

**MESSAGE No. 20.**

His Excellency the Officer administering the Government forwards to the House of Representatives copies of such of the correspondence as can be given, which is alluded to in Resolution No. 22, of the 12th instant, requesting that the House might be furnished with "copies of any correspondence between the Superintendent of the Province of Nelson and the General Government on the subject of the Trust Fund of that Settlement."

**R. H. WYNYARD,**

Government House,  
Auckland, 22nd July, 1854.

Superintendent's Office,  
Nelson, 22nd August, 1853.

Sir,—

I have the honour to enclose herewith, for the consideration of His Excellency the Governor, a copy of a letter from the Secretary of the Nelson Board of Trustees, with accompanying report of a Committee of such Board, adopted by it in reference to two sums of money proposed to be handed over to it by his Excellency.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) M. RICHMOND,  
Superintendent.

The Civil Secretary,  
&c., &c., &c.,  
Wellington.

Civil Secretary's Office,  
Wellington, 14th Nov., 1853.

Sir,—

I am directed by His Excellency the Governor to forward to your Honor the enclosed letter from the Secretary of the Board of Trustees of Funds for Public Purposes at Nelson, with the report accompanying the same, and to request you will be good enough to make any observations thereupon, which the Provincial Government of Nelson may think necessary.

At the same time, I am to call your Honour's attention to the Clause in the Constitution Act relating to the future appropriation of the Land Revenue.

I have, &c.,

(Signed) ALFRED DOMETT,  
Civil Secretary.

His Honor the Superintendent  
of the Province of Nelson.

Superintendent's Office,  
Nelson, 20th January, 1854.

Sir,—

I do myself the honour to acknowledge the receipt of a letter from the Civil Secretary, No. 53, 1670, of the 14th November last, forwarding one from the Secretary of the Board of Trustees of Funds for Public Purposes at Nelson, as also a report of the said Board, with a request that for your Excellency's consideration I would make any remarks thereupon which I might consider the subject required.

2. As the Report referred almost entirely to the mode in which the proceeds of sales of Crown Lands within the Province should be appropriated, I have delayed addressing your Excellency on the subject until I could ascertain the wishes of the Provincial Council with respect to the expenditure of the receipts of Crown Lands Department, as I believed that in all probability the Council would desire to direct the appropriation of these receipts under the authority of your Excellency's instructions conveyed in letters from the Civil Secretary, Nos. 10-14 and 10-16, of the 8th and 12th August last, subject of course to the control of the General Assembly.

3. As I anticipated, the Provincial Council has desired that the receipts of the Crown Lands Department, after the authorised deductions should be appropriated to Emigration and other public purposes as may be specified in an Appropriation Bill of the Council, consequently the question raised in the report of the Trustees may be considered to be decided by the most competent authority interested in the subject save the General Assembly alone.

4. It is therefore scarcely necessary that I should remark at length upon that report (which, I may be permitted to observe, contains much irrelevant matter) the more so, as after a series of somewhat contradictory arguments, it appears to recommend that the funds arising from sales of land subsequently to the 5th July, 1850, should be administered by the Superintendent and Council of the

Province; but without directly noticing the report, I will shortly remark with respect to the subject of it, that the New Zealand Company's Settlements Act, under the authority of which the Trustees Act makes no provision for the administration by them of any funds which may accrue from the disposal of Waste Lands of the Crown after the 5th July, 1850, while on the other hand, by the Constitution Act subsequently passed, a portion of any such funds is directly appropriated to the discharge of the Debt to the New Zealand Company, and the General Assembly is empowered to appropriate the remainder.

5. Any administration by the Trustees of the funds arising from the future Land Sales would consequently be not only without legal warrant but would be in direct opposition to the terms of the Constitution Act, nor could the administration of such funds by the Trustees be defended on the grounds of expediency when the very different circumstances of the Province at the present time than from that which prevailed when the Resolutions of July, 1847, were adopted is considered. At the last-mentioned period, the Land Fund was administered by a Company scarcely accessible from the location of its Directory to any representation as to the mode of expending it, not obliged to attend to any representation made to it, and apparently very apathetic on the subject of the Trust Funds altogether, as evidenced by the fact that no steps had been taken by it to employ the Steam and Educational Funds, &c., in carrying out the objects for which they had been reserved; and latterly a strong feeling of dislike existed to the control of a Company which was believed to have become indifferent to the interests of the Colonists whom it had induced to emigrate. These reasons all tended to recommend the appointment of a Body of Resident Trustees, whose experience, local knowledge, and personal interest in the proper expenditure of the funds for public purposes, would enable them advantageously to supercede the almost effete direction of the Company in this matter.

6. Under the circumstances, the appointment of the Trustees was the step best suited to the moment; but a very different condition of things arose on the passing of the Constitution Act, by which the Provincial Council, composed of a larger body of men, representing more varied interests than do the Trustees, and having the annual direction of considerable funds applicable to similar public purposes was constituted. To divide therefore the revenue, which might, with the greatest amount of advantage, be appropriated by the Provincial Council, between that Body and the Trustees, would, I believe, be attended with many evils prominently amongst which would be the splitting into various small sums funds which, if united, might be expended with much benefit to the Province, and the possibility at times of conflicting systems affecting the public interests being brought into operation.

7. It appears to me, therefore, by far the most advisable course, that the administration of the Trustees should be confined to the funds received from the New Zealand Company and the course already adopted by the Trustees with reference to some portions of these funds; for example, their lending, without interest, £4000 to a private Company for Steam purposes, and their offering to lend, also without interest, £2000 to the Local Government for Immigration purposes, would seem to indicate that the Trustees were of opinion that the interests of the Province will be better served by entrusting the expenditure of these funds, subject to certain conditions, to other hands than by retaining to themselves the administration of them.

I have the honor to be,

Sir,

Your Excellency's most obedient servant,

(Signed) E. W. STAFFORD,

Superintendent.

His Excellency Sir George Grey, K.C.B.,  
Governor of New Zealand.

