

The expenditure of the Board to the 31st August amounted to £1,526,000, and the commitment for September to approximately £409,000. The balance available for the last six months of the year is thus £2,032,000, which is slightly more than half of the estimated revenue.

On the face of things, this would appear to be satisfactory; but it is pointed out that the expenditure was based on £50,000 a week for April, £69,000 a week for May and June, and did not reach the present level of £91,000 a week until July. A small calculation will show that the amount still available will not be sufficient to provide for a continuance of expenditure at the present rate for the balance of the year. It seems likely, however, that we have now reached the peak of unemployment, and the commencement of seasonal work with the coming of spring and the summer, combined with indications of better times ahead, warrant the expectation that the number of men out of normal occupation will decrease.

It is not, therefore, proposed to increase the taxation imposed for unemployment purposes—in fact, to do so would only tend to check the incipient recovery of business and thereby prolong or even increase the trouble we are all endeavouring to cure.

Reproductive
works.

The rapidity with which the problem developed has made it difficult for relief work to be directed along fully reproductive and permanent channels, but, notwithstanding the many obstacles, this has been the main objective, both in the establishment of the rural schemes and as far as possible in those carried out in co-operation with local bodies and Departments of State.

As already indicated, Scheme No. 5 absorbed most of the funds expended last financial year. More recently greater attention has been paid to developing schemes for productive employment that will be of direct assistance to farmers. Work on the farms is directly subsidized, and in collaboration with the Lands Department men have been engaged in rehabilitating abandoned farms. There are also farm camp schemes for single workers, and a scheme for placing youths over sixteen years of age on suitable stations. In addition, camp schemes have been inaugurated for carrying out developmental work, such as clearing and draining land, improvement of backblock roads, &c. Moreover, in spite of the many difficulties involved, much in the way of reproductive work has been done through the agency of Scheme No. 5, particularly since the extension of the scheme to enable local bodies to place men on farms where the owner is himself not able to engage additional labour for the work available. The percentage of men engaged in work of reproductive nature under Scheme No. 5 has risen from twenty for October, 1931, to forty for August last. A further 20 per cent. has been engaged in such works as improvement of domains, parks, reserves, school and hospital grounds.

In addition to the activities financed out of the unemployment taxation, arrangements have also been made to borrow up to £500,000 for capital expenditure under what is generally known as the "small-farm" plan whereby workers are being housed and installed on small areas of land in the country.

Native-land
development.

The Unemployment Board has also supplied funds for the relief of unemployed Maoris. This money has been utilized in forwarding the land-development schemes under the direction of the Hon. the Native Minister. The settlement of Native lands will increase production, solve some noxious-weeds and rabbit-pest problems, and provide a remedy for unemployment among the Maoris concerned. As a result of the Native-land development activities some eight hundred separate holdings are being farmed by Maoris under expert supervision, and this number will be considerably increased each year.

Crown lands
development.

A somewhat similar contribution to the solution of the problem is also being made by the Hon. the Minister of Lands and the Land Development Board.

The principal activity has been in the direction of developing areas of unoccupied Crown lands that can be made suitable for settlement, together with assistance to individual settlers selecting undeveloped Crown sections. During the period 1st January, 1929, to 30th June last over 790,000 acres of land have been selected on permanent tenure, involving 2,190 farms. These selections include 1,000 entirely new farms.

Side by side with the opening-up of Crown lands for selection, development work has been carried out on twelve blocks totalling 78,000 acres. Over 12,000 acres have already been laid down in grass, while 8,600 acres have been cleared