All the leases of these lands with the exception of one were renewed in 1914–15. The assessed capital value of the land is £123,922; the assessed unimproved value is £100,371. The aggregate rentals payable under the leases renewed at that time or since the revision amount to £1,900, or something under 2 per cent. of the unimproved value. Surely it is here that the remedy should be applied, and a more adequate rent obtained. To attempt to amend the taxing legislation so as to grant a separate exemption to each owner in joint holdings would have very grave effect on the assessment of land-tax generally. There is an old saying that 'Hard cases make bad laws,' which certainly applies in this case. If any relief is to be given to these Native owners, it should be by way of special grant, and not by any attempt to amend the legislation."

The Natives could not be blamed for that position. The Native beneficiaries of the land, which is part of the Greymouth Township, realizing the burden of the tax which was imposed upon their property, endeavoured to obtain some measure of relief by applying to the Native Land Court to partition the land so that there would be smaller blocks upon which to assess the tax; but again the incidence of the law proved an impassable barrier. I should like to quote one or two extracts from the report of the Land Court in dealing with the application to partition the land. The report reads: "The principal object of the present application for partition is to break up the reserve into smaller estates, so as to relieve it of burdens which threaten it as a single estate."

Then, further on it reads: "The Court, while holding it has not jurisdiction to partition, would, if it had the power, consider it to be its duty to so partition the estate as to relieve the land from the onerous burdens which press upon it. It does not follow, however, that the Court would cut out individuals, except possibly in a case where it might be desirable to secure some particular Native in possession of his home."

Then, the Chief Justice of the Supreme Court, Sir Robert Stout, also remarks as to the hardship of certain Greymouth owners, in the judgment of the Court as to whether there was any jurisdiction to partition the land. He says: "I am a party to the judgment that has been read by my learned brother Edwards, but I desire to make the following additional observations: The Natives seem to have a *bona fide* grievance, and they are apparently placed in a unique position. Their lands are jointly worth over £100,000, but their income, after payment of taxes and collection of rents, does not amount to 2½ per cent. on that value. The lands are joined as if the Natives were holders in common, but they are in fact held by the Public Trustee, and the Natives have neither the control nor the management of them. The whole reserve, however, is subjected to graduated taxation. In view of the position in which the Native owners are placed, and of the fact that they are denied the right to partition their lands, I am of opinion that it would be only just to charge a land-tax in accordance with their shares. When Parliament is apprised of their position it will no doubt take steps to grant them relief."

Greymouth can also be taken as an example of the invidious position forced upon the Native Trustee by the heavy tax. The Native portion was a reserve excluded from the Arahura purchase, to be set aside and leased for the benefit of the owners for all time, and it is the bounden duty of the Trustee to carry out that trust. But what is the position to-day? For some time past there has been an agitation that the lessees should be allowed to acquire the freehold of their sections, an object which is in direct contravention of the expressed wishes of the Natives when they set aside this reserve; but the Native Trustee realizes that it will not be long before the whole of the annual rental will be required to meet the payment of tax, and consequently he is forced to admit that it is far better to let the object of the trust go to the wall, and allow the land to be sold, rather than see its revenue eaten up year after year by undue heavy taxation.

In addition to the above remarks, attention can be drawn to the following curious position, which, from a national point of view, is deserving of very careful thought. Land-tax is payable only on Native land which is leased, so that in the case of lands controlled by the Native Trustee, or the Commissioner, there is no inducement or benefit gained by attempting to again lease a section over which the lease has expired or been surrendered, as in the event of it not being leased again it is realized that the amount of land-tax will be decreased proportionately to the value of the block which was originally leased, and with the chances that in the future the tax will be greater than it is now it would seem better for the beneficiaries that the land should simply be left to go back and no thought taken to re-lease it. Nor is there any inducement to Natives to now lease any of the valuable lands still in their possession, because they realize that once a lease is entered into the land becomes liable for the graduated tax, and experience has taught them that the longer the lease goes on the greater will be the proportion of rent required to meet it. With a view to lightening the present burden of tax the Native Trustee submitted to the Commissioner of Taxes the following suggested amendments to the Finance Act, viz:—

"Section twenty-six of the Finance Act, 1917, as amended by section eight of the Land and Income Tax Amendment Act, 1920, is hereby further amended by adding the following subsections:—

"(1.) Where Native land is occupied by or in the possession of persons (other than the Native beneficial owners, or a trustee or trustees for them) as tenants or holders of separate areas as holdings, then the Native owners, or their trustee or trustees, shall be chargeable with land-tax in accordance with the said section twenty-six assessed upon each such area or holding separately, irrespective of the fact that some of the beneficial owners may be the same persons.

"(2.) In no case shall any Native owner or owners, or trustees therefor, be chargeable with land-tax in respect of Native land owned by him or them in excess of one-fourth of the amount of the annual revenue derivable therefrom."

It may be claimed that it would be difficult, or cause additional work, to give effect to subsection (1) above; but there does not appear to be any difficult question involved, as it appears as if all that is necessary is to put each separate leasehold estate on the taxation registers, and if these particulars can be entered on the County Council rolls for the purpose of local rating it should not be