· · ·	Nelson.	,	Motuel	ka.	Westport and Ahaura.		Wellington.	Auckland.	Totals.
Annual income which the Public Trustee was receiving from the property on the 31st March, 1896	£ s. 769 13		£ s.	. d.	£ s. d		£ s. d. 584 8 0	£ s. d.	£ s. d. 2,059 15 10
Income received for fifteen months	967 2	1	548 1	6	257 14 9)	383 10 5	206 19 6	2,363 18 3
ending 31st March, 1895 Income received for twelve months ending 31st March, 1896	938 18	0	404 10	4	140 13 0)	644 19 6	204 3 0	2,333 3 10
Expenditure from 31st March, 1895, to 31st March, 1896— Rations to indigent Natives Medical attendance Repairs to hostelry	41 19 175 0	0	184 7 20 0		75 0 0)	••	120 11 9	226 6 10 270 0 0 120 11 9
Salary of teacher at Native	46 13	4	••		••	ļ	••	••	46 13 4
Administration charges	87 3	0	36 18	0	12 18 6		140 4 11	30 15 6	.307 19 11
Total expenditure	350 15	8	241 5	6	87 18 6		140 4 11	151 7 3	971 11 10
Balance at credit in the Public Trust Office on 31st March, 1896	3,849 9	6	2,650 2	11	299 13 3		2,115 13 7	2,160 17 5	11,075 16 8

The lands thus set apart in the Districts of Wellington and Nelson are known as "the New Zealand Company's tenths," as to which Judge Mackay, of the Native Land Court, states, in a memorandum of the 2nd December, 1895:—

"The lands in question were set apart in terms of the deed of cession that a portion of the land ceded by the Natives, equal to a tenth part of the whole, should be reserved and held in trust for the future benefit of the chiefs, their families, and heirs for ever, and, in pursuance of the intention, when the preliminary sale of land in the Wellington District was held, the company reserved one-tenth of the land orders for the Natives by whom the land was originally reserved one-tenth of the land orders for the Natives by whom the land was originally sold. These reserves of land were looked on at the time as far more important to the Natives than anything that could be paid to them in the shape of purchase-money, as these lands were intended as a lasting possession, and the proceeds were to be appropriated to objects having in view the welfare and advancement of the persons beneficially entitled.

"A large proportion of the 'tenths' originally set apart for the original owners of the territory comprised in the Port Nicholson or Wellington District have been appropriated to municipal and other uses, and the only lands now remaining are included in the first portion of Schedule D to 'The Native Reserves Act, 1873."

A correspondence which has taken place with this office on the subject of these "tenths" concludes with the two following letters:-

"The Under-Secretary, Department of Justice, to the Public Trustee.

"Department of Justice, Wellington, 4th February, 1896.

" Memorandum for the Public Trustee.

"New Zealand Company's Tenths.

"Referring to previous correspondence on the subject of the accrued New Zealand Company's tenths, I am directed to inform you that the Government is advised that there is no power to distribute the whole or any part of the proceeds of these tenths now in your hands, and that further legislation is needed to put the questions arising in this and similar cases beyond doubt, and more conclusively defining the powers and duties of the Public Trustee in respect thereof.

"The Hon. Native Minister proposes to introduce a Bill for this purpose next session, and will be glad to receive any suggestions or proposals from you as to the terms of the trust to be created thereby.

"C. J. A. Haselden, Under-Secretary."

"The Public Trustee to the Under-Secretary, Department of Justice.

"Public Trust Office, Wellington, 19th February, 1896.

"New Zealand Company's Tenths." "With reference to your letter of the 4th instant, in which you state that further legislation is needed to put the questions arising in respect to the application of these tenths and similar cases beyond doubt, and to more conclusively define the powers and duties of the Public Trustee in respect thereof, I beg to point out, in compliance with your desire for my suggestions, that, of the Native Reserves accounts already opened in the Public Trust Office for these tenths, two have borne during the last three years the expense of £523 for rations to poor distressed Natives and

£610 for medical attendance.

"I think that the application, therefore, of the money to these purposes cannot but be regarded as satisfactory, and should continue to be authorised. I would recommend, indeed, that the money should form a fund to provide such benefit for the Natives interested as a charitable aid in the extremities of any distress that may overtake them. The estate from which the money is derived would in that way be applied to what, according to Judge Mackay, was the original object—that is to say, 'reserved and held in trust for the future benefit of the Natives for ever.'