

Hokianga, Kaitaia, and Wairoa districts. In order to minimize the cost of this service last season, arrangements were made in North Auckland for testing samples to be taken by a small organized staff of Maori youths who worked under the control of district herd-testing supervisors, and according to reports these lads are now very proficient assistants. The importance of providing owners with data relating to the productive ability of their cows, and the need for systematic herd building and culling is emphasized, and the policy of the Department is to stimulate interest and encourage herd-testing amongst its Native settlers.

In the Hawke's Bay, Gisborne, and East Coast districts disastrous floods which occurred in the autumn caused heavy damage to private property, and large tracts of productive Native land have been covered with silt and the pastures ruined, while widespread slips and erosion have caused havoc in places. Prompt measures are being taken by the Board to rehabilitate the stricken areas, and the necessary work in connection with repairing fences, removing debris, and regrassing waste lands is now in progress.

A section of this report is devoted to the progress achieved in administering the provisions of the Native Housing Act, which empowers the Board to make advances from State funds upon reasonable security for the erection and repair of Native dwellings. The Act became operative in January, 1937, when regulations were gazetted prescribing the conditions upon which such loans may be granted and the methods of repayment. Extensive surveys of Native villages and pas throughout New Zealand have revealed the fact that better housing accommodation for the Maori is a vital problem, and that at present many of the people are living under conditions inimical to health and comfort in overcrowded and insanitary habitations. The investigations undertaken also disclose many problems which render a housing scheme for Natives more complex than is the case with Europeans. Indigency, defective land titles, multiplicity of ownership, insufficient security, Native custom, and even religious beliefs are factors which have retarded the Government's housing policy for Maoris, and the dearth of skilled labour has accentuated the initial difficulties confronting the Department. These obstacles are gradually being surmounted, and with the co-operation of the Public Works Department good progress is now being made in erecting new houses and improving and renovating existing dwellings. Wherever possible, unemployed Natives are engaged as carpentering assistants, and the opportunity is being undertaken to train young Maoris in the building trade. The number of houses built for Natives up to the 31st March last, including those erected for settlers on development schemes, was 671.

An additional function of the Board is the control of investments on mortgage or otherwise of the Maori Land Boards and the Native Trustee, which at 31st March, 1938, totalled £718,665, including £586,809 to 716 Maoris. The Board's policy is to encourage the use of surplus funds of these bodies towards advances to Maoris for farming, housing, and other beneficial purposes upon the security of their lands.

The settlement of the Maori upon his own land under conditions which will ensure for him and his dependants that measure of economic self-sufficiency which is undoubtedly his due, the amelioration of his living and social conditions, and his absorption and establishment in the national life of the community are problems which are receiving the earnest consideration of the Board, and the results already obtained are sufficiently encouraging to justify the belief that a continuance of the policy being undertaken will be the means of gradually rehabilitating a people to which the State has moral obligations and responsibilities.

In conclusion, the Board desires to record its appreciation of the loyal and willing co-operation of officers of the Native Department, who, during a most strenuous year, have consistently rendered valuable service in carrying out the policy of the Board.

Accompanying this statement are detailed reports of the various schemes in progress, together with a review of the farming and other activities controlled by the Board, and tables are appended containing statistical and financial information concerning the Department's operations.

M. J. SAVAGE,  
Chairman.