The employment-promotion subsidy during the year totalled £34,724, a decrease of £6,251 on the amount granted last year. This grant contributed towards the wages of an average monthly employment of 276 men.

The extension of the Department's land-development operations is governed by the labour available as well as by restrictions on materials required for defence purposes. The voluntary

enlistment of many Maori workmen has consequently retarded normal expansion.

Housing operations proceeded more slowly this year on account of war conditions, but 17 cottages were erected during the period, and this brought the total dwellings provided on scheme lands to 179. The big majority of unit properties in the South Auckland district are now being worked under excellent living-conditions.

Practically little new development was commenced during the year, and the aim has been to endeavour to hold and consolidate the present pasture lands and to keep production up to the maximum, in spite of shortages in essential farm requisites. The Native people themselves realize that a determined effort must be made to bring this about, and they are offering their wholehearted co-operation in this respect.

WAIARIKI MAORI LAND BOARD DISTRICT.

Development operations, as in other civil occupations, has been carried on under increasing difficulties occasioned principally from shortages of man-power and materials. All those engaged and interested in the work have accepted their extra duties and responsibilities, and have endeavoured to maintain and increase the production wherever possible. The climatic conditions have not been altogether favourable for dairying, and a very dry spell in January and February caused a heavy falling-off in the butterfat for those months. This dry spell was particularly severe on production in the coast area. Favourable weather since then, however, has given a good growth of feed that should enable all stock to winter well.

Owing to enlistments of eligible men from the dairy-farms, extra responsibilities have been undertaken by the womenfolk, and in most cases they are doing their best to maintain the farms and production. It is hoped that the Department will be able to give these farmers every assistance possible so that when the soldier husbands return they will find that the farms have not deteriorated or gone back through their absence.

It was found necessary for the Ruatoki settlers to change over to cheese-production during the year, and though there were difficulties, the change has been completed and the suppliers have fallen

in with the requirements of the war effort of the dairy industry.

It is regretted that through testers not being available it has not been possible to keep up the herd-testing this season in the Horohoro district. The settlers were really interested in the information supplied per medium of regular tests, and it is hoped that the herd-testing facilities can be made available again at an early date.

The year has been more favourable for the sheep and run-cattle schemes, and though there was a small outbreak of eczema late in the summer of 1942, it did not cause very grave losses. The

disease was principally at Tauranga and Tikitere.

There has been very little trouble from bush sickness, and it is considered that if those areas known to be affected can be kept judicially stocked and treated as at present with cobaltized superphosphate satisfactory establishment of herds and flocks can be anticipated.

Recommendations have now been made with a view to the granting of definite tenures or leases to those settlers established under the development schemes who have proved themselves to be efficient farmers. It is hoped that the granting of these tenures will encourage others to strive to qualify for leases in due course.

With the limitation on man-power and material for farming and development work, no provision is being made at present for any new work to be commenced or proceeded with during the coming year, but there are ample areas suitable and available for new work in the district as soon as labour and materials can be obtained.

Building operations have also been held up and, apart from maintenance and necessary repair

work, only one new house has been erected.

The butterfat-production has shown a decline of approximately 150,000 lb. (7 per cent.), and this is mainly accounted for by the drought in the late summer which affected supplies, especially in the coast schemes.

Wool-production this year totals 2,022 bales, which is an increase on last year of 314 bales for the same schemes. Actually last year's figures did not include crutchings, so it must be borne in mind that the true increase is less than that shown.

It can be said that, despite difficulties beyond the control of the administration, a successful year has been recorded and progress has been maintained.

TAIRAWHITI MAORI LAND BOARD DISTRICT.

The total area gazetted for development has been increased by bringing in four more blocks in the Te Araroa - Wharekahika area, totalling 2,261 acres, and one block in the Waiapu district of 45 acres. The total number of settlers shows a slight decrease, accounted for mainly by amalgamation of farms where an occupier has joined up with the armed forces and suitable replacement has not been available.

Climatically the district has experienced a good season, with a fair average rainfall in the south and north, but scarcely sufficient in the Waiapu to Tokomaru Bay area. Here a short season has