

An expert Board that was appointed to make an economic study of the reclamation policy of the United States of America, in a report recently presented to Congress, stated as a general rule applicable throughout progressive parts of the world that "Every agricultural community maintains an equally populous non-agricultural community, and every unit of agricultural capital leads to the formation of non-agricultural capital twice its own magnitude." From New Zealand statistics and an estimate of the aggregate income of individual members of the community prepared from census returns it was found that the ratio of general taxation to total income for the year ending 31st March, 1926, was about 1 to 7. On this basis, from a recorded production of £5,000,000 from the Hauraki Plains the total revenue collected would be about £700,000. If this extra revenue produced from the reclaimed land could be considered as part of the return from the investment, it would be more than sufficient to write off the difference between the capital expenditure and receipts from rent and sale of Crown lands to date; and on completion of the scheme the total receipts would exceed the total expenditure. When the scheme is completed the private income of the community will be permanently increased by £750,000 per annum, and from this amount the Consolidated Fund will receive over £100,000 annually. Though this presentation of the case has obvious weaknesses, it may help to convey an idea of the importance of the Hauraki Plains reclamation operations from a national and local standpoint. Broad vision is often obstructed by the difficulty in finding means to give definite values to vaguely recognized national benefits resulting from large-scale development works.

The past year has, unfortunately, been one of low prices for farm-products. Dairy-produce has increased in volume, but the quantity of fibre and tow has declined to about one-third of the previous year's production, and the total values recorded have decreased from the peak of £595,176 for the year 1929-30 to £421,195. The quantity and value of the principal products of the district for the year 1930-31 are given below. The figures in parentheses are the quantities for the previous year:—

					Tons.	Estimated Value. £
Butter produced	..	..	..	..	2,326.15 (2,584)	262,109
Cheese produced	..	..	..	..	2,564.5 (1,686)	109,550
Fibre and tow	..	..	..	..	371.5 (969)	7,080
Estimated value of stock sold	..	..	..	..	..	42,456
						<u>£421,195</u>

Cargo received and despatched over Piako River wharves, including road-metal, amounted to 26,872 tons (31,971).

The Ngatea Dairy Factory, which is supplied entirely by the reclaimed-swamp farms, has the distinction of winning the Weddell Cup for three consecutive years. This cup is awarded for the highest average grading points for butter in the Auckland Province.

A land ballot held in May, 1930, for an area of 1,371 acres, subdivided into twenty-three sections, on the Kerepeehi Block, attracted nearly two hundred applicants. The successful selectors have made amazing progress during the short period of occupation. Houses have been built on most of the sections, and several dairy herds have been established and have been producing during the past summer.

Owing the low market price of hemp, flax-milling has almost ceased temporarily. Four millers have been operating for short periods, and one of these has had the misfortune to lose practically his entire crop of flax by a fire which swept the Torehape district in the late summer and destroyed several thousand tons of growing flax. The annual loss caused by swamp-fires has been frequently referred to in previous reports, and each succeeding year helps to confirm the opinion that some provision for the control and prevention of fires on the lines of the fire district system of the Forests Act, 1921-22, is absolutely necessary for the full development of the flax industry in this district.

Rainfall at Kerepeehi for a period of fifteen years is given in the table below. In 1930 there were 146 days with rain, and the total fall was 37.72 in., which is below the average for Kerepeehi. The falls generally were not heavy, and very seldom indeed has the district experienced a period so entirely free from even minor floods. As the result of the moderate rainfall, feed has been more than usually plentiful during the summer, but growth was somewhat retarded by cold weather in the early spring.

RECORDS OF DAILY PRECIPITATION, KEREPEEHI, HAURAKI PLAINS.

Year.	Number of Days, with given Daily Precipitation in Inches.													Total Days.	Total Fall.	Wettest Month.	Driest Month.
	0.00 to 0.49.	0.50 to 0.74.	0.75 to 0.99.	1.00 to 1.24.	1.25 to 1.49.	1.50 to 1.74.	1.75 to 1.99.	2.00 to 2.49.	2.50 to 2.99.	3.00 to 3.99.	4.00 to 4.99.	5.00 to 5.99.	6.00 to 7.00.				
1916 ..	109	12	9	7	2	3	..	1	..	..	1	..	..	144	Inches. 52.19.	In. Nov. 6.65	In. Feb. 1.05
1917 ..	131	11	4	4	3	..	1	1	1	..	..	..	..	156	45.61	Feb. 6.26	Jan. 0.65
1918 ..	145	14	6	4	..	1	..	..	1	..	..	..	..	171	44.06	Oct. 7.47	May 2.24
1919 ..	122	9	1	3	2	..	..	..	..	..	..	..	..	137	27.36	July 4.52	Dec. 0.89
1920 ..	85	7	10	3	1	1	3	2	..	..	..	..	..	112	43.16	Feb. 6.10	July 1.73
1921 ..	93	12	5	3	2	..	..	1	..	..	..	..	..	116	34.41	Oct. 5.89	Feb. 0.72
1922 ..	101	17	9	3	..	1	1	..	1	..	..	..	..	133	42.81	Feb. 6.62	April 1.73
1923 ..	151	6	5	4	..	1	1	..	..	..	..	..	1	169	47.04	April 9.76	Mar. 1.72
1924 ..	132	8	10	5	2	5	1	1	..	2	..	..	..	166	60.37	April 8.55	July 1.87
1925 ..	142	15	4	2	..	..	..	1	..	..	..	..	..	164	37.64	June 6.67	April 0.84
1926 ..	149	15	6	4	5	2	2	..	..	..	..	..	..	183	55.53	May 8.86	Feb. 1.79
1927 ..	159	10	6	5	..	4	..	..	..	..	..	..	..	184	45.33	July 6.29	April 2.01
1928 ..	125	7	9	2	3	2	2	1	..	..	..	..	..	151	47.30	May 7.52	Jan. 0.01
1929 ..	124	19	8	3	1	..	..	..	..	..	..	..	..	155	41.05	April 5.09	Feb. 0.74
1930 ..	131	4	2	2	3	..	2	2	..	..	..	..	..	146	37.72	Jan. 6.87	Dec. 0.80
1931* ..	30	..	1	..	..	..	..	..	..	1	..	..	..	32	7.66	Jan. 5.30	Mar. 0.98

* First three months of year only.

Average annual rainfall over fifteen years is 44.11.