in the Treasury books, not included in former returns. The debt will have to remain at present as an advance from the Greymouth to the Nelson fund until it can be paid off. This can be done in course of time, so soon as the arrears due to the fund are collected, the amount of which, plus the half-year's rent due to the 30th June last, is more than sufficient to satisfy all claims against it.

The cause of the present deficiency has been brought about by the heavy charges, on the fund

since the year 1873, and in constructing roads and schools.

In the year 1873 alone the expense incurred for the maintenance of the Natives in Motueka, who lost all their crops by the vicissitudes of the weather, and providing them with seed potatoes, cost the fund £453 12s. 4d., in addition to other expenses. The erection of school buildings at the Wairau and Wakapuaka has cost the fund £617 to the present time, and the construction of roads, £565 19s. 10d., making in all, inclusive of £453 12s. 4d. expended for the Natives, a total of £1,636 12s. 2d., of which £1,182 19s. 10d. may fairly be considered to be outside the purpose for which the fund is properly intended.

The Trust estate would have been in a much better position now to meet the numerous demands upon it had care been taken in the early days to secure for it the full complement of land contemplated by the scheme of the New Zealand Company—namely, one hundred sections each of town, suburban, and rural land. Of the town sections, forty-seven acres were relinquished by the Government in accordance with an arrangement entered into between the New Zealand Company and the original land purchasers with regard to the reduction and concentration of the original Town

of Nelson.

The full quantity of suburban land was selected, but its value, as far as a productive estate for the purpose for which it was originally intended, has been seriously curtailed by the appropriation in 1844 of 800 acres of the primest part as occupation land for the Natives then residing in the Motueka District, and in 1853 by a further appropriation of 918 acres as an endowment for an industrial school there.

These reductions and appropriations have caused an approximate loss of fully £1,500 to the annual income of the Trust.

The non-selection of the rural land, owing to a misunderstanding concerning a block of land exempted from sale by the Natives in 1847, caused a loss to the estate of 15,000 acres, as no precaution was taken in 1853, on the final cession of Native claims in that district to the Government, to set apart a sufficiency of land in fulfilment of the original intention. The loss of this portion of the estate at a moderate computation has probably diminished the revenue by £1,500 per annum, as the land laid out as rural sections in the Wairau embraced a large proportion of first-class soil, and had the Trust been fortunate enough to have secured land in that district, it would have proved had the Trust been fortunate enough to have secured land in that district it would have proved a valuable adjunct to the estate.

It will be seen by the foregoing particulars that a loss of fully £3,000 per annum has occurred owing to the several circumstances that have interfered with the interests of the Trust estate since

the commencement of the Nelson settlement.