

has been expended in this direction, and in view of other development schemes, notably the Ngakuru Block under the control of the Lands and Survey Department, it is suggested that expenditure on this type of land should be held in abeyance until the results can be more definitely gauged. Our investigations disclose that the cost of development of pumice lands is in the vicinity of £20 per acre with a heavy maintenance cost for the first few years. This being the case, it is difficult to justify development at such a cost, and if pumice lands cannot be brought into permanent pasture at a more reasonable price, then they would be better left in their natural state until the finances of the Dominion are in a more buoyant condition. **Experimental development work of this nature may be justifiable if done out of revenue, but if financed from loan funds, on which interest and amortization charges must be met over a long period of years, they are definitely uneconomic.**

245. In the case of one Maori Land Board the development schemes are scattered over a wide area, and are mostly under the supervision of an officer who until recently was employed as a clerk-interpreter in the Native Land Court. **We cannot regard this officer as having sufficient experience and farming knowledge to enable him to instruct the Natives and to obtain the best results from the money spent.**

246. There have been large sums of Maori Land Board funds invested in the development of "bush-sick" land. In one case an area of 2,615 acres adjacent to Rotorua was taken up and has been brought to the production stage by clearing, grassing, &c. Two areas of healthy land were acquired to enable the stock to have a change of pasture and the prices paid were £5,000 and £2,000 respectively. During the past two years farming operations have resulted in substantial losses, and up to the 31st March, 1932, approximately £38,000 had been expended on this scheme, but the land has not yet been subdivided for occupation by individual settlers. In the first place, the scheme was too ambitious for a Maori Land Board to undertake with its limited funds, and the Board concerned cannot now complete what it set out to do. Secondly, the risk of spending so much money on country known to be "bush-sick" appears to have been too great.

247. Yet another matter in connection with this scheme is the payment to the owners of an annual rental in respect of property which is being developed for their benefit or future occupation. Some of the owners also receive wages for work done, and in the circumstances the principle of paying rent which comes out of capital is entirely wrong.

248. These are but a few examples of the extent to which developmental works have been financed and carried out, mainly under the control of Maori Land Boards. This is but one of the functions which have been delegated to them by the Native Minister, and is not normally part of their duties. **They have not the administrative machinery to assume responsibility for work of this description, and we are of opinion that the administration should be strengthened if it is decided that the work should still proceed.**

249. We are, however, doubtful of the wisdom of expending large sums of money on the development of inferior country, particularly pumice and "bush-sick" country where development is still in its experimental stages. It would be better to concentrate on one area only of pumice or "bush-sick" country, bring it to the production stage, and assess the economic results before expending large sums of money on doubtful schemes.

250. It will be appreciated from the above review that the duties of the Department in regard to the development of Native lands and loans to Natives are to a degree involved with Maori Land Board finance. In fact, the tendency has been to treat the Maori Land Boards as district offices of the Department, but not all the schemes administered by them are financed from the Boards' funds. The Native Land Settlement Account is also involved.

251. The Head Office is generally concerned with the administration of the Native Land Act, a voluminous measure dealing with all aspects of Native-land policy, including the judicial functions of the Native Land Court. It must be accepted that the Native Department is a necessity, and, as we cannot conceive any other organization in the Public Service by which the work could be undertaken, we do not propose to review the normal functions of the Department in detail.

252. The Department is also concerned with the granting of relief to indigent Natives. The sum of £7,000 is provided each year under the Civil List for this purpose, and of this amount £3,000 is allocated among a large number of individual Natives, approximately 200, chiefly in North Auckland and the Bay of Plenty districts. The practice is for the Department to give orders to storekeepers for the supply of goods up to approximately £1 per month each. In addition to this, the sum of £3,600 is paid annually to the Health Department for medical and nursing services supplied. This is but a minor phase of the Department's activities. In our interim report we recommended that the annual grant of £7,000 under the Civil List Act be abolished, and after further inquiry we see no reason to depart from the recommendation then made, particularly in view of the extent to which relief is provided from other sources.

253. The administration is also concerned with appeals from decisions of the Native Land Court, as these are in all cases referred to Head Office for consideration by the Chief Judge preliminary to being sent to the Appellate Court.

#### *Maori Land Boards.*

254. We have already referred to the duties cast upon Maori Land Boards in connection with the development of Native land and the making of advances to Natives.

255. These were not the basic functions of the Boards, which were first established in 1900 as a measure of protection for the Natives. Prior to that year the restrictions on sale or other disposal