

WELLINGTON.

SIR,—

Wellington, 9th January, 1888.

On behalf of the School Commissioners for the Wellington Provincial District I have the honour to submit the ninth annual report of their administration of education reserves for this district.

During the past year all the Commissioners vacated office in terms of "The Education Reserves Act 1877 Amendment Act, 1882," but were subsequently reappointed to their several offices. They were—Mr. J. W. A. Marchant, Mr. C. P. Powles, and Mr. Thomas Mason, by the Government; the Hon. John Bryce, by the Wanganui Education Board; and Mr. J. R. Blair, by the Wellington Education Board. Mr. J. R. Blair was re-elected Chairman. On the 7th November the Hon. Mr. Bryce resigned, and Mr. John Ballance was appointed to fill the vacancy.

As anticipated by the Commissioners in their report for the year 1886, rendered under date the 14th February, 1887, the operation of "The Public Bodies' Leaseholds Act, 1886," has been largely beneficial, and has enabled the Commissioners to quit reserves which prior to the passing of the Act had been submitted every year for public tender under the provisions of "The Education Reserves Act, 1877," without commanding a single offer. The Commissioners, although they have reason to be satisfied with the result of the first sales under "The Public Bodies' Leaseholds Act, 1886," believe that as the provisions of the Act become more widely known it will become still more beneficial, and allow them to dispose of a large number of other reserves which are still unlet.

For the most part the education reserves in the Wellington Provincial District are rough, broken, bush lands, inaccessible for want of roads, and not such as to command very great attention from intending settlers. Still, with the liberal provisions under which the Commissioners are now able to offer their reserves, there is hope for the early quittance of the country lands remaining on hand.

The area recently let comprises twenty-eight sections—viz., twenty-seven sections set apart for primary education, and one set apart for secondary education. The primary reserves contain an area of 2,028 acres 1 rood 39 perches, and produce an aggregate annual rental of £170 13s., or an average of 1s. 8d. per acre. The secondary reserve contains 6,975 acres, and produces an annual rental of £29 1s. 3d., being at the rate of 1d. per acre. The rental obtained, although appearing somewhat low, is a fair value considering the nature of the lands; and the letting of these reserves relieves the Commissioners from claims for rates, fencing, &c., which of late have been unusually heavy.

The education reserve at Rangitumau is, as stated, a reserve containing 6,975 acres, and is set apart as a reserve for secondary education. The Commissioners desire to draw your special attention to their remarks on this particular reserve. Every year during their administration the Commissioners have offered this reserve for leasing, but such is the nature and inaccessibility of the land that only on one occasion was any tender received: this was £5 per annum for the whole block, in January, 1879. The Commissioners declined the tender. The Commissioners went out of their way considerably to insure publicity in order to secure the largest number of tenders, until, on the 23rd June, 1887, the Rangitumau Reserve was sold to the highest bidder at auction at the upset rental of 1d. per acre per annum, and thus the Commissioners are quit of a hitherto useless and expensive reserve.

The Commissioners, in administering "The Education Reserves Act, 1877," have at all times recognised that section 21 of this Act creates two distinct trusts—one primary and the other secondary—and they are not empowered by law to divert the funds of one class for the payment of expenses on the other. Unfortunately, this has given rise to a great deal of annoyance and inconvenience, which the Commissioners are compelled to submit to rather than break the law.

The annual income derived from secondary reserves was £18, which in 1880 increased to £24, and last year, by the letting of the Rangitumau Reserve, the income was increased to £53 1s. 3d. The claims for fencing, rates, destruction of rabbits, &c., upon the Rangitumau Reserve have far exceeded the revenue available for the payment of the claims. The Commissioners, however, have never repudiated their liability, but have, on the contrary, always expressed their willingness to pay, and have paid as soon and as far as their funds would permit.

It is to be observed that local bodies deal with the reserves, for rating purposes, as one common lot. Repeated application has been made by the Commissioners for separate demand notes, but this has been as repeatedly refused. The Commissioners, having also exhausted all sources whence they could reasonably expect monetary assistance under circumstances compelled by legislation, but without avail, were forced into the position which they now occupy as defendants in an action in the Supreme Court, with every probability of their secondary reserve in the Rangitumau Block being sold for non-payment of rates.

The Commissioners cannot allow this opportunity to pass without remarking upon the action taken by the Alfredton Road Board recently, which action has arisen purely through the refusal of the Board to render separate accounts or acknowledge special remittances for liquidation of claims on primary reserves. The Board were frequently apprised of the position of the Commissioners: they were informed, long before they took legal proceedings against the Commissioners—to wit, on 1st August, 1885—that the Commissioners "are quite ready to pay any rates for which they may be liable on primary reserves, but have no funds in hand out of which to pay rates on secondary reserves. If you will send a memorandum of account on all reserves vested in the School Commissioners which are not let, exclusive of the Rangitumau Reserve, the amount will be paid." In addition to this, and before the sale was ordered by the Registrar of the Supreme Court, the rates on the primary reserves included in the judgment, amounting to £2 8s. 9d., were paid by the solicitors to the Commissioners, under their instructions, and received by the Board, as witness an extract from a letter from the Secretary to the Board to the solicitors. The solicitors write, under date 18th May, 1887: "Alfredton Road Board has accepted payment of the rates for the