

The surplus of income over expenditure for the year was £1,606. In view of the fact that a large sum was spent on repairs and renovations to the office building this can be considered very satisfactory.

Only one application for a loan from the Board was approved, all other applications being diverted either to development or housing. Six houses were erected for beneficiaries who had funds with the Board, thus relieving the problem to a certain extent.

IKAROA AND SOUTH ISLAND DISTRICTS.

Native Land Court.—During the year thirty-five sittings of the Court were held ranging from Hastings in the North Island to Hokitika and Invercargill in the South Island, and the volume of business handled showed an increase on the figures for the previous year.

Numerous applications in respect of rates due on Native land were dealt with, and the Court in many cases found it expedient, on account of hardship and indigency of the owners, to remit the whole or part of the rates due.

The taking of land for river-protection works in the Hawke's Bay District was responsible for numerous applications for assessment of compensation, and the recent flooding in that district shows how important it is that these works be proceeded with.

Among the matters before the Native Appellate Court during the year was the reinvestigation of the title of the Wakapuaka Block, which was authorized by section 9 of the Native Purposes Act, 1936, following numerous petitions to Parliament. This case affected an area of approximately 11,381 acres of fairly valuable land, being the unsold portion of the Wakapuaka Block situate near Nelson, which was originally vested in Huriā Matenga or Julia Martin, sometimes known as the Grace Darling of New Zealand.

There was a large increase in the number of applications for confirmation of alienations, indicating the return of more prosperous times. In the case of the majority of leases the Court is adopting the policy of making the rent payable to the Board in terms of section 281 of the Act of 1931.

Ikaroa Board.—The position of the accounts of the Ikaroa District for the period ended 31st March, 1938, is most satisfactory in that a profit of £412 was made on the year's activities.

The improvement is accounted for principally by a substantial increase in the amount of rent collected and the more complete utilization of the funds available. For instance, commissions on rent collected increased by £220 and interest on mortgages by approximately £150.

The addition of this profit to the Boards Reserve Account brings the total of the reserve to £2,272. The operations of the Board for the year 1936–37 resulted in a loss of £281.

The assets of the Board are as follows:—

	£
Cash balances	531
Deposits with Native Trustee	15,042
Mortgage and other investments	30,207
New Zealand Government securities	1,150
Office furniture, fittings, &c.	289
Motor-car	286
Sundry debtors	101

Liability to beneficiaries as at 31st March, 1938, amounted to £46,591.

South Island Board.—As with the Ikaroa Board, a profit was made on the year's activities amounting to £55, due to increased collections of rent during the year. For instance, commissions collected during the year increased by £55. A loss of £65 occurred in 1936–37.

The Board's Reserve Fund now stands at £1,205, and the assets of the Board are as follows:—

	£
Cash balances	605
On deposit with Native Trustee	8,781
Mortgages and other investments	5,397
Office furniture and fittings	115

The Board's liability to beneficiaries as at 31st March, 1938, is £13,028.

Welfare Work.—The Boards in this district have adopted a very strict attitude towards payment of purchase-money to beneficiaries, and in all cases before paying any large amount their housing conditions have been considered. This has resulted in a number of houses being erected and repaired, in addition to houses provided under the Housing Act, and has brought about a distinct improvement in living-conditions. A number of settlers at Te Hauke were assisted in their market gardening. It was observed that these Natives, who sold pumpkins, melons, cornucobs, &c., from roadside stalls frequently ran out of produce towards the end of the season. Upon investigation the reason was found to be chiefly lack of capital and a shortage of area for cultivation, and the Board came to their assistance with finance and arranged for more land to be made available.

It has been the practice in the Pensions Department, in regard to old-age pensions for Maoris, to pay a smaller maximum amount than that payable to Europeans; the reason given being that there was always a doubt as to the income received from their Native lands. The position in these districts had now been rectified by means of certificates granted by the Judge, showing the total amount received from this source, which the Pensions Department have agreed to accept as conclusive, thus resulting in several of the old-age pensioners benefiting greatly by increased pensions.

Under this heading also should be mentioned the efforts made in the matter of housing surveys, revealing the conditions under which the Maoris are living, but this subject is fully dealt with in the report of the Board of Native Affairs, and it is unnecessary to enlarge on the matter in this report.