

In the section dealing with the Ngatiawa scheme reference was made to the use of heavy cattle for crushing fern and consolidating pastures. This policy was adopted in the autumn of 1932 on the newly grassed portions of Section C, with excellent results.

The results of the expenditure to the end of March, 1932, may now be summarized.

*Progress to the 31st March, 1932.*

Area in Grass.	Section A.		Section C.		Total.	
	A.	R. P.	A.	R. P.	A.	R. P.
Area in old grass reconditioned .. ..	1,193	3 32	81	3 0	1,275	2 32
Rough pasture improved .. ..	643	3 5	102	2 12	746	1 17
Area sown in 1930 and 1931 .. ..	731	0 5	441	3 27	1,172	3 32
Area cultivated ready for sowing, but sown after financial year	2,568	3 2	626	0 39	3,195	0 1
	171	1 28	154	1 0	325	2 28
Total .. ..	2,740	0 30	780	1 39	3,520	2 29

The figures compiled by the Farm Supervisor at the commencement of the Department's administration of the Ruatoki lands have been questioned, and are misleading. Reliable figures were not available until the position as at the end of March, 1932, was carefully reviewed. It was then stated that there were 1,010 cows and heifers being milked by sixty-eight individual settlers, who received assistance from scheme funds. Of these cows, 520 were supplied by the Department as heifers. By culling, the number of cows to be carried into the 1932-33 season was reduced to 972, and there were 160 springers bred on the settlement and 250 more, purchased in Waikato, ready to be added to the milking herds, making in all 1,382. There were also 163 yearlings and 73 bulls.

The deductions from milk cheques were sufficient to meet the interest charges to the 31st March, 1932. The settlers were able to pay £1,071 during the 1931-32 financial year, and it was anticipated that this amount would be more than doubled in the following season. All chattels supplied by the scheme funds, as well as the dairy stock taken over from the settlers, were secured to the Department by bills of sale. The Department insisted on total assignments of the milk cheques, but retained only one-third, in some cases less, according to the circumstances of the settlers. Those who had large herds and were in a good position were expected to repay the cost of fertilizers used by them as well as interest on their loan accounts. The number of settlers assisted at the 31st March, 1932, was 120, including those who had not commenced milking. The gross returns to settlers from milk supplied to the factory during the financial year 1931-32 was £6,257 ; and it was estimated that for the current year they would reach £9,000. The latter estimate, however, did not anticipate the severe fall in the price of dairy-produce.

The Native Land Settlement Account is further secured by a first charge on the Ruatoki lands, the value of which even at the bed-rock valuations of this unprecedented depression should satisfy the Treasury of the country. One may add to all that has gone before that the best security is the character of the vigorous, industrious, and now well-disciplined Ruatoki community, which is putting forth its full strength under the leadership of their own chiefs and the direction of officers who understand them and in whom they have every confidence.

(n) RUATAHUNA.

This scheme was undertaken in March, 1931, for the relief of distress arising from unemployment and the loss of crops in the Ruatahuna Valley. This valley is situated on the head waters of the Whakatane River, and is traversed for the greater part of its length by the Rotorua-Waikaremoana-Wairoa Highway. The Natives had effected extensive clearings on the forest lands bordering the highway and established pastures, the chief grass being cocksfoot ; but the improvements had deteriorated badly, the clearings reverting to second growth and the fencing falling into disrepair.

When a visit was made to the valley a week after the Hawke's Bay earthquake of 1931 the lands carried a few head of cattle and horses, but no sheep. The plight of the inhabitants was apparent. It was arranged that if they pooled their pastures for a communal flock of sheep, and agreed to subject their lands to a development scheme, the Department would supply the sheep and assist them with material for repairing their fences. It was also arranged to provide relief through unemployment contracts for scrub-cutting and fencing and to issue food-supplies through the Maori Land Board.

Owing to its distance from Rotorua it was not possible to keep in close touch with the details of the work on this scheme. But the difficulties of supervision were minimized by simplifying the scope of the Department's liabilities and by the appointment of a reliable foreman, who was a good stockman, to oversee the contracts and look after the sheep.

The clearings extended over a number of blocks. For security purposes the full area comprised in the titles to such blocks was brought under section 23 of the 1929 Act, amounting to 12,182 acres 2 roods 7 perches. The estimated area of the clearings was 3,000 acres. A further area was added in August, 1931, a Crown lease of 1,466½ acres.