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of the ancestral territory then remaining to a race to which the State has peculiar obligations and responsibilities, and the events leading up to the evolution of the present policy of developing Native land by the use of public funds. Throughout all these reports it has been shown that the basic object of the development schemes now established is to encourage the Maori people to become energetic, thrifty, and industrious farmers, and to create a mode of living which, while retaining the best elements of Native culture, will profitably settle the Maori on his own lands. This report continues the story of the progress made to 31st March, 1946, towards attaining that end.

The Board of Native Affairs was constituted under the Board of Native

Affairs Act, 1934-35, and consists of the following members:-

The Native Minister (Chairman);

The Under-Secretary of the Native Department (Deputy Chairman);

The Financial Adviser to the Government;

The Under-Secretary for Lands;

The Valuer-General:

The Director-General of Agriculture; and

Three other persons appointed by the Governor-General in Council.

Throughout the year the Board has been able to make further progress in the work of development and settlement; fresh areas have been cleared of bush and scrub, and have been prepared for sowing down in permanent pastures; established grass lands have been maintained, as far as possible, by periodical top-dressing with fertilizers, but more by systematic grazing; suitable measures have been taken to control ragwort and blackberry and other noxious weeds together with rabbits in infested areas; attention has been given to stock husbandry; and the programme of building, fencing, and draining pushed to the limit of availability of materials and labour. There are ninety-nine State schemes (as distinct from Trust activities) in the North Island and three in the South Island, and these embrace a total area of 957,067 acres in various stages of development.

Experience has shown that the majority of settlers display commendable enthusiasm and industry in the working of their areas. Of the total already established, it is estimated that 60 per cent. are successfully settled. The balance includes some recently settled whose prospects cannot be readily defined, but also includes a number (about 5 per cent.) whom it is considered will never make successful farmers. Where settlers fail to measure up to the standard required and it becomes evident that a change of occupier must be insisted on, application is made to the Native Land Court for the recommendation of another person for nomination as occupier. At the hearing of the application the owners of the land and the occupier (settler-unit) are present, while the Department is represented. The farm's production figures and future prospects are discussed and the best possible arrangements made Frequently the occupier is retained upon an undertaking for carrying on. to make a better effort, which, of course, is in the interests of himself, as well Another purpose served by the reference to the Court of the question of nomination of occupiers is that all persons interested are given an opportunity of being heard in respect of those interests under the presidency of a judicial officer trained and qualified to adjudicate upon the merits of the

The gross expenditure of public moneys for the year on all the agricultural and pastoral schemes controlled by the Department (including subsidies) was £795,565 (compared with £780,014 for the previous year), while the Department's proportion of the receipts from farming operations amounted to £707,920 (compared with £667,807 for the previous year). Thus the year's working, without recourse to new capital, resulted in a surplus of £39,028 after payment of £67,143 to the Consolidated Fund in interest charges.