33 G.=-10.

The Trading Account of the farm from the 18th December, 1930, to the 31st March, 1932, showed, after allowing for all items of maintenance and working expenses, £279 for interest at 6½ per cent, and £79 for depreciation, a loss of £79. No allowance was made for interest on the value of the assets owned by the Arawa Trust Board.

(2) Te Puke Subdivision.

Subdivisions of the Rangiuru 2A Block at Te Puke, comprising 422 acres, were added to the Maketu scheme on the 28th July, 1931, after strong pressure from the Natives of Te Puke. It was arranged that separate accounts should be kept for this portion of the Maketu scheme, which was officially known as Te Puke Subdivision. Half of the lands abutted on the Kaituna River, and was covered with cabbage-trees, manuka, and blackberry. The clearing and grubbing of these and drainage operations were rendered difficult by the presence of stumps and other remnants of ancient forests.

Development contracts were let to unemployed Maoris for clearing manuka and blackberry and for grubbing and removing cabbage-trees and manuka, the area being estimated at 400 acres. The price, £681, which carried a one-third subsidy, was considered very reasonable, and there is no doubt that the contractors worked at a sacrifice. A moderate amount of fencing and draining was also carried out with unemployment labour, subsidized from the Unemployment Fund.

The expenditure to the 31st March, 1932, amounted to £1,638, the main items being fencing, which cost in labour and material £359, and scrub-cutting, clearing, and cultivation, which cost £1,014.

(3) Motiti Island.

As the result of a visit by the Native Minister to Motiti Island during the first week of January, 1932, the sections owned by Maoris on that island were added to the Maketu scheme, the total area of these being 852 acres. Although the Motiti Maoris have cultivated their lands for many years past, growing maize for the Auckland market as well as vegetables for their own use, and have ploughed and worked up all their cultivable lands, their fields revealed the lack of suitable fertilizers, and other assistance was required to enable them to partition the small farms and to follow up maize-growing with temporary pastures. The island has no suitable fencing-timber, so that not only posts but also battens had to be supplied from the mainland. The assistance they asked for was moderate, and the security not only in land and crops, but in the character and reputation of the people for industry, was more than ample.

The expenditure to the 31st March, 1932, was £298, and was entirely for fencing-material.

(j) Kaitimako (Tauranga).

Several applications were made from the Tauranga district for assistance towards the development of Native lands. The Farm Supervisor and Consolidation Officers inspected the areas submitted, and explained the provisions of the development legislation to the Native communities concerned. It was not till the end of 1931 that it was decided to make a beginning at Kaitimako, a block of land situated on the south side of the Tauranga—Te Puke Road, about a mile and a half from the Tauranga Town boundary. Section 23 of the Act of 1929 was applied on the 7th December, 1931. Small allotments at Hairini were added on the 10th February, 1932, making the total area comprised in the Kaitimako scheme 778 acres 1 rood 14 perches.

The Kaitimako Block faces north: it is mostly undulating land with a few steep faces on it. The soil is a black loam over pumice. At the time the land was brought under the development scheme a few owners were in occupation, one of whom had cleared most of his holding (Kaitimako F No. 2, $108\frac{1}{2}$ acres). With the exception of about 100 acres cleared by these owners, the balance of the land was in gorse. It was estimated that to clear and grub the gorse would cost £4 an acre, while ploughing and working up for pasture or crops would cost a further £1 10s. an acre. The block was reported upon favourably for development.

Steps were taken forthwith to improve the access road, which passed through the whole length of the block, connecting it with the highway; also to clear the gorse preparatory to ploughing; and to assemble the necessary fencing material. By the first week of March, 1932, 600 acres of gorse had been cleared and burnt and a beginning made with ploughing; the access road had been regraded and formed 14 ft. wide as to one and a half miles and 10 ft. as to a quarter of a mile; 84½ chains of draining had been completed, and a further 30 chains were under way. It was estimated that seventy men found employment on this scheme.

The total expenditure to the 31st March, 1932, was £1,565. The details may be quoted here: Equipment, £81; clearing and draining, £928; fencing, £320; cultivation, £10; roading, £178; sundries (including survey), £48: total, £1,565.

Unemployment subsidies on the contracts amounting to approximately £390 were payable, but not collected until after the end of the financial year. The results to the end of March, 1932, were considered satisfactory, and did much to establish confidence in the capacity and trustworthiness of the Kaitimako community. One of their young men, Pehiriri Reweti, was appointed foreman of the scheme.

The further cultivation of the land was delayed only by the necessity of arranging for horses and implements. The fencing programme was also put in hand and contracts let for splitting battens. The total length of fencing to be constructed was estimated at eight and a half miles. These operations, however, fall into the 1932–33 financial year.