

1937.
NEW ZEALAND.

NATIVE LAND DEVELOPMENT

REPORT ON—BY BOARD OF NATIVE AFFAIRS.

Presented to both Houses of the General Assembly by Leave.

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GENERAL REPORT.

THIS report, dealing with the operations of the Board of Native Affairs during the financial year ended 31st March, 1937, provides a summary of the principal activities undertaken throughout the year in connection with the development, settlement, cultivation, and farming of Native lands, and is in continuation of previous statements presented to both Houses of the General Assembly during the past six years.

The results which have attended the agricultural schemes, which were initiated in 1930 for the settlement of the Maori people and the improvement of their lands with the aid of public funds, are distinctly encouraging, and the experience gained in the course of development will be of immense value in establishing further undertakings. The progress made in recent years in the solution of Native land problems, the vast changes that have taken place in Maoridom since primordial times, the effect of Western culture upon a people living in a Stone Age, are matters of more than passing interest, and a brief reference to the evolution of the first inhabitants of this country is perhaps not out of place in this report.

The life of the neolithic Maori centred around the canoe. Descended from a maritime race of hardy adventurous sea-rovers who ranged the southern ocean, his primitive craft, hewn from kauri or totara tree, was of vital importance both in times of peace and war, as a means of procuring food, for inter-communication and trade, for sport and recreation, and for hostile expeditions. Perfectly carved with inferior stone tools, decorated, painted, plumed, and inlaid, it was at the expense of labour, perseverance, and ingenuity a masterpiece of art and technical skill. Gradually the wanderlust subsided as each tribe sought out an empty territory for itself, and each district became the land of a clan, but, always needing fish, they built their villages near beach, river, or lake, and the canoe remained indispensable to their needs. With the advent of Western civilization, and the acceptance of European standards of living, the land to-day has taken the place of the canoe of by-gone years. The future of the Maori, his material existence, his economic, physical, and social welfare, is indubitably bound up in the soil from which alone the great majority of his people can win an independent livelihood. Specially adapted for rural life, naturally industrious, if at times spasmodic in his efforts, his tastes and inclinations are now centred in the remaining lands of his ancestors which must always represent his principal means of subsistence—in other words, his canoe.

A study of the early Native land laws, down to the last generation at least, reveals the fact that, however benevolent the intentions of the Legislature may have been towards the Maori race, the effect of numerous statutory enactments was mainly to encourage and facilitate European settlement and thus separate the original owners from their lands. Prior to 1905 there was no legislative regulation fixing the minimum price to be offered by the Crown for Native lands, there was no restriction on the prodigal expenditure of the proceeds of sales, and no provision for ascertaining whether the Native vendors retained sufficient lands for their occupation and maintenance. The danger existed that Natives could, if unchecked, divest themselves completely of their landed estates as the result of a system which had persisted for more than half a century. Undoubtedly public opinion has been awakened during the last two or three decades to the need for preserving the remaining Native lands for the wants of an increasing Maori population, and the vesting of large areas in statutory bodies, the incorporation of owners, and consolidation of interests have been important steps in this direction. Purchases by the Crown have now practically ceased and the interests of owners are to a great extent safeguarded by the Native Land Courts.

The policy to-day is to assist the Maori to develop and farm his lands, to train him in those branches of agriculture most suited to his needs, to profitably

occupy and improve his idle territory, to settle and cultivate the remnants of his tribal inheritance, and with the assistance of State funds to rehabilitate and establish him as a producing and self-reliant citizen.

Nearly three-quarters of a million acres of Native land have now been brought under the development provisions of the Native Land Act, and of this area 177,000 acres are in the process of cultivation and improvement, or are being farmed as settled holdings. Twenty-one new groups for development and settlement, embracing an area of 36,000 acres, were brought into operation during the year under review, bringing the total number up to ninety-four of these schemes. The number of individual farmers or units already established at the 31st March, 1937, was 1,482, and it is estimated that these settlers, combined with other farm workers, support a population of sixteen thousand people. Satisfactory progress has been maintained throughout the year in the task of bringing in virgin country, preparing the land for permanent pasture, maintaining grasslands already established, controlling the spread of noxious weeds, and improving and developing the allotments of individual settlers. On unit holdings the necessary work of fencing, draining, cultivating, top-dressing, installing water systems, planting shelter-belts, and erecting outbuildings has been steadily advanced, and due attention has been given to proper methods of stock husbandry and conservation of winter feed. One hundred and eighty-two new cottages were built for settlers during the twelve months covered in this statement.

The most welcome feature of the farming year was the high prices realized for wool and lamb, which, together with a satisfactory increase in the volume of production, both from the dairying and pastoral operations on the State schemes controlled by the Board, are reflected in the record returns for the year. Revenue receipts from all sources amounted to £169,590, in comparison with £129,787 for the previous year; the department's proportion from dairy-produce—usually one-third of the total butterfat sales—was £77,032, as compared with £51,334 for the season before; wool sales realized £33,131, as against £11,656, an increase of £21,475; and the proceeds from sheep were £41,406, whereas in the corresponding previous year the sales amounted to £34,431. Altogether farming returns from the State schemes show an increase of 30 per cent. over the year 1935-36. On the Native Trust and Maori Land Board stations, which also come under the jurisdiction of the Board of Native Affairs, the steep upward trend in wool-prices resulted in gratifying returns, the total sales from 1,965 bales realizing £41,787 net, in comparison with £21,843 from 1,880 bales for the previous year. The East Coast Trust stations also benefited as a result of the high prices prevailing, the wool-clip returning £43,383, as compared with £22,880 for the 1936 season.

During the year most districts were favoured with climatic conditions suitable for those engaged in dairying and pastoral pursuits. A comparatively mild winter followed by an early spring resulted in dairy herds coming into profit in good condition, and the production of butterfat was well maintained. The generous rainfall experienced throughout the year caused good pasture growth and a plentiful supply of green