

CHAPTER 16

NATIVE TOWNSHIPS

16.1 Introduction

In 1895 the Liberal government passed the Native Townships Act which was designed to secure control of Maori land quickly, for the building of townships in key locations. Pressure for the townships ‘tended to come from Europeans interested in potential economic opportunities associated with activities such as tourism, saw milling or providing services to surrounding farmland’.¹ Woodley has argued that in assessing the intention, practice, and benefits of the 1895 Act, there are three possible interpretations: firstly, that the townships were an attempt at ‘genuine’ assimilation benefitting both Maori and Europeans; secondly, that the townships were part of the Liberal government’s attempt at a ‘show of justice’ or rather, assimilation intended to mask exploitation; and thirdly, ‘that Maori were able to use the townships and adapt them to promote their own interests despite assimilationist or exploitative intentions by Government’.² In fact Maori had been resisting the Liberal Government’s efforts to take over their lands for townships; for example Te Heuheu Tukino wrote to Native Minister Cadman in 1892, declining to make over land at Tokaanu for a township.³

16.2 The Native Townships Act 1895

The preamble to the Native Townships Act 1895 illustrates the Act’s purpose:

Whereas, for the purposes of promoting the settlement and opening-up of the interior of the North Island, it is essential that townships should be established at various centres: And whereas in many cases the Native title cannot at present be extinguished in the ordinary way of purchase by the Crown, and other difficulties exist by reason whereof the progress of settlement is impeded.

The Act gave the Governor power to proclaim any area of up to 500 acres as a Native township, whether or not this land had passed through the Native Land

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1. Cathy Marr, *The Alienation of Maori Land in the Rohe Potae (Aotea Block), 1840–1920*, Wellington, Waitangi Tribunal Rangahaua Whanui Series (working paper: first release), December 1996, p 206
 2. Suzanne Woodley, *The Native Townships Act 1895*, Wellington, Waitangi Tribunal Rangahaua Whanui Series (working paper: first release), September 1996, pp 1–2
 3. ma/mlp 1892. I acknowledge, with appreciation, Mr Mikaere Nepia of Ngati Porou for this reference.

Court. The area was to be surveyed and laid out into streets, allotments and reserves. Allotments were to be reserved and laid out for Maori owners, but they were not to exceed 20 percent of the total area of the township. Included in these reserves were to be every urupa and building occupied by Maori at the time of the proclamation. Maori wishes as to the selection of these allotments were to be complied with as long as they did not interfere with the 'survey, or the direction, situation, and size of the streets, allotments or reserves of the township'. Maori then had two months to lodge any objections with the Native Land Court.

All streets and reserves in the Native Township were to be vested in the Crown, while all native allotments were to be vested in the Crown 'in trust for the Native owners' to be leased, by public auction or tender, for terms of up to 21 years with the right of renewal for a further 21 years. Leases were to be offered either by public auction or public tender. Rental was to be fixed by valuation or arbitration, and the leases were to provide for the payment by the incoming tenant for improvements made by the outgoing tenant. All lease moneys were to be paid into an account from which costs of surveying and 'constituting the township' were to be taken. Only then was the surplus to be divided among the owners in proportion to their relative shares and interests. The owners could sell their allotments to the Crown only. Maori were to have free use of thermal springs or baths in the townships, subject to regulation.

16.3 The Intention of the Act

Woodley has concluded that three different points of view emerged in the Parliamentary debates about the Act:

Those of the European members who were concerned with Government and settler interest; those, such as Carroll, who were concerned with settler as well as Maori interests; and those Maori members concerned primarily with the effect of the Act on Maori.⁴

In explaining in 1910 the origin of the Act, Carroll (one of the Act's two architects) stated that he had seen the need for such a piece of legislation whilst travelling around the many Maori districts in the North Island in 1895. The Act was required, he argued, because Europeans who had settled in Maori areas were unable to secure legal tenure to residential blocks in growing settlements, for instance Waipiro Bay on the East Coast.⁵ Much debate has centred on Carroll and whether he leaned towards preserving land in Maori ownership or toward assisting settlement, in the benefits of which Maori would hopefully participate. The Native Townships Act reflects this ambivalence.

