

The Native Trustee Act was passed on the 6th October, 1920, but did not come into operation until the 1st April, 1921. On taking over from the Public Trust Office in the latter month the Native Trustee received securities to the amount of about £798,477 (including £195,000 worth of local-body debentures), £25,000 only in cash, and a payment on behalf of the Native Trustee of £20,868 due to the various Maori Land Boards—a total of £844,345.

What is of interest in this review of the legislation and policy relating to financial assistance to Maoris to farm their lands is the provision that the Native Trust Board may invest money in advances secured by mortgage of any freehold or leasehold interest in any Native freehold land, or in any Native land vested in or administered by any Maori Land Board, or in any Native freehold land vested in incorporated owners, not exceeding three-fifths of the value as approved by the Board. Subsequent amendments extended the provision to freehold or leasehold interest in Native land vested in or administered by the Native Trustee, or to any co-operative dairy company or other company of which a majority of the shareholders are Natives.

Parliament in this legislation rendered the Maori race useful service by organizing the accumulated funds which belonged to various sections of it for assisting, among others, those Maoris or Maori Committees who had sufficient securities to offer. The total amount lent by the Native Trustee on mortgage to Natives, Native institutions, corporate bodies, and individual farmers at the 31st March, 1931, was £546,241. The number of such mortgages was 505.

It should be noted that these funds are the property of and are held in trust for Native beneficiaries.

MAORI LAND BOARDS.

Until 1922 there was no definite provision enabling Maori Land Boards, which in regard to almost every other aspect of the Native-land problem determined the disposition, administration, and management of Native lands, to advance moneys upon mortgage. Yet the bulk of the funds formerly held in the Public Trustee's Account, and later transferred to the Native Trustee, were investments by the Maori Land Boards of funds held in trust by them for Maori beneficiaries. In 1922 a Maori Land Board was authorized, with the consent of the Native Minister, "to advance moneys upon mortgage either for itself or on behalf of Natives." Although not specifically limited to advances to Natives, and although considerable advances were made to European occupiers of Native lands, in practice the Boards gradually confined their advances to individual Maori farmers or to management committees of incorporated blocks. For the purpose the Boards used funds in their accounts or drew on their deposits with the Native Trustee.

THE POSITION IN 1926.

Up to 1926 no Native land was available as security for an advance until the title was complete or in a position to be completed by survey, and the discharge of liabilities thereon, or unless the land was vested in or administered by such an authority as could give the lender a valid mortgage.

The census taken in 1925 had drawn attention to the steady but unmistakable increase in the Maori population, and interested visitors to Maori gatherings up and down the country observed the sturdy youth of both sexes, and speculated on their place in the future life of the Dominion. The problem for statesmen was to provide not for a declining race, but for one reinvigorated and multiplying in numbers. The racial heritage of land had been sadly depleted; in some districts the new generation was practically landless. New Zealand had then almost reached the end of its pioneering period, in which Maori workmen had helped to clear the forest, drain the swamps, make the roads and railways, and prepare the lands for rich, productive pastures. In such enterprises the able-bodied men of the race could take their part well enough under pakeha direction. But with these completed they realized to a greater extent than heretofore in the history of their people the stress of modern life and how ill-prepared they were to meet it. The kauri-gum industry, the flax industry, and the timber industry, which had hitherto supported a considerable number of them, had fallen on evil days. A considerable Maori population, which had had practical training in almost every operation relating to the development of land, was thus thrown on its own resources.

The time was critical, but opportune in other respects. The older generation had almost passed away, removing thence the conservative influence which had retarded the expansion of the farming movement. Young leaders were emerging among most tribes, men and women who realized the difficult position of their race, and who saw in the cultivation of land the chief hope for its respectable existence. The undertaking of consolidation schemes in every district where considerable areas of land still remained to the tribes, the extension of the lending operations of the Native Trustee and Maori Land Boards, combined to attract the Maori youth to the land.

It became clear that existing methods were not adequate to meet the urgent requirements of the Maori people. Consolidation of titles, while the most effective and enduring method as a solution of Native-land difficulties, was in its nature—involving as it did extensive preparation of data, agreements, and adjustments among thousands of owners on a tribal scale, and expensive surveys—too slow to keep pace with the demand that lands should be brought into use. It was necessary to resort to a more speedy and elastic method which would promote settlement of desirable areas pending the permanent adjustment of titles.

In 1926 the case was put to the Government and to Parliament that in practice the title to any area of Native land was under the hand of the Government, which could protect the interests of State lending institutions. With the insistent demands of local bodies for rates, the outcry against idle, undeveloped lands, and the delay in the completion of titles, some temporary measure should be