49 G.—10.

Development work on this scheme received no assistance from unemployment funds, except roading and metalling, until the current financial year. For the first two years the reconditioned pastures, with hay saved in the season and turnip crops, sufficed for the herds, although in the first year the heifers purchased for the scheme had to be grazed out for a time.

This scheme is an illustration of the difficulties that arise where the land is individualized and in occupation of individual settlers. Its efficiency is reduced by the extent that units fail to cooperate in carrying out a programme of work, necessitating the employment of a considerable number of men. Implements, horses, transport, common fencing-boundaries, and roading must presuppose a certain amount of grouping or common action, unless the scheme is prepared to supply each unit with a full set of implements, horses, or drays, or to treat the settlers as strangers and pay them reasonable wages. Development on the unit basis has entailed at Ranana special expense in local supervision designed to check the issue of material to individual settlers or to apportion costs to individual allotments. Many items, such as cost of supervision, interest on suspense items, hire of implements or horses, rent or depreciation of premises, storage and freights, are not readily ascertained, but must eventually be distributed over the various loan accounts equitably or be set off against a rese ve account. It is not contemplated that any item of expenditure shall be written off. On the other hand, the aim of every development scheme is to settle individual Maoris on defined pieces of land charged with the actual cost to the State, which they must reimburse. The experience of such schemes as Ranana, organized from the beginning on the unit basis, will pave the way for a satisfactory system of internal management and accounting.

"F." IKAROA MAORI LAND DISTRICT.

This district comprises Hawke's Bay, Wairarapa, and Manawatu, all old farming districts, well settled, and with very little unencumbered Native lands available for development.

The drop in prices for farm-products, unemployment, and, in the case of Hawke's Bay, the disastrous earthquake of February, 1931, were considerations which led the Department to offer assistance through land-development to the Maoris of the district. Three areas were offered by the owners in the Manawatu area, which formed the nucleus of the Manawatu Development Scheme. Fifty-seven allotments, of the total area of 1,691½ acres, were brought under a scheme in Hawke's Bay, called the Heretaunga Development Scheme.

(a) HERETAUNGA.

Mr. J. H. Flowers was detached from the Native Land Court Office, Wellington, to complete and wind up matters relating to the relief of Maoris affected by the Hawke's Bay earthquake. When the two development schemes referred to in the last paragraph were undertaken he was placed in charge and stationed at Hastings.

The Heretaunga scheme was difficult to set going. The Maoris of the locality have had more experience than those of almost any other district in agricultural and pastoral pursuits. It was almost presumptuous to offer any of them advice, supervision, and assistance in such matters. It is probable that the scheme would not have been adopted had it not been for the factors mentioned, and the distress, which was revealed by a survey of conditions made after the earthquake.

Commencing in August, 1931, the expenditure to the 31st March, 1932, was £1,106, reduced by £203, repayments by settlers, to £903. Assistance was given to some sixteen settlers. This took the form of material for cow-sheds, farm equipment, fencing-material, fertilizers and seed, and sheep and dairy heifers. Oats and maize were cultivated, while units in occupation of rye-grass paddocks closed these for seed. The Supervisor reported in December, 1931: "Under favourable conditions things would have been very satisfactory, but the majority of the crops have been spoilt through the dry season. The maize crops up to the present are very good, oats are poor, and rye-grass paddocks in common with all others in Hawke's Bay have suffered badly and the harvest will be below average. A number of areas have not been fully utilized, and the work has been carried out piecemeal in most instances. This is due to the fact that the season was well advanced before a start was made, and under the circumstances as much as possible has been done. Next season it will be possible to have things properly organized and running smoothly." On the other hand, the short supply of rye-grass seed and the great demand for it in the autumn of 1932 raised the priced to a high figure. One settler who received assistance from the scheme did so well with his seed that he paid his loan and had a substantial surplus in hand.

The results of the scheme in the short time since it was put into operation were sufficiently encouraging to justify increasing the provision on the estimates for the current year, so that more units might be helped.

(b) Manawatu.

On representations from the Unemployment Committee at Foxton, who asked that some work be found for registered Natives on land-development, and indicated the Matakarapa Block, steps were taken to ascertain whether the area was suitable for development under the Department's scheme and whether the owners were willing to submit the land thereto. Hone Makemereni (J. MacMillan) also made representations in regard to this block and as to the conditions at Ohau and other parts of the Manawatu district. Everywhere the depression and unemployment were pressing heavily on the Maoris of Manawatu.