J McKenzie, who with Carroll was the other architect of the Act, represented the first view mentioned above. He argued that the inability of settlers to gain legal

4. Woodley, p 9

5. NZPD, 1910, vol 151, p 272 (cited in Woodley, p 9)

tenure retarded the country's settlement and resulted in Europeans building on Maori land.⁶ This, he was sure, would lead to trouble in the long term. Other European Members of Parliament focused on the argument that the Act would be good for tourism. Concern was expressed that because Maori would not alienate land, there were no hotels for tourists in places such as Pipiriki, Tokaanu, and Otorohanga. Vesting the land in the Crown enabled Government to bypass the Native Land Court and overcome the problems associated with land in multiple ownership.

There were potential benefits to Maori in the Act, such as a flow of rental income, and increasing value of the land. Hone Heke however, the Member for Northern Maori, had serious concerns. He believed that Maori were amenable to having their land utilised for townships but objected to not receiving market value for their property. He reminded Parliament of a similar system used at Rotorua and how Maori derived little benefit from it. He also mentioned the West Coast Settlement Reserves and the fact that these reserves were passing into Crown ownership. He concluded that:

Honourable members would find that whenever the prosperity of a township was assured the Crown stepped in and sent their agents amongst the Native owners and asked them whether they desired to dispose of their interests to the Crown.⁷

16.4 The East Coast Townships

It appears that the major thrust for townships came from the Crown and settlers. In 1897 land at Te Puia (which encompassed the thermal springs) was set aside as a township at the Crown's instigation. According to Woodley, the evidence suggests that:

the Crown used the Act because protracted negotiations (since 1885) for the acquisition of the springs and the surrounding area became largely unfruitful. The Native Townships Act was a convenient alternative to trying to acquire 730 shares from the 230 reluctant owners in the block [and] . . . was also less complicated or fraught than the other option mooted by the Crown, compulsory acquisition under the Public Works Act.⁸

The taking of the land at Te Puia was largely compulsory. The owners' efforts to have land on the eastern side of the main road, including an eeling lagoon, excluded from the township were declined. Subsequently the owners were consulted as to the location of their allotments.⁹

Other East Coast townships at Tuatini, Waipiro Bay and Kawakawa (Te Araroa) were discussed by the Surveyor-General Percy Smith, James Carroll and the local

6. NZPD, 1895, vol 87, pp 180–181 (cited in Woodley, p 10)

7. NZPD, 1895, vol 87, p 593 (cited in Woodley, p 11)

8. Woodley, p 14

9. 'Exploratory Report', Wai 272 rod, doc a1, p 7

owners in 1899. Some effort was made to respect existing cultivations and residences, and the townships were declared. The layout of Te Araroa however, took less account of the owners' wishes, and encompassed many cultivations.¹⁰

16.5 Townships Elsewhere

In most of the townships examined by Woodley, settler agitation prompted the Crown to form the townships. This was the case at Waipiro, Parata, and the King Country townships of Te Kuiti, Otorohanga, and Taumarunui. Parata township (near Waikanae) was formed in response to settler statements that there was a shortage of land for settlement in the area. The township was laid out on Wi Parata's land with his consent, but the wishes of his brother Hemi Matenga, who also had interests in the land and did not agree with the land being used as a township, were not considered. The official response was that it was:

a matter of indifference to the government as to who was the legal owner of the land, for the consent of the owner is not necessary to proclaiming a township under this Act. The ownership merely involves the question as to whom the rents should be paid to.¹¹

The three King Country townships played a role in opening up the area, which until the early 1890s had largely avoided land alienations. All three townships were also located on the Main Trunk Railway line.

It would appear that Maori, on occasions, took the initiative to form a township and requested that one be laid out on their land. From this, it would seem that some Maori perceived that benefits would result. In 1904 owners in the Ngapuketuru block in the Wairarapa wrote to the Lands and Survey Department stating their intention to lay out a township on the block. This township, it appears, was never created. Maori also wished to form a township at Ohotu, on the east bank of the Mangawhero River, at the junction of the road from Wanganui to Raetihi. Woodley suggests that the incentive for Maori may have been the attraction of gaining better access to European goods and services, given the remoteness of this site. This township was proclaimed in 1901 and consisted of 227 acres, of which 12 acres were native allotments. In 1902 the proclamation was revoked and the Ohotu block came under the control of the Maori Land Council of the area.

