Applications by local authorities for charging-orders for rates levied on Native land and the tendency to apply for the appointment of receivers to enforce payment is a matter which has given the Court considerable concern. In certain areas it is evident that within a few years the liens obtained may in some cases exceed the value of the land charged. Certain local authorities have intimated their willingness to agree to effect settlement by way of compromise, but the owners, generally speaking, have neither the means nor the inclination to effect payment.

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Board Finances. The Board finances are in a healthy position, with reserves totalling £52,129. The surplus of income over expenditure for the year amounted to £1,511. Receipts for the year totalled £39,355 and disbursements £45,066, the latter involving 4,423 individual payments. (These figures are in addition to receipts and disbursements for the district under Native-land-development operations, which were respectively £111,730 and £324,238.)

The liability to Native beneficiaries stands at £59,557, an increase of approximately £5,000 on the previous year. Approximately 50 per cent of this liability is covered by cash and investments at call. Total investments of the Board amount to £104,436.

Repayments of principal under Board mortgages during the year were £5,556, while disbursements under this heading were £3,240. The major part of the Board's mortgage investments are on farming securities, and the farming operations of the mortgagors are supervised by the Department's field officers. In two instances management of the farms is entirely under the Board's control, and Native share-milkers are being employed with very satisfactory results.

The Board has taken over the entire management of the Waikawa Station property on which an advance had been made, and with the assistance of grants from the Employment Promotion Fund it is gradually reclaiming a very difficult class of country on behalf of the Incorporated Committee. This property is under the management of a Native, who is keenly interested in his work.

With a view to assisting in the alleviation of the housing problem in this district the Board proposes (with the approval of the Minister) to establish a Guarantee Fund, by means of annual appropriations of surplus revenue, so that in necessitous cases housing facilities may be accorded to Natives who have not the required security to submit to substantiate an advance under the Native Housing Act.

Health and Living-conditions of Natives.—While improved living-conditions have naturally resulted from the changed economic position there is scope in this district for the employment of a Welfare Officer to co-operate with existing health and social welfare institutions in generally improving the living and social conditions of the Natives and to help and advise them in various matters. Natives generally, and especially the older ones and ones living away from the centres, require help and advice, especially as to the procedure to be adopted in obtaining the advantages of the various measures of social security provided by the State.

The problem of excessive drinking in certain areas is a matter which has occasioned departmental officers considerable thought and anxiety. In the Town of Rotorua a local committee has been set up to co-operate with the licensees of hotels and the police in checking the abuse. A system of appointing wardens to act at each hotel on Saturdays has effected a marked improvement in this town. The matter generally is one of national importance, and any proposals to remedy the position must of necessity be considered from this aspect.

Consolidation Schemes.—(1) Ngaitai Scheme: This scheme comprises 152 subdivisions of

Consolidation Schemes.—(1) Ngaitai Scheme: This scheme comprises 152 subdivisions of Torere, Waiohoata, and Awaawakino Blocks, embracing a total area of 27,495 acres. Preliminary work was undertaken in 1930, but was suspended owing to lack of staff. During a development survey made in 1931 consolidation proposals were submitted and formed the basis of development work and unit occupation of the Torere Development Scheme. Work on this scheme was recommenced on the 8th October, 1936, and final orders issued on the 13th August, 1937. Six hundred and eighty-eight succession orders were made, and titles were reduced from 152 to 112. A survey of the subdivisions is necessary to complete the titles in this scheme.

(2) Rotomahana-Parekarangi: This scheme comprises 114 subdivisions of the Rotomahana-Parekarangi blocks containing a total area of 51,665 acres. It was necessary to undertake this scheme in series to accord with the development subdivisions and work. The Horohoro Series, comprising originally 6,170 acres, has now been increased to 6,748 acres by the addition of Crown and Native areas to bring the eastern boundary up to the Atiamuri-Rotorua Main Road. Owing to the Consolidation Officers being detailed to other duties it was not possible to staff this series till March of this year, and thus little consolidation work was done in respect of this scheme during the last financial year.

On the completion of the Rotomahana-Parekarangi Scheme work will be commenced on the Taheke Scheme.

In addition, the question of proceeding with consolidation in the Koutu area, which is ideally situated as a suitable area for Native housing is a matter which will receive consideration during the ensuring year.

Native Housing.—For particulars see report of Board of Native Affairs.

TAIRAWHITI DISTRICT.

Native Land Court.—During the year some twenty sittings of the Court were held at Wairoa, Gisborne, Tolaga, Tokomaru Bay, Ruatoria, Tikitiki, and Te Araroa, all large centres of Maori population, and considerable interest was at all times evinced by the Natives in the proceedings of the Court which so directly affect the material world of our Maori people.

There has been a substantial increase in the volume of business done, and the number of orders made reached the high figure of 4,519, as against 2,952 for the preceding year, an increase of 53 per cent.