

of the first essentials of citizenship. As an illustration, our attention was drawn to a Native area which was leased by a European who paid rent and full rates thereon. The Native Department recently purchased the goodwill of the lease as a base farm in connection with its development schemes, since when no rates have been paid. Although the Native Department admits the justice of rates being paid, it is understood that there are technical difficulties in the way of their payment on account of the Crown having acquired the lessee's interest. Again our attention was drawn to several instances where the Native Department had advanced finance to individual Natives under its control, for the purpose of further development of their holdings, and although the Department takes 100 per cent. orders over production and allows the Natives living expenses out of it, usually it does not contribute anything towards rates until the Crown is fully recouped for the interest on advances made. While desiring to encourage in every reasonable way the further development of Native lands, local-authority representatives feel strongly that this non-payment of Native rates is highly unfair to other ratepayers, and are of the opinion that some provision should be made for the payment of a proportion of the rates on development lands. With this opinion we are in agreement, and urge that, after reasonable provision is made for living-expenses, at least 50 per cent. of rates be the next charge against the land or produce, progressively increasing annually until such time as each holding is fully developed, and we recommend accordingly.

(4) RATES ON NATIVE OCCUPIED LANDS ALREADY REASONABLY DEVELOPED.

As these holdings are closely intermingled in the main with European lands whose occupiers pay full rates, we know of no sound reason that the Natives should not also pay full rates. No convincing reasons were advanced by Natives themselves during the course of our inquiries, and data submitted on behalf of a number of County Councils proves that full use is being made by Natives of the facilities provided by local authorities. Unless the State is prepared to meet fully the responsibilities for Native rates, it is unjust that a policy of non-payment by Natives should cast the liability on European ratepayers of particular districts. Now that consolidation or individualization of Native titles has reached the stage it has, we are of the opinion that a closer co-ordination between the Valuation Department, the Native Department, and the Native Land Court is required. Local authorities periodically pay large amounts to the Valuation Department for correct valuation rolls, and are entitled to more information regarding Native holdings than they are now receiving. Section 107 of the Rating Act, 1925, gives wide and extensive powers to the Native Land Court to protect the voting-rights of Natives, and we feel that if full use was made of those powers by the Court and valuation officers, it would be of great assistance to local authorities. At present page after page of valuation rolls appear with the word "Natives" in the occupier's column. Although not specially directed to inquire into this phase of the Native rating problem, we recommend that it be further investigated.

(5) COLLECTION OF NATIVE RATES.

The collection of Native rates has always been a more or less difficult matter, but in recent years with many local authorities it appears that the collecting of an appreciable amount of Native rates has been an impossibility. The charging-order system against land has hopelessly broken down. Quick and liquid finance is a pressing necessity with most local authorities, particularly those having a large percentage of rateable Native land. Even if timely finance was not a pressing necessity, the ultimate result of carrying the system of charging-order against land into full effect, must be the entire dispossession of Natives of their lands. No local authority, however urgently in need of revenue, desires to see Natives dispossessed of their lands, and it is certain that no Government could stand by and watch Native land generally being compulsorily disposed of for rate liabilities. Native advisers are well aware of this fact. A heavy responsibility will, however, be thrown upon the State, or a weighty load cast on a section of ratepayers already overburdened, if something effective, even if unusual, is not quickly attempted in the direction of ensuring payment of Native-land rates being provided for. A number of the most reliable and responsible of local authority representatives in rural districts seriously affected by the non-payment of Native rates state that they would be satisfied during the period of present abnormal depression with the payment by Natives of 50 per cent. of rates levied, provided such was assured or in some way guaranteed. Others just as strongly protest that it would be unreasonable to allow many Native landholders, who are Europeans in every sense of the word, to escape payment of any portion of their rates. After very careful consideration, we are of the opinion that a statutory charge against the revenue from the land should be introduced. If this suggestion proves impracticable, we can suggest no other likely to be of value. A charge against dairy-produce should not be difficult of application and collection, and against other forms of production for which the use of roads and bridges is a necessity, not impossible. We therefore recommend that competent officers of Treasury and Law Drafting Departments investigate the matter and, if it is found practicable, we recommend that amending legislation be introduced accordingly.

(6) NATIVE LIABILITY TO HOSPITALS AND CHARITABLE INSTITUTIONS.

This is a problem which is becoming more difficult year by year, owing to the increase of Native population in certain hospital districts. In the early stages Natives were suspicious of hospital treatment, but are now making full use of the facilities offered. Natives are largely settling in localities where the climate suits them and where food-supplies are more readily available. The result is that in some hospital districts, holding a large Native population, the burden is becoming more than the European ratepayers can carry. In addition to the means already suggested by us as to the collecting of Native rates, we recommend that consideration be given to the granting of increased subsidies to those hospital districts serving the requirements of a large Native population.