16.6 The Success of the Townships

In some of the townships the number of sections taken up was initially encouraging. In the first decade of its existence, all sections in the Pipiriki township were leased,

10. Wai 272 rod, doc a1, pp 8–14

11. Percy Smith, Surveyor General, to Minister of Lands, 12 January 1900, Parata Township file, Is 1, box 356, no 39588, NA Wellington (cited in Woodley, p 16)

as were many of those in Taumarunui, Te Kuiti, and Otorohanga. Maori owners in Taumarunui were recorded as receiving good rental income from sections in the business area for nearly 20 years after the township's formation.¹² Unfortunately this did not seem to be the case for all townships, mainly due to the large number of owners amongst whom rent had to be distributed. At Pipiriki, for example, the owners received less than sixpence every six months. There were also problems with the distribution of rents due to owners living in remote locations and infrequently journeying to Pipiriki.

In other townships significant numbers of sections were not leased. The Native Department reported that by 1910 some 1681 acres of township lands had been leased, representing about 40 percent of the total township lands. Until 1928 the amount of land leased remained around this figure.¹³ In 1902 when 59 sections of the Rotoiti township were offered for lease, only 14 were taken up. Three years later a further seven sections were leased, but by 1908 only three of the 21 lessees had paid the rental owed. Rental was distributed to the Maori owners only once. Very few sections were taken up in Te Puia and owners received virtually no rental during the first 10 years of the twentieth century. One owner remarked in 1906 that the township was useless to its owners 'and to this fact the owners only are aware'. His suggestion was that the land be sold to the Crown and the Maori owners be given first option to buy it back so they could obtain a 'better title'.¹⁴ The Department of Lands and Survey and the Department of Tourist and Health Resorts (after 1908) both neglected Te Puia, which degenerated badly. Maori became interested in selling in the hope that the Government would invest more in the springs.

Speculation was a problem in some of the townships. Speculators would acquire leases but the sections would often lie idle. This impacted on the township's popularity as potential lessees were not anxious to settle in a township with little development. This scenario was apparent in Parata.

16.7 Pressure for the Freehold and the Native Townships Act 1910

Lessees under the Act did not have the option to freehold their leased allotments. Pressure from lessees to gain this option was constant. In 1907, 85 Te Kuiti settlers petitioned the Crown to be given the option to freehold. A long debate in the House resulted and Carroll and Ngata convinced the Members that freeholding was not in the best interests of Maori. However, in 1910, Carroll and Ngata had to give way to the political pressures and a new Native Townships Act was passed (repealing the earlier 1895 Act) which permitted settlers to acquire the freehold. The Act also made the Maori Land Boards leasing authorities and vested Maori township land in the Boards to be held in trust for the beneficial owners and to be administered by

12. Pei te Hurunui Jones, *Taumarunui Looks Forward*, Taumarunui, Taumarunui Borough jubilee booklet, 1960 (cited in Woodley, p 21)

13. Woodley, p 21

14. Te Puia township file, ma-mlp, no 80, file 1910/3, NA Wellington (cited in Woodley, p 23.)

the Boards. (It must be remembered that only one of the three members of these Boards was required to be Maori). Leases could be made perpetual and Native allotments could be leased with the consent of the owners. Allotments on which there was a church or a meeting house could not be leased.

The 1910 Act also provided that (as in the Native Land Act 1909) a majority in value of a 'meeting of assembled owners' could approve an alienation (rather than the previous requirement of a deed of sale signed by the owners).

The sale of Te Puia, then under negotiation, was in fact completed under the 'assembled owners' provisions of the 1909 Act. At the meeting representatives of 294 shares (40 percent of total shareholding) voted for sale, and 192 shares (26 percent) were opposed. The sale was thus legalised by the votes of a minority of the total shareholders.¹⁵

Woodley has concluded '[t]he result of the 1910 Act was land loss for Maori'.¹⁶ In 1910 the Native Department reported that 108 acres of township land had been alienated. By 1920 the amount of land sold under the 1910 Act had increased to 550 acres. This figure consisted largely of the alienation of Te Puia township (350 acres) and Te Puru township (24 acres) in 1912. The Native Townships Amendment Act 1919 provided that any land acquired by the Crown in a Native Township could be sold or leased by the Governor 'as he thinks fit' according to section 22 of the Native Townships Act 1910; effectively assisting the Crown to buy out Maori interests for sale to the settler tenants, thereby improving their tenure. During the early 1920s there were a significant number of purchases in the townships vested in the Waikato-Maniapoto Maori Land Board. By 1922, 100 acres had been alienated from the townships of Taumarunui, Te Kuiti, and Otorohanga. By 1927 this figure had increased to just under 480 acres, which was over 50 percent of the total land in the townships. By 1928, a total of 982 acres or 22 percent of all township lands had been alienated.¹⁷ Correspondingly, as the sales of land increased, the number of leases decreased.

The increase in alienations in the three King Country townships was due to pressure being placed on the Government to acquire the freehold for settlers. If sufficient applications were received from settlers for sections (settlers were required to give a deposit to the Crown as an indication of their intentions), the Government would proceed with acquiring the freehold. Interestingly, the land purchase officer in this area did not acquire interests from those owners willing to sell land that the lessees did not want.

Another issue arising from the 1910 Act was that of perpetual leases, which generally resulted in notoriously low rentals for Maori and the inability to gain access to their land. In Otorohanga in 1975, 16 acres remained under perpetual lease. Each shareholder in the land received an annual rental income of \$8.76. The 1975 Commission of Inquiry into Maori Reserved Land reported that just over

15. Wai 272 rod, doc a1, p 17

16. Woodley, p 29

17. Ibid

500 acres of township lands remained under perpetual leases (about 11 percent of the total amount of land laid out for townships).¹⁸

Maori were not absolutely obliged, however, to consent to sale or perpetual lease and, if the local Maori Land Board supported them (which the Tairāwhiti Board did) the Crown (and the tenants) were stymied. This proved to be the case at Waipiro Bay and Tuatini. The Crown, however, gave the lessees extended time to renew leases which had lapsed, putting pressure on Maori to renew the leases on terms favourable to lessees. Eventually some of these leases came under the Maori Trustee, under the Maori Reserved Land Act 1955. Fractionation of title meant that returns to individual owners were very low. Some lands were sold and some re-vested in the owners.¹⁹

16.8 Conclusion

The Native Township Act 1895 was a component of the Liberal government's land policy which was strongly focused on providing land for settlement. Its intention was to promote security of tenure for settlers starting to cluster on Maori land at significant communication points or likely centres of tourism, and to secure for settlers a major stake in tourism and hotel revenue at such places as Pipiriki, Te Puia springs and key locations on the main trunk railway.

The taking of compulsory power to vest the land in the Crown for these purposes, other than reliance on negotiation and agreement with the Maori landowners, meant that the latter were eventually cast into a secondary role. There was nevertheless a measure of consultation and agreement in a number of cases; Maori too saw the value of the Crown's involvement in the development of the townships and their amenities, and hoped for a flow of revenue from leased sections.

Many of the townships languished, however. The Crown was reluctant to put in significant capital and private investors wanted either perpetual leases or the freehold. In the Native Townships Act 1910, the government succumbed to their pressure and granted their demands. It also began to buy up the lands itself for resale or long lease to the settlers. Maori, disillusioned by the poor returns, were in many cases inclined to sell, so that townships such as Te Kuiti, Taumaranui, and Otorohanga were largely alienated. On the East Coast, Maori were less inclined to sell (although Te Puia was sold under the 'assembled owners' provision of the Native Land Act 1909, by less than an absolute majority of the owners). Roads and reserves were taken without compensation.

The question of an appropriate form of tenure to attract private investment (especially to remote locations) is a vexed one, and the failure of some of the townships cannot wholly be attributed to the Crown's mismanagement. Nevertheless, the impatience of governments, their willingness to resort to a degree of compulsion, and their support for settlers having the main development opportuni-

18. Woodley, p 30

19. Wai 272 rōd, doc a1, pp 18–21

ties deprived Maori both of full legal ownership and a genuine involvement as partners in the control and development of the towns. (In the event the Crown or settlers made use of their development opportunities in some cases.) The native townships represent another example of genuine joint-venture opportunities being missed in the development of New Zealand, and of the familiar tendency to reduce the Maori landowners to a secondary role or to exclude them altogether, rather than to involve them fully in the administrative responsibilities and commercial risks involved in development.