3 G.—i.

to labour conditions and a laudable desire to emulate others, it is proposed to introduce machinery into other Maori sheds. The Maori farms are carefully fenced, and improved in a satisfactory manner. In fact there is amongst the Maoris of the east coast an enthusiasm for farming not so noticeable in other districts we have so far visited. Their success up to the present warrants their looking forward with hope to further development of the sheep-farming industry. There are 2,600 Maoris Considering their number, and that the land is chiefly pastoral, in the county. unsuited for agriculture and close settlement, we do not know if the area that is possessed by them is too great for their own development. It would, in our opinion, be calamitous if the Maori development that has taken place in this district should be in any way interfered with. On the other hand, more liberal provision should be made for them. We may state that there are, roughly, 900 Europeans in the district, of whom 120 are landowners or occupiers of land, holding an area of 450,000 acres, if the Native leaseholds are included, or an average area of 3,750 acres per head of the sheep-farmers, or 500 acres per head of the European population. is a far larger area per head than the Maoris hold, even if their papatupu lands were included.

We have directed special attention in this district to the possibility of individualisation. In the various schedules of lands the titles to which have been ascertained it will be seen that a feature of these lands is the congestion of the titles. The bulk of the Maori population hold small individual interests in many different blocks. There is hardly one block which can be conveniently individualised. The experience of the people seems to have dictated, on the lands they are farming, the consolidation of the various blocks or subdivisions thereof under committees, which had a general direction and supervision of the farming operations. With the exception hereinafter referred to, individualisation of title in this district, in the sense of allocating to each owner his individual area, is hopeless and absurd, and the only chance of the land being worked is by co-operation amongst the Native owners, or by arrangements that will give to some of the owners the exclusive right to farm and occupy the tribal or hapu lands under a system of leasing. The Maoris have realised this, and have asked us, in almost all cases where their lands are to be held for Maori occupation and are of any considerable area, that they should be worked on the "incorporated system."

This system has had a trial. One block has been successfully carried on under it since 1889, and the members of the committee that has had the control of the block and the farming operations have held office with few changes during all these years. This block or group of blocks has been properly and securely fenced and subdivided, and it has suitable farm buildings for the working of the property. The buildings are equal to similar buildings on European pastoral lands, and the stock are reputed in the district to be equal to the average on lands farmed by Europeans. The management is equal to the most approved pastoral farming. The labour is supplied by Maoris and generally by the owners or their families. All the details of the farming operations are carried out and settled by a competent manager, who is paid a salary. At the end of each financial year the accounts are made up and adjusted, and the profits divided amongst the owners according to their respective interests in the land. The committee is responsible for the general policy of the improvements, and has general supervision of the finances, and is the sole authority for declaring a dividend. But the details are left to the manager.

The Maoris are a communal people, and this system, which preserves a community of interest, but also allows and rewards individual exertion, may be the best means

of creating a better industrial life amongst a communal people.

This system of incorporation is new to our Dominion, and has not, so far as we know, been adopted in any part of the world in dealing with farming pursuits. It is a union of capital and labour, for the labour on the incorporated blocks is almost wholly supplied by the landowners or their relatives. In these days, when so many social experiments are being tried, this system merits consideration and careful watching. There is nothing we know of that could hinder it being adopted by Europeans. If ten, twenty, or thirty families of colonists were to obtain a block of land either by purchase or on perpetual lease, and to manage it as the Maoris manage these incorporated blocks, perhaps a higher village life might be led and true altruistic