G.—10.

Sufficient information is available to justify the claim that at the 31st March, 1932, the funds of the Native Land Settlement Account were more than sufficiently secured on 24,877 acres of fair to good pasture, to say nothing of 20,000 acres of unimproved land, with buildings and fences on the improved lands and 5,800 cows in milk, not to mention younger cattle and bulls, and the utensils and equipment of a large number of dairy-farms. The assisted Maoris were supplying cream to fourteen factories, and their repayments on account of advances amounted by the end of March, 1932, to £6,370, representing 12½ per cent. on the whole outlay. But as only £1,900 interest came to charge during the

Period a substantial part of the repayments was credited to principal.

Wider considerations arise from the study in detail of the Maori problems of the North Auckland District. The Native population, which was 15,227 at the census of 1926, was estimated at the 1st of April of this year at 16,680, an increase of 1,453; or if Eden County with the city and boroughs within its administrative area were included the population which was 16,188 in 1926 increased to 17,790 at the beginning of this financial year, the increase being 1,602. When the Maori population was declining a generation and a half ago policies which were adapted to a condition of depopulation appeared reasonable, if deplorable. The loss of ancestral lands might be offset by a corresponding decline in the numbers of the race, who depended for their maintenance on the revenues from those lands or by an appreciation in the value of the reduced area. The marked increase in the Maori population, now definitely established by the Statistics Office, is a new factor that confronts not only the administrator of Native affairs, but also those who administer the social services of the country, particularly health and education. What course should policy take to avoid the expansion of an element popularly reputed to be inefficient and yet regarded by popular sentiment as the ward of the State? The Maori has yet to prove that apart from land he can fit in to the increasingly difficult and complex economy of a young and virile Western community. To the extent that he will draw sustenance from his own land so will he reduce the difficulties of the guardian State.

"B." WAIKATO-MANIAPOTO MAORI LAND DISTRICT.

Next in geographical order, but not in the order in which development by the Native Department under the legislation of 1929 was undertaken, comes the territory south of Auckland, which for the administration of Native lands is organized under the Waikato-Maniapoto Maori Land Board.

For the purposes of this statement it may be conveniently subdivided into three parts, as follows:—

- (1) Waikato proper, comprising the region from the Tamaki Isthmus in the north to the Puniu River (just south of Kihikihi) in the south, thence following the Waikato confiscation line to a little north of Kawhia on the west. The Thames and Coromandel districts are excluded.
- (2) Maniapoto or King-country, comprising what is known as the Rohe-Potae, and lying south of Waikato proper. A portion extends into the Taranaki Land District, and portions of the West Taupo lands are also included.
- (3) Hauraki, or the Thames and Coromandel districts.

Tribally this was the ancestral territory of the descendants of the crew of the Tainui canoe, which formed the most numerous and most powerful confederation of tribes in the country. The history of the troubles and war in the Waikato, which led to the confiscation of a great part of the tribal lands, is one of the dark pages in the record of New Zealand. It is referred to here briefly, because in the aftermath of the Waikato War and resulting confiscation of Waikato lands successive Governments have found a real barrier to that goodwill and friendly co-operation without which no progress can be made, whether it be in education or hygiene or the cultivation of lands or other adjustment to the economic and social system of to-day. No earnest student of native affairs in this part of the Dominion can overlook this historical factor and the implications both material and psychological that flow from it. There is still bitterness and resentment; there is suspicion and distrust; there is an attitude of contemptuous scepticism towards law and government, which though not broken in the letter are avoided as things that formerly were associated with force and oppression.

The grievances of the Waikato tribes have surrounded with the halo of martyrdom the descendants of Potatau te Wherowhero, himself the paramount chief of those tribes and their leader in the intertribal wars of the early part of the nineteenth century. Selected to be the first "Maori King," the title has passed through the direct male line to Tawhiao, thence to Mahuta, thence to his greatgrandson, Te Rata Mahuta. Among the Waikato people, throughout the Waikato-Maniapoto land district, and among sections of the Maori tribes beyond that territory, Te Rata Mahuta and members of his family exercise an influence which Europeans may find it difficult to understand, but which is nevertheless real and powerful. Those who have advocated from the public platform or from their benches in the Houses of Parliament or from editorial armchairs or from the halls of commerce or of agriculture that the Maori must use the remnant of his lands or lose it do not always allow for these factors, which present substantial obstacles to the execution of policies.

1. WAIKATO (PROPER).

In the Waikato proper, the first division of the land district under review, it may be accepted as fundamental that no great progress can be made in regard to the development of Native-owned lands without the support and goodwill of Te Rata Mahuta and members of the Potatau family. In the statement on Native-land development presented to Parliament in the second session of 1931