

81. It is interesting to note that the Government roll valuations of all these lands made at various times from, say, 1926 to 1931, amount to : capital value, £1,418,845, of which the unimproved value is £870,319, and the value of the improvements £548,526 ; and the present-day aggregates of the Government valuations made in and since 1938, but mostly in that year, are : capital value, £1,253,872 ; unimproved value, £666,756 ; and improvements, £587,116. It will be seen that 5 per cent. even on the Government unimproved values of 1938 and thereabouts would be over £33,000, which is substantially in excess of the rentals under the first renewal leases. It may be that the difference between the 1926–31 valuations and those of 1938 can be accounted for by the fact that the later ones were made in an immediate post-slump period ; and, indeed, it is only just to observe that the arbitrations made in 1934 and subsequent years of the lands comprised in the West Coast leases were made in a period of severe depression.

82. Naturally enough, as these awards were being made after the passing of the 1935 Act, the Native Trustee and his deputy became more perturbed than ever. So did the Maoris, a deputation of whom waited upon the new Prime Minister, the Right Hon. Mr. Savage, at Wellington on the 11th September, 1936. In the meantime Mr. King on the 3rd August, 1936, had written a memorandum to the Native Trustee, which concluded with the following paragraph :—

Mr. Anderson has suggested that a Commission should be set up to survey and report on the whole question of these rents, and sufficient authority to set up such a commission is contained in the Commissions of Inquiry Act, and I consider that the present issue is of such moment to beneficiaries of the West Coast Settlement Reserves, that it warrants the matter being referred to the Government to decide whether any further action is to be taken, and it is within your province as Native Trustee to take such a course of action. It may, I think, be contended that the honour of the New Zealand Government is involved, as these lands were set aside for lease in perpetuity on behalf of the Maori beneficiaries wholly as a matter of Government policy and without the consent or concurrence of the then private owners, and it is the duty of the Government to see that all reasonable and proper steps are taken to protect the interests of the Maori owners.

83. The delegates who interviewed the Prime Minister on the 11th September, 1936, stated that the Maoris objected to the valuations made, and they asked that the Native Minister should agree to set up an Assessment Court so that they could place their facts before it and give the lessees the right to appear also. Their suggestion was that the umpire appointed by Mr. Justice Blair was not a practical farmer and knew nothing about farming and was not a capable umpire to adjust the values of the two valuers. They said that “ the whole thing could be satisfactorily settled if a Court of Assessment were set up to investigate and fix rentals on a proper basis under the Valuation of Land Act.”

84. The Prime Minister met the views of the Natives very sympathetically, and said that “ Certainly something different would have to be done, and done pretty smartly. No one could defend the figures that had been quoted. Mr. Campbell would get a report, and the whole matter would be gone into to alter the procedure in some way.” The report of the proceedings of the deputation was, by minute of the Right Hon. the Prime Minister, referred to the Under-Secretary of the Native Affairs Department.

85. Mr. King wrote a memorandum to the Native Trustee on the 22nd October, 1936, in which he stated that it appeared from the report of Mr. Ironside, one of the Native Trustee's officers, as if some action should be taken, and the Native Minister recommended to approve of legislation being introduced (1) to cancel all the awards, or (2) to set up a tribunal to go into any objection which was made to the umpire's awards.