

Under another system, which may be called the Horohoro system, settlers were selected who would eventually occupy and farm individual sections of developed and improved land. The sustenance wage was fixed in consultation with the men, varying from 7s. to 9s. a working-day. In some cases a higher rate was allowed to foremen, the leaders of the parties; or a salary if the leader was himself a large owner in the land and undertook some of the duties of a supervisor. This system obtained formerly at Horohoro, but was superseded some months ago by the contract system. It is in operation at Ranana, on the Whanganui River. It was found that under the Horohoro system there grew up a tendency to fritter away time and energy on subsidiary operations. It was decided to adopt a contract system for all development work wherever the details of such work could be reduced to definite terms. Thus fencing was subdivided into the preparation of material, splitting posts or battens at so much a hundred, laying material on boundaries at an agreed rate per mile, erecting at so much a chain, and so forth. Scrub-cutting, roading, draining could be so arranged, and so also major operations like bushfelling.

The contract system is the best for definite operations of any magnitude which are straightforward, and calculated to keep a fair number of men employed for a considerable period. It is then found necessary to employ men, who have no prospect of becoming settlers on the land they are paid to improve. The contract system came into favour at the time that unemployment was becoming a serious problem in Maori districts. The latter factor assisted materially to reduce the cost of bush-felling, scrub-cutting, fencing, and, indeed, all development work, even before the Unemployment Act came into operation, and at least a year before the scheme was formulated and put into operation for assisting Maori unemployed men by subsidizing development contracts.

Whichever system has been followed on the development schemes the result has been a very considerable saving in the labour cost. *

Unemployment Subsidy.

Early last autumn it was made clear that unemployment was becoming a serious problem amongst the Maori people. The Unemployment Act, 1930, made it voluntary for Maoris to contribute to the Unemployment Fund, but imposed a general responsibility on employers, including State Departments, to employ contributors only. In the circumstances Maoris who were employed by the Public Works Department or by local bodies or who were engaged as freezing-works employees or wharf labourers were compelled to become contributors. At the end of April the Unemployment Board had approved 2,289 applications from Maoris to become contributors. After the position was discussed between the Board and the Native Minister, it was decided to place at the disposal of the latter a sum of £10,000 from the Unemployment Fund for the relief of Maori unemployed. It was understood that the grant would be used chiefly in connection with the development of land. The subject is referred to here because of its bearing on the cost of land-development.

On the 11th August the Native Minister advised the Chairman of the Unemployment Board that the grant was all committed—overcommitted, in fact, by £322. He gave a summary of the contracts for which he had authorized subsidies from the Maori unemployment grant. The summary covered private contracts and contracts for work on lands controlled by the Native Trustee or the East Coast Commissioner or Maori Land Boards, which are not comprised in the development schemes scheduled with this statement. The figures supplied to the Unemployment Board have been adjusted to show separately the contracts for development work on the scheduled schemes and the private contracts.

Summary of Contracts subsidized from the Maori Unemployment Grant of £10,000 to August, 1931.

Particulars.	Development Schemes.	Private Employers.	Total.
Estimated cost of contracts	£27,160 18s.	£5,688 5s.	£32,849 3s.
Amount of subsidy	£7,782	£2,540 11s. 2d.	£10,322 11s. 2d.
Number of men employed	1,045	340	1,385

Analysis of Work.

Particulars.	Development Schemes.	Private Employers.	Total.
	Acres.	Acres.	Acres.
Bushfelling	6,836	854½	7,690½
Scrubcutting	13,657	6,492½	20,149½
Clearing blackberry, gorse, rushes, briers, stumping, and grubbing	1,935	3,410	5,345
Ploughing, disking, &c.	2,054	440	2,494
Top-dressing	450	..	450
	Chains.	Chains.	Chains.
Draining	1,123	..	1,123
Road-formation	260	42	402
Fencing—			
Erecting	4,400	943	5,343
	Number.	Number.	Number.
Splitting posts	44,800	500	45,300
Splitting battens	117,000	1,000	118,000
Splitting strainers	310	30	340