

# Maori accountability faces a business challenge with Mana

Na Michael Romanos

**T**he Waikato Maori Businessmen's Association are alarmed with the direction the new Government-sponsored Mana Enterprises Development Scheme is taking in its administration by tribal trusts.

The association's secretary, Gordon Pihema questions the creditability of the sub-committees of the various tribal trusts to fairly, honestly and knowledgeably disburse annual grants totalling millions of dollars which have been placed in their care.

Pihema said the Mana Enterprises Development Scheme is a very good scheme in principal but that its administration aspects are very frustrating and contain a lot of anomalies.

MED is part of an overall Government financial assistance scheme to help achieve parity between Maori and Pakeha in the areas of housing, education, land development, employment, health and business.

In the business sphere, MED provides direct financial assistance to applicants who measure up to the various business criteria.

During 1986, 13.125 million dollars was allocated by Government through the Maori Affairs Department to MED. The funds were then disbursed to the various tribal trusts who in turn have elected sub-committees or advocates to process the applicants.

Pihema said it appears the tribal trusts have the authority to strike an interest rate on the funds allocated.

Pihema says that in the instances of two tribal trusts he is aware of, MED has serious drawbacks.

"We have Maori people of another tribal base living outside their tribal areas who have found it very difficult or impossible to secure any funding because of their tribal background. I know of one person who went back to his own tribal region after he was rejected by the trust who administered in the area where he lived. This man



was promptly told because his business was elsewhere he had to also place his application elsewhere. So MED is like a catch-22 situation. What should happen is that all Maori people in any area should be treated on an equal footing.

"Another major problem is that the committees or advocates of MED are selected by tribal trusts and are largely made up of *non-business* people who are not qualified to arbitrate on accepting or rejecting an applicant for a loan.

In my area in particular, this was a wrong step which has only recently been partially rectified. We have already established a businessmen's association which is across the board and includes people with excellent and appropriate credentials to act as advocates. Recently we had three members of our association elected onto the local tribal trust sub-committee.

He says this came after the Waikato Maori Businessmen's Association lobbied strongly for a chance to share its proven business expertise.

But he says little notice is taken of its

advice. In fact he says there seems to be a defensiveness and unwillingness to seek business advice.

"Another thing is the political aspects of family links in tribal trusts which might influence any decisions made."

Pihema said the rest of the community are being kept in the dark about the finer points connected with the trusts operating MED.

"For instance, are the unsuccessful applicants this year in line for a grant or loan next year or do they need to re-apply and stand in line with other new applicants? My association believes that instead of money being injected into new businesses that are unproven, applications should be given preference to existing businesses who have already established their worthiness and who want to expand their operation."

Pihema says approval for loan applications was to have been given in March or April of this year, but at the time of closing of applications, the Tainui Trust Board, the official dispersing body in his area was still unclear about how much was to be allocated to it and what loan limit there was.

He says there are 9 runanga in Waikato under the Tainui Trust Board which have been empowered to vet application for MANA money.

Pihema is concerned that tribal trusts are handling even larger sums of public funds when the Access Scheme came into operation this year. Access is a continuation of the Taps programme.

"It is my belief that the trusts need to look very carefully at who they have empowered in making decisions on all these funds. There are millions of dollars involved. The Government should be appointing a trouble-shooter who would investigate tribal trust sub-committees to ensure these people are of the right background and are a fair representation of the whole of the