

numbers of owners of an area and their opposition to the Department's land-development programme renders it advisable meanwhile to lease the area, provided that an adequate rental is received and the covenants of the lease observed. Some forty-eight leases covering an area of 4,255 acres, forty-two sales comprising 797 acres, and eight grants of timber-entailment were confirmed during the year.

*Maori Land Board.*—During the year there has been no decrease in the financial activities of the Board both as to receipts and expenditure, nor in the number of transactions recorded. The proceeds of alienations have been closely controlled on behalf of the beneficiaries, and wherever it is considered expedient the Court has required that purchase-money, royalties, or rents be paid to the Board for distribution to the owners, thus ensuring that amounts are received and covenants performed.

At 31st March, 1940, the financial position of the Board was as follows:—	£
Total receipts	49,368
Total disbursements	44,563
Liability to Native beneficiaries	63,321
Cash balances	5,507
Special investments	26,597
Common Fund investments	88,411
Invested in farming property	53,005
On deposit with Native Trustee	35,406

*Native Housing.*—The programme to provide better living-conditions is proving particularly effective in the Town of Rotorua and its environs, where close contact with the Public Works Department can be maintained. During the year five houses have been completed under the Native Housing Act, while nineteen houses have been erected or repairs and renovations carried out for indigent Natives.

### *Aotea District.*

*Native Land Court.*—The volume of business dealt with by the Court in this district during the past year showed a material increase on the figures for the previous year. Sixteen sittings were held throughout the year at Wanganui, New Plymouth, Hawera, Taumarunui, and Tokaanu. Out of a total of 5,877 cases advertised for hearing, 1,500 were dealt with, 1,113 orders were made, and fees totalling £930 were collected.

In some cases where miscellaneous orders were made the Court was called upon to exercise many phases of its wide powers and jurisdiction in regard to Natives and Native land. The number of rate-charging orders showed a considerable increase on the figure for the previous year. This is regrettable, and reflects a degree of disinterestedness on the part of the owners. It may, however, be due in part to a lack of effort by certain local authorities to exercise their ordinary legal remedies of recovery against the occupiers of areas of Native land, which are, in many cases, being utilized by persons other than the beneficial owners.

There was a considerable volume of applications for confirmation of alienations during the year, and with these applications it is the practice of the Court to investigate each case exhaustively and to refuse confirmation unless it can be established that the alienation is in the interests of the Native owners. During the course of these inquiries particular attention is paid by the Court to the possibilities of the owners themselves utilizing the land in question by means of the various forms of financial assistance provided by the State to encourage Natives to become primary producers and self-supporting economic units. Only under special circumstances are sales authorized. In practically all cases where the consideration is substantial the Court exercises its jurisdiction to enable it to control the expenditure of proceeds in order to ensure, as far as possible, that a substituted asset of some form or other is acquired by the vendor. This policy has enabled a number of Natives to improve their housing-conditions, while many others have had live-stock or household furniture acquired on their behalf.

The large areas of indigenous forests in the district and the increased demand for timber has resulted in a number of alienations of timber lands being submitted to the Court for approval. Every effort has been made by the Court to ensure that the areas alienated are exploited on an economic basis and that the interests of the beneficiaries are effectively safeguarded. In this respect the Court has had the assistance and co-operation of the State Forest Service and its officers, and desires to express its appreciation of the services rendered.

*Maori Land Board.*—In addition to its functions associated with the administration of the large areas of vested lands under its control, the Board has continued its policy of utilizing its surplus funds by granting loans on mortgage to Natives for the purpose of farming or erection of dwellings. Under this heading advances totalling £7,685 were made—£1,050 for farming, £2,625 for housing, and £4,010 for discharge of existing encumbrances or liquidation of liabilities.

The financial transactions of the Board have been maintained, net receipts, excluding withdrawals of deposits with the Native Trustee, amounted to £98,477, while payments aggregated £127,019, made up of 2,265 individual receipts and 11,284 individual disbursements.

As agent for the Native Trustee in the collection and disbursement of revenue accruing from West Coast Settlement Reserves, the Board's functions and duties have been largely augmented. However, with the installation of various mechanical office appliances it has been possible to reorganize the accounting system and thus not only to cope with the expansion, but also to provide for efficient and expeditious accounting in accordance with modern commercial practice.