The Under-Secretary, Department of Maori Affairs, to the Right Hon. the Minister of Maori Affairs, Wellington.

Department of Maori Affairs, Wellington, 8th September, 1949.

SIR,--

I have the honour to present the annual report covering the work of the Board of Maori Affairs and the Department for the year ended 31st March, 1949. There is embodied a report from the Controller, Maori Social and Economic Advancement, dealing with the work of the Maori Welfare Organization.

I have, &c.,

Т. Т. Коріна.

Under-Secretary and Maori Trustee.

The Right Hon. P. Fraser, Minister of Maori Affairs.

LAND DEVELOPMENT

There are now 108 Maori land development schemes, comprising an area of 660,295 acres, of which there are approximately 140,000 acres considered to be unsuitable for the purpose of farming. The area cleared and sown in permanent pasture is 280,000 acres, with another 9,000 acres in commercial crops, leaving approximately 225,000 acres still to be developed. The number of individual farmers as at 31st March, 1949, who have been assisted by the Board of Maori Affairs was 1,791. Although further men were settled during the year, there is a slight reduction on last year's figures due to the amalgamation of uneconomic holdings and to the fact that a number of settlers, having discharged their obligations to the Department, were released from the development schemes.

For the purpose of keeping up with modern and progressive farming practice it has become necessary to stress the importance of, and the necessity for, good practical farm training for those Maori youths who may be chosen by their people to become future occupiers of the land after it has been developed and is ready for separate occupation. It is also necessary in order to secure the fullest benefit from the lands when settled, to implant a sense of security in the minds of the occupiers of the land. Therefore the owners, in their own interests, must be prepared to grant the nominated occupiers tenures sufficiently attractive to ensure good occupation. Some progress in this direction has been made by granting leases, giving the lessee up to 50 per cent. of the value of the improvements as at the end of the term of the lease, and in certain cases by purchase of small interests from the other owners of the holding.

Due to the effects of fertilizer-rationing, the building-up of the soil fertility has been retarded, it being most evident on those lands which were in the process of development just prior to the introduction of fertilizer-control. The poor quality, or marginal lands, in the various districts suffered the greatest. With heavier applications of lime and manure an over-all increase in the dairy-cow average production can be expected.

BUTTERFAT

The total production by the Maori dairy-farmers under the Maori land development schemes for the year ending 31st March, 1949, was 6,114,209 lb., equivalent to 3,275 tons of butter. This represents an increase over last year's production of 236,727 lb., or 126 tons of butter. The average butterfat-production per cow, 160 lb., as against 147 lb. last year, may seem a somewhat low return, but it is the result of farming over all parts of the North Island on many different classes of country, much of which can be termed