C.—4.

Owing to the exceptionally heavy timber encountered, the dredging of the Kaikokopu and Mangatoetoe Streams proved a very difficult piece of work. This was completed during the period, and immediate relief given to the area of waterlogged country adjoining. Maintenance dredging was continued northwards in the Kaikokopu Canal to remove the pumice accumulated since the last dredging.

Classification and Rating.—Under section 3 of the Swamp Drainage Amendment Act, 1928, it was necessary to classify the lands in this district into four classes, of which one class was non-rateable. Two classifiers were appointed for this purpose—namely, Mr. G. H. Mends, of Paengaroa, the settlers' nominee, and Mr. A. C. Sutherland, of Whakatane, by the Crown. The settlers had the right of appeal, and thirteen objections were received. These objections were heard before a Magistrate, and in eight cases the classification was sustained, whilst in five cases in the upper Kaikokopu the classification of the flat land was altered from B to C.

The following schedule shows the final classified areas and valuations for same in the three wards into which the district has been divided:—

·			Class.	Area.	Valuation (Unimproved).
Pukehina Ward			A	Acres. 2,187	4,990
			$\frac{\mathrm{C}}{\mathrm{B}}$	$163 \\ 1,371$	770 5,617
Central Ward	• •	• •	A B	$3,494 \\ 74$	$22,575 \\ 850$
Kaikokopu Ward	• •		A B	$\substack{3,314\\325}$	$25,142 \ 2,264$
			$^{ m C}_{ m D}$	$\begin{array}{c} 263 \\ 7,832 \end{array}$	1,847 40,370

Of the three above wards, the Pukehina and Kaikokopu Wards are liable for rates on account of capital expenditure, the amounts chargeable to each being £5,000 and £7,500 respectively, and rates were struck for 1929–30 to produce interest and sinking fund on the above amounts. In addition, rates for maintenance were struck over the whole area.

Dredges.—Monighan No. 17 was employed continuously throughout the period, and completed a total length of 132 chains of new canal, 38 chains of this being redredged to remove pumice deposit. A total of 110,698 cubic yards of spoil was moved on this section. In addition, a length of 78 chains of maintenance dredging was completed, the spoil removed on this section totalling 37,180 cubic yards.

Maintenance.—All hand drains were cleaned during the year, and repairs were carried out to stop-banks and flood-gates as required. A Calco flap was fitted to concrete flood-gate to replace one broken, and one new Calco flood-gate was erected. The length of hand drains cleaned during the year was 50 miles 70 chains.

Relief Works.—Relief workers were employed on drain construction and deepening work in the flax-lease area between the Wharere and Pongakawa, and on widening and deepening drains in the Waewaetutuki Block. A length of new drain and reconstruction of a private drain was commenced to give relief to the area adjoining the upper Kaikokopu. During the period a total of 244 chains of new drain was constructed, and 794 chains of old drain widened and deepened, the spoil removed totalling 26,050 cubic yards. Where possible this work was done by co-operative contract.

Flax-culture.—Although an improvement on past years is noticeable in the growth of flax on the Crown lease eastwards of the Wharere Canal and the leaf has generally a healthier appearance, the quantity of millable flax obtained has been considerably below expectations. The lack of ample freeboard and the slow rate of drainage in the partly consolidated areas make the provision and maintenance of adequate internal drainage an expensive matter, though absolutely essential to the promotion of a quick and healthy growth of flax. A certain amount of drainage has been done during the year by the lessees and also by the Department, but it will be some time before the full benefit of this accrues. In the meantime it is essential that these drains be maintained to their full efficiency. Very little progress has been made during the year by the lessee of the small flax leases westwards of the Wharere Canal.

Surveys.—Twelve miles of levels were run in connection with drain contracts and the new drains in the flax leases laid out on the ground.

Future Work.—Completion of Kaikokopu and Wharere Canal dredging, and the maintenance and minor improvement of existing works.

Expenditure.—The expenditure for the year was £5,434 13s. 5d., of which day labour absorbed £1,838 9s. 3d. and thirty-seven piecework or co-operative contracts accounted for £1,644 16s. 11d.

## Poukawa Drainage Area (13,567 Acres), Hawke's Bay County.

As stated in last annual report, the present scheme of works provides for the lowering of Lake Poukawa by some 6 ft., leaving the subsidiary drainage to the landowners concerned.

Dredging operations on the main outlet channel from Lake Poukawa were commenced early in April by No. 5 Priestman dredge.