G.—10.

Many reasons, which need not be repeated here, have been urged in justification of a policy for promoting the settlement of Maoris on land. The benefits that will accrue from it have been emphasized by public men and others who have felt concern for the future of the Maori people, and who have been prepared to condone a sacrifice of sound business principles in land-settlement in order to assure the amelioration of the physical, social, and moral condition of the race. The statement now presented to Parliament reviews the actual execution of a policy, and seeks to justify it by facts showing economy in expenditure and reasonable efficiency in administration, and that it is well adapted to the facts of Maori society. schemes are founded on the assumption that the State will not brook failure or consent to write off losses, and the administration of them seeks to reduce the risk of failure. The prolonged depression with the catastrophic fall in the prices for farm-products has introduced an element not contemplated in the original plan of Native-land development. It has compelled a reconsideration of many aspects of the policy, and raised the question whether the Maori people is capable under the extremely adverse conditions prevailing to-day of squaring development costs with the unprecedented low level of prices. If it fails to do so it will be because no one else will be able to balance farm budgets.

The statement refers in many places to the application of unemployment funds in connection with many of the schemes. On the one hand the subsidies from the Maori unemployment grant have made it possible to provide work for a great number of unemployed Maoris in connection with operations calling for the employment of men outside the selected and regular settlers such as bushfelling, scrub-cutting, preparing fencing material, fencing, draining, and clearing noxious weeds, and to reduce the charge upon the land and to the would-be settlers. On the other hand the fact of such extraneous assistance being available to supplement the works budget has caused an acceleration of programmes and unbalanced the plans of many schemes. Other than roading and draining there is no labour item in a land-development programme which does not entail consequential expenditure for the purchase of material or seed or stock to make it effective. The pressure to find work for unemployed and distressed Maoris cannot always be resisted, but the implications are afterwards felt in Treasury memoranda regarding the overspending of

parliamentary appropriations.

The Deputy Chairman of the Unemployment Board, Mr. Jessep, has commented recently on the problem of unemployment in relation to Maoris and their lands, and stressed the need for speeding up the individualization of Native-land titles as a condition precedent to settling the owners on their lands. Experience has shown that the ordinary methods provided by law, including even the method of consolidation of titles, do not act quickly enough for the emergency that causes Mr. Jessep concern. On the other hand, the development legislation passed in 1929, and re-enacted by section 522 of the Native Land Act, 1931, provides for individualization, development, and settlement as parts of a complete plan, with finance provided by the State. It may be advisable, as it appears to be desirable in view of the continuance of the depression, to devote a larger proportion of unemployment funds towards the labour content of the cost of Native-land development schemes, and so remove a number of unemployed Maoris for periods from other relief schemes of the Unemployment Board.

I desire to record my appreciation of the services rendered by all officers, whether in the field or in the office, who have made the execution of the Native-land development policy possible. Without their loyal support and keen appreciation of

its aims it would have broken down.