

conditions. There the matter was bound to develop into a capacity for tuning-in to the mentality of the Maori prospective settlers. The European supervisor was called upon to adjust himself to psychological conditions as well as to the business elements in a land-settlement proposition.

It became apparent as the schemes progressed that some element would have to be associated with European supervision which would deal with the psychology of the Maori workers and settlers. This would be supplied either by a Maori foreman or leader on each scheme or a group of schemes or by some officer of the consolidation staff who would go between the supervisor and the men engaged on development work. What was required was a mediator between two cultures to interpret each one to the other. The experiment is being tried on several schemes of selecting from the Maori settlers leaders who will interpret to the rest the requirements of the farm supervisors and who will assist the latter to appreciate their reactions to his methods and tactics. Here and there the occasion has revealed outstanding personalities, such as Te Puea Herangi. She combined hereditary rank (as a grand-daughter of Potatau te Wherowhero, the first Maori "King"), a gift for leadership, which, before she founded the farm colony at Waiuku, had resulted in the creation of the Maori village at Ngaruawahia, and a business acumen developed during the many years in which she strove to eke out the slender resources of her people. Her example inspired the policy of organizing each body of prospective settlers as a farm colony under a leader, a course that experience has fully justified. Where unorganized elements have been brought together in deference to the claims of owners for the right to select workers and occupiers, the development work has not been carried out in a spirit of co-operation.

#### COSTS OF DEVELOPMENT.

At the 31st August, 1931, the expenditure on the development schemes shown in the schedules hereto was as follows:—

|                                 |          |
|---------------------------------|----------|
| Native Trustee's fund—          | £        |
| Tokaanu .. .. .                 | 6,509    |
| Maori Land Boards' funds—       | £        |
| Waipipi .. .. .                 | 5,242    |
| Kaihau .. .. .                  | 3,301    |
| Te Kuiti Base Farm .. .. .      | 9,449    |
| Taheke .. .. .                  | 12,130   |
|                                 | <hr/>    |
|                                 | 30,122   |
| Native Land Settlement Account— |          |
| Sundry schemes .. .. .          | 132,151  |
| Bulk stock purchases .. .. .    | 2,881    |
| Bulk seed purchases .. .. .     | 1,695    |
| Bulk posts purchases .. .. .    | 1,339    |
|                                 | <hr/>    |
|                                 | 138,066  |
|                                 | <hr/>    |
|                                 | £174,697 |
|                                 | <hr/>    |

So far as expenditure from the Native Land Settlement Account as shown above is concerned, it comprises only the total amount of vouchers passed to Treasury up to the 31st August, but not the whole of the expenditure actually incurred to that date. Thus the expenditure on the Tuparoa Scheme is shown as £156, whereas costs had been incurred for fencing-material (£1,700), and scrub-cutting (£1,371).

#### Analysis.

The following is a summary of the analyses of expenditure given in detail in the appended schedules:—

|   |          |
|---|----------|
|   | £        |
| Purchase of freehold and leasehold interests in lands .. .. .                 | 26,639   |
| Buildings and accommodation .. .. .   | 6,830    |
| Camp accommodation .. .. .  | 1,180    |
| Bush-felling, scrub-cutting, ploughing, &c., cultivation, and roading ..      | 7,871    |
| Wages .. .. .   | 14,279   |
| Surveys .. .. .   | 528      |
| Accident insurance .. .. .  | 201      |
| Motor spirit and oils .. .. .   | 2,855    |
| Farm and dairy implements, motor-vehicles, tools, and equipment ..            | 11,796   |
| Grass-seed, other seed, and fertilizers .. .. .                               | 27,373   |
| Fencing-material, fencing .. .. .   | 17,876   |
| Purchase of dairy-cattle, other cattle, sheep, horses, and pigs ..            | 41,373   |
| Discharge of liabilities .. .. .  | 2,494    |
| Rent, rates, interest, shares in dairy company, herd-testing, depreciation .. | 1,139    |
| Board mortgage .. .. .  | 5,520    |
| Sundries .. .. .  | 6,743    |
|   | <hr/>    |
|   | £174,697 |
|   | <hr/>    |

The three items—wages, £14,279; motor spirit and oils, £2,855; and sundries, £6,743—should be regarded as suspense items which have not been dissected into the appropriate classes of development work.