

an annual rental of £683 15s. 8d. The rental appears to be low, judged by present-day values. The land was, however, leased when land-values throughout the country were low, and prices for wool and mutton at their lowest. The leases are for twenty-one years without right of renewal; one, for 3,960 acres, expires in 1915, the rest falling in six or seven years later.

From the copy of accounts supplied to us we note that in 1906 the land and income tax paid on the property amounted to £80 16s. 5d., or nearly one-eighth of the revenue. We propose to deal with this question of land-tax in a general report. In this particular instance it is certainly excessive, and as the years go on it must increase, unless Parliament adjusts the matter. We note also that the salary of the Receiver was £46 17s. 6d. in 1906, and that the office expenses came to £27 8s., a total of £64 5s. 6d. cost of administration, or nearly 10 per cent. of the revenue.

The owners of this block complain that they have not received any accounts from the Receiver or the Court.

MANGATU NO. 1 BLOCK.

The approximate area of this block was 100,000 acres, and the owners were constituted a body corporatè by "The Mangatu No. 1 Empowering Act, 1893." By consent 20,000 acres, known as Mangatu No. 1A, was cut off and incorporated in the Wi Pere Trust Estate as security for loans from the Bank of New Zealand. The balance of Mangatu, amounting to 79,296 acres, is now vested in three Trustees—viz., the Commissioner of Crown Lands for Hawke's Bay, the Hon. Wi Pere, M.L.C., and Mr. H. C. Jackson. The schedule shows that 47,726 acres have been leased at a present annual rental of £2,377. The leases were sold by public auction. The term is twenty-one years, with covenant to pay the value of improvements (not exceeding £2 15s. per acre) at the end of such term, or in the alternative to give a right of renewal of lease for a further term of twenty-one years at a rental amounting to the current rate of interest at that time on the value of the land, less the amount of improvements (not exceeding £2 15s. an acre).

The unleased sections amount to 32,020 acres. We are informed that the trustees, in accordance with the instructions of the owners, have just completed the borrowing of £18,000, for paying off existing liabilities and for providing a sum of £8,000 for improving portions of the land. The land is reported to be carrying excellent milling-timber in large quantities. One of the Trustees (Mr. Jackson) informed us that many efforts have been made to lease these lands, but the want of access has prevented any offers being made which might be considered satisfactory. As to accounts, the Maoris complain that no accounts have been rendered to them—that they do not know the present financial position of their estate. We quote the following from Mr. Jackson's memorandum to us: "The accounts of the block, although oftentimes discussed with the owners at public meetings, have not been formally rendered, as the Native owners, numbering approximately 250, have on various occasions requested that nothing final should be done until the relative interests have been determined and a determination arrived at as to the final method of management of the estate and the whole of the liabilities gathered into one debt and money provided for improvements. That period has now arrived, and the Trustees have determined to have their full accounts rendered and audited, so that they may start upon the improvement of the unleased properties altogether afresh."

The position of this estate requires further inquiry, and the accounts should be carefully audited and reviewed before any further complications arise.

WI PERE TRUST ESTATE.

Recent legislation provides for a change of Trustee, and protects the interests of the beneficiaries of that portion of Mangatu No. 1 which was incorporated in the Wi Pere Estate. The conditions on which the present Trustee, Mr. W. G. Foster, may be removed, and a new Trustee appointed, are set forth in section 47 of "The Maori Land Claims Adjustment and Laws Amendment Act, 1907." It seems to us that very great care must be exercised in the appointment of a new Trustee.