By the Unemployment Amendment Act, 1932, the Unemployment Board is given the same power to exempt any person on the grounds of hardship or to postpone the date of payment of the emergency unemployment charge as it has in respect of the general unemployment levy.

NATIVES.

Statutory exemption from payment of the general unemployment levy is granted to every Native within the meaning of the Native Land Act, 1909; but any such Native may, with the consent of the Board, elect to become liable for the levy. Maoris who elect to accept the liability thereupon become subject to the same obligations as any other person liable for the levy, and become entitled to apply for participation in the benefits of relief funds.

At the 31st March, 1931, the number of Maoris admitted as contributors to the Fund was 1,827; at the 30th June, 3,652; at the 30th September, 4,973; and at the 31st December, 5,768. By the 31st March, 1932, the number had reached 6,607, and at the end of October, 1932, was 8,000.

The Maori population, including half-castes, is 68,000, of which 65,000 are in the North Island. The number of males between twenty and sixty-four years of age is 15,000; and more than half of these are therefore looking to the Unemployment Fund for relief. The situation calls for immediate attention.

During the past forty years the Dominion was in active process of development. Hundreds of thousands of acres required clearing of bush, grassing and fencing; and extensive public works were in progress. Maoris found, ready to their hand, ample work of a kind that suited them, and incidentally they played a material part in making possible the settlement and development of large areas of country now richly productive in the occupation of Europeans. Meantime, the large areas of land retained under the terms of settlement for the Maoris' own use under the Native system of common ownership remained idle and undeveloped.

Unfortunately for the Maoris, the completion of the major settlement and developmental activities has coincided with the present economic depression. The work upon which they had become accustomed to depend for livelihood has disappeared. The prevailing conditions have closed all alternative channels of employment. They are now out of touch with the communal system of land occupation and cultivation of their forefathers. Yet, their lands are held in common. Some have endeavoured to support themselves by cultivating portions of the land, but their individual efforts are defeated by their lack of protection for their crops against the depredations of other and less energetic joint

The fact that more than half the adult male Maori population have become contributors to the Unemployment Fund points clearly to the means which the Natives are adopting to meet their situation. The disquiet with which the older chiefs view the complacent acceptance of relief by the modern members of their tribes will be shared by all who appreciate the qualities of the Maori race.

The remedy is plain. Maori lands must be individualized as has been the Maori himself. The process must be expeditious, and it must be accompanied by active steps to establish the Maori as a farmer side by side with the European settler.

The Board, actuated by grave concern at the rapid increase of Maori contributors to the Fund, has considered their situation closely, and considers decisive action along the lines suggested to be imperative in the interests of the Native race.

Were any other grounds for action necessary they could be found in the facts that the £166,000 a year now being paid to Maoris on relief works would serve a more lasting and desirable purpose if directed towards settling them on their lands; that a severe handicap is imposed on many County Councils through large areas of Native lands being practically unrateable under joint ownership; and that in such counties land in active cultivation is consequently labouring under an insupportable burden of taxation.

At page 22 reference is made to special grants to the Native Department for expenditure on development schemes organized by that Department to assist in the relief of unemployed Natives.

PROSECUTIONS FOR BREACHES OF THE ACT.

The majority of prosecutions under the Act have been for failure to register or effect payment Proceedings were instituted in some eight hundred cases up to 31st March, 1932, and in 630 cases fines were imposed upon conviction. In 160 cases the defaulters were convicted and discharged, with or without payment of costs, and in ten cases the informations were dismissed.

Approximately £900 was imposed in fines, of which £411 was actually credited to the Fund by the above-mentioned date.

EXPENDITURE ON UNEMPLOYMENT RELIEF IN RECENT YEARS.

The Board's report for 1930-31 contained a brief account of the activities of the Government, in the relief of unemployment prior to the setting-up of the Board; and the expenditure incurred since 1926 was quoted therein. During 1931-32 a considerable sum was expended from the Public Works Fund and through other Departments of State on works for the relief of unemployment, apart