

*Re WHANGARA.*

This is a block of 12,325 acres, administered by Mr. Henry Cheetham Jackson as Receiver under the Validation Court. The complaints made in the petition were the following:—

- (1.) We, the people who own the land, derive no benefit.
- (2.) The present Receiver leases the land at under the value.
- (3.) He leases the land to favoured persons.
- (4.) He does not lease it to the highest bidder so as to benefit the owners.
- (5.) He objects to supply accounts to the people.
- (6.) From his appointment up to date we have not received any accounts of his stewardship: we are of the opinion it is only right and just that we be supplied with a copy of the accounts.
- (7.) The owners of the land are absolutely in the dark, and know not their position.
- (8.) The length of term of leases granted is not divulged to us.

And the petitioners asked that the lands be placed under Part II of "The Native Land Settlement Act, 1907," and, if that cannot be recommended, that they be placed for administration under the Commissioner for the East Coast Trust Lands, and that the appointment of Mr. H. C. Jackson as Receiver be cancelled.

The first four allegations were not proved. The rentals and royalties amounted for the financial year 1907–8 to £827 17s. 9d. The land was let by public tender, and at the time it was let it fetched the market value. The land has increased in value tenfold since then.

As to the allegations in Nos. 5 to 8, the Receiver states that he has carried out the decree of the Validation Court, which requires him to supply an account to the Court only. There is no provision in the decree for supplying to the owners any details of the Receiver's dealings with the land.

We may state that the terms of the decree as to accounts have not been complied with, as the decree obviously means that the financial year of the trust was to end on the 31st March in each year. Instead of that, the year has been a variable one. For example, in 1907 the year is made to run from the 27th April to the 27th August so far as office-rent is concerned; the salary, from the 22nd November, 1906, to the 22nd November, 1907; again, the 1908 account is dated the 15th October, 1908. The office-rent is charged from the 27th August, 1907, to the 1st October, 1908; and the salary from the 22nd November, 1907, to the 30th November, 1908—that is, the account for audit has a charge of six weeks' salary unearned. In fact, the accounts are not clearly stated, and no ordinary Maori and no ordinary European could understand them. The accounts ought to have General Expenditure Account and General Receipts Account, and there should be separate accounts of the different subdivisions, charging against each a proportionate part of the general expenses, such proportion to be determined by the ratio the rent of the subdivision bore to the total rent.

Complaint was made of the salary and office-rent and cleaning charged by the Receiver. This is a matter for the Validation Court to consider. There were other complaints made, such as the cost of litigation arising out of the first dealings with the block. There is no doubt that the costs were enormous, but it seems to us that it would serve no good purpose to deal with matters for which there is now no redress. There seems also to have been a mistake made in the non-paying last year of the land-tax in time. So far as we have seen, however, the Receiver seems to have acted properly in his duties.

The Maori owners stated to us that the lessees of Blocks 1A, 3, 5, 6, B 1 and B 2, the leases of which have about seven years to run as to all save 3, 5, and 6, which have twelve years to go, offered to surrender these leases at once if 1,000 acres were leased to them at a rental of 5s. per acre. This would free for general settlement 3,373 acres, and the rentals that would be obtained would be on an average about 7s. per acre. The present rental is somewhere over 1s. per acre. We are not in a position to say whether such a course will be in the interest of general settlement or of the Maori owners. We had no evidence as to value, and we are not satisfied that the owners, or a majority of them, agree to the new proposal. The new lease asked for is for forty-two years.