

321. We recommend that no new large-scale schemes be embarked upon until the capacity of the present ventures has been demonstrated.

Native Trust Work.

322. The Native Trust Office has an Investment Board, but the law does not require the Native Trustee to submit for its approval any plans for the development of lands under section 25 of the Native Trustee Act, 1930. **There is a decided weakness in this, as schemes involving upwards of £150,000 have been proceeded with on the approval of the executive officers acting largely on the reports of one field officer.**

323. In one case which was brought under our notice the Native Trustee had expended approximately £85,000 for the purchase of stock and for improvements to one property.

324. **There appears to be no reason for the continued existence of a separate Department covering the work undertaken by the Native Trustee, and we think that if this work were carried out by the amalgamated Department, greater efficiency would be obtained by some measure of decentralization, especially in regard to the collection of rents, interest, &c., and the disbursement of same.** Better control could also be obtained over the properties now farmed by the Native Trustee, and more careful supervision could be given to those properties over which the Native Trustee has lent money by way of mortgage.

East Coast Commissioner.

325. The Native Trustee is nominally Commissioner for the East Coast Trust which was constituted by Act of Parliament, **and we are of opinion that his duties should be carried out and controlled by the amalgamated Department, as a special trust without any recourse on the Consolidated Fund.**

Judicial and Maori Land Board Reorganization.

326. At the present time judicial work in the Native Land Courts is carried out by seven Judges, these Judges being permanently resident at the headquarters of the Court in the respective districts.

327. The Native Land Courts have, except in isolated cases, completed the work of investigation of titles, and their remaining duties are not nearly so onerous as in the past.

328. The Maori Land Boards' functions have undergone a change in recent years, and financial matters now constitute the major portion of their activities.

329. They now operate as separate bodies and undertake field operations which are much beyond their resources, and in some cases find themselves financially unable to continue the operations to the degree intended. This, in itself, suggests a lack of administrative judgment, and from the evidence submitted there also appear to be many shortcomings in the operations of the farm properties under their charge.

330. The Boards are purely "one-man" Boards, and until recently the President had complete control for investment purposes of the funds held in the form of reserves or on trust. **That it is dangerous to allow such wide powers to be vested in "one-man" Boards is obvious, and the evidence points to the fact that some large development schemes have been unsuccessfully launched.** In one case the precaution of engaging a qualified farm supervisor to control the actual field operations was not taken, while in some districts field-work is directed by officers who are not skilled farmers.

331. The present district machinery of the Native Land Courts should be maintained, and certain judicial duties of the Boards become functions of the Court, the remaining duties of the Boards being carried out by the local offices of the combined Department. This reorganization should permit of a reduction in the number of Judges from seven to four, which number should be sufficient to cope with the reduced volume of work now being carried out by the Courts.

332. Commissioners of the Native Land Court could perform much of the routine work which has in the past been undertaken by Judges. They should be chosen for their administrative capacity, as they should be called upon to accept responsibility for the control of the local staff, farm supervisors, and securities, and would undertake the residual duties of the Boards. **Thus the Commissioner with his staff would constitute a district office and the Maori Land Boards as such cease to exist.**

Appropriations and Accounts.

333. The accounts or funds at present being utilized for Native purposes are :—

- Consolidated Fund (for administrative and general purposes).
- Native Land Settlement Account (partly).
- Native Trustee's Account.
- Maori Purposes Fund.
- Maori Land Board Funds.
- East Coast Trust Account.

334. The three last-mentioned funds should remain separated from Government finance, but where possible should be merged in the Native Trustee's Account. The Consolidated Fund now provides the administrative expenses of the Native Department, and this practice should be continued. **In regard to the funds necessary for the development activities and other loans to Natives, we consider that the Native Land Settlement Account as such should be abolished, and that the money required for the continuation of these activities should be provided from an appropriate vote on the Public Works Fund.** The expenditure on development schemes and in respect of loans to Natives already made from the Native Land Settlement Account should be transferred to the Public Works Fund in order that the accounts of the whole of the undertakings might be brought under one heading.