

Maori Development Corporation Report

Covering letter

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The Honourable Minister of Maori Affairs
Parliament Buildings
Wellington

Te Minita Maori

Tena koe e te rangatira

Kei te mihi atu ki a koe i runga i nga ahuatanga o te wa, tena koe.

Here we present the tribunal's report on the claims made by Maori, individuals as well as groups, about the proposed sale by the government of its shares in the Maori Development Corporation.

At the request of the claimants, the tribunal granted urgency to the hearing of their claims. This was because the process by which the Crown proposes to divest itself of its

MDC shares had already been set in motion at the time the claims were made. We were

aware, therefore, that if we could complete our inquiry and report prior to Cabinet making a final decision upon the sale, not only would the Crown be cognisant of our views of the Treaty implications of the sale but also the possibility of future court action

in respect of it might be avoided.

The claimants believe that implicit in the original intention behind the government's support for the establishment of the corporation and its eventual purchase of shares, was

a recognition of its obligation as a Treaty partner to help reduce the economic disparity

between Maori and Pakeha. It is the view of the claimants that the economic development of Maori has not yet reached a level where large numbers of Maori can confidently and actively participate in the commercial and social life of the community.

As a result, the claimants argue that there remains a need for a Treaty-based market mechanism to perform the development banking functions for which the MDC was created. While they differ upon the matter of how that outcome can now best be achieved, their common concern is that the proposed sale of the Crown's MDC shares, without provision for the continued predominance of shareholders representing pan-Maori interests, will very likely destroy the company's character as a Treaty mechanism

whose services are available to all Maori people.

To assist you, chapters 1 to 4 of our report briefly present information which sets the claims in context. Chapter 5 outlines the arguments made by the claimants and the Crown at the hearing. Chapter 6 discusses relevant Treaty principles and chapters 7 and

and X contain our analysis of, and conclusions upon, the issues raised by the claims. A summary of our findings and recommendations may be found at the conclusion of chapter 8

We advise that we have made substantial use of appendices and that the information contained in appendices 2 to 6 is especially relevant to the claims and the conclusions we have reached.

Waitangi Tribunal, Department of Justice, Wellington.