5 G.—10.

In the Taranaki, Waikato, and King-country districts an increasing interest in the Board's development undertakings is very noticeable amongst the Maoris, and the benefits to be derived from this method of land settlement are becoming more apparent to the people as each new scheme is commenced. There are, in some districts, large areas of useful Native-owned country, served by metalled roads and within easy access of rail or harbour communication, which are unproductive, and wherever the owners evince the desire to have their lands improved the Board is prepared to assist with the necessary finance and supervision. Progress on the various blocks is limited to the amount of labour which is offering, and work of a kind most suited for the able-bodied Maori is always available on land development schemes.

The continued expansion of the Board's land development operations, and the need for closer supervision on settled blocks and individual farms which are now coming into profit, has necessitated an increase in the numerical strength of the field staff. It has been stated in a previous report that the success of land development will be in exact proportion to the ability of the Native Department to supervise the activities which it is promoting, and it is found that in the finer points of farming, especially dairying, the Maori settler needs careful guidance and tuition. One field supervisor has distributed amongst the settlers under his control a series of instructive pamphlets, written in plain practical language, in order to encourage them in correct farming methods, and it is proposed to adopt this practice generally. In many instances, especially in the North Auckland district, the holdings are small, and in order to achieve satisfactory results intense farming must be practised under expert supervision. The Board has found it necessary also to appoint several additional employment overseers to supervise the expenditure of moneys on farm development work carried out on the contract system, and the extra assistance has been the means of assuring that the funds are spent to the best advantage.

Throughout this report reference is made to problems affecting unemployment and the measures taken to provide suitable relief for Maoris in need of assistance. The policy of the Government is to utilize the services of unemployed Natives on the development of their own lands and thus provide them with a means of livelihood most suited to the race. Grants from the Employment Promotion Fund amounting to £335,500 for the year under review have enabled the Board to undertake the development of land which otherwise could not be economically cultivated, and subsidies ranging from 50 per cent. to 100 per cent. have been given according to the nature of the country being improved. On schemes in the course of development, and properties farmed by the Board, men are employed on full-time contract work at standard rates of pay, and during the year arrangements were made to transfer unemployed Maoris from North Auckland and the cities to Rotorua, Tokaanu, and the King-country districts where ample work is offering. Temporary accommodation has been provided where necessary for these men and their families. Native settlers whose returns are insufficient for their maintenance are assisted during the winter months with grants which are expended in employing them on their own farms, and Maori youths from seventeen to nineteen years of age are now eligible for relief. The assistance thus provided by the State has enabled the Department to profitably employ 4,500 Natives, and has been the means of accelerating the progress of land development undertakings.

The Ahuwhenua Cup, presented by Lord Bledisloe as a challenge trophy for competition by Native settlers on land development schemes, was awarded this year to two Maori farmers in the Bay of Plenty district, who were adjudged the winners equally. This annual contest is of great value in encouraging the Maori people to attain the best results in developing and farming their holdings, and undoubtedly fosters a spirit of friendly rivalry amongst the settlers. The judge stated that the winning contestants both displayed an excellent knowledge of farm management, and a striking feature of the whole competition was the keenness and

enthusiasm displayed by all entrants.

As there are now approximately 27,300 cows being milked by Maori farmers established under the Board's schemes, the necessity for instituting dairy-herd testing is becoming more apparent, and in this connection it is satisfactory to note that excellent co-operation has been obtained with Herd-testing Associations in the