

The following is a statement showing the receipts and payments from the account since 1926.

Year ended 31st March,	Receipts.		Payments.		Cash in Hand at End of Year.
	Grants and Subsidies.	Interest at $4\frac{1}{2}$ per Cent.	Grants.	Administra- tion Expenses.	
	£	£	£	£	£
1926 .. ..	90,137	3,836	5,321	151	88,501
1927 .. ..	3,000	3,975	4,938	139	90,399
1928 .. ..	3,000	3,872	10,048	240	86,983
1929 .. ..	3,000	3,749	10,417	160	83,155
1930 .. ..	4,999	3,659	9,669	160	81,984
1931 .. ..	4,200	3,473	17,712	193	71,752
	108,336	22,564	58,105	1,043	

298. The following is a classified statement of expenditure to date :—

	£
Education and religious purposes .. ..	33,950
Polynesian Society .. ..	700
Maori arts and crafts .. ..	4,250
Maori ethnological research .. ..	8,300
Administration expenses .. ..	1,043
Miscellaneous—Special meetings, memorials, tangis, hygienic campaigns, &c. ..	10,905
	<u>£59,148</u>

299. It will be seen from the statement previously given that the capital fund is being steadily depleted, and we strongly recommend that the balance be conserved for essential purposes only.

#### SUMMARY.

300. It is apparent from the investigations made that the functions and activities of the Native Trust Office and the Native Department overlap, and that the functions of the Maori Land Boards have so changed in recent years that they are in reality branches of the Native Department, and should be recognized as such. The legislation under which the Native Trustee, the Native Department, and the Boards operate has been briefly mentioned when dealing with the separate activities, but it is evident that many of the statutory individual powers now held by the Native Minister should be vested in an Investment Board. These powers are summarized briefly as follow :—

301. In connection with the Native Trustee's Department the Minister has power to direct that the Native Trustee may take control of and operate land owned by Natives, and if as a result of these operations losses are sustained they would require to be met from the Native Trustee's funds. If, however, these funds were not sufficient, then the loss would fall on the Consolidated Fund.

302. Under the legislation dealing with the Native Department, the Minister has power to direct the Department or the Maori Land Boards to take control of and operate land owned by Natives, and, although the legislation as now existing would not appear directly to admit liability by the Consolidated Fund, there is no doubt that any loss which the Boards' funds are insufficient to meet would have to be borne in some measure by the Consolidated Fund.

303. The history of Maori Land Boards has been traced in our report, and their development into "one-man" Boards, giving the President more or less complete control of the funds has been stressed. A recent development has been the advancing of money to Native farmers and the development of Native lands in sympathy with the provision made for assisting European farmers, and during the evolution of this idea the Native Minister has again been given very wide and far-reaching power to deal with the funds of the Maori Land Boards, the Maori Purposes Fund, and loan-moneys appropriated by Parliament from the Native Land Settlement Account. **At his direction moneys are expended on Native-land development and advances to Natives to a degree which has no parallel in ordinary departmental procedure.** Power is also given to the Minister to place areas of Native land in the Native Trustee's hands for development or farming, and although he then ceases to have control of the expenditure, **the Native Trustee has, in the lands so far entrusted to him, embarked upon schemes which are too ambitious considering the funds available.**

304. We again stress the necessity for amending the legislation, as the present position appears to give to one Minister powers which constitutionally should not be in the hands of one person.

305. We recommend that a strongly constituted financial and investment Board be set up, and that the functions of the present Maori Land Boards should be merged in the departmental machinery as indicated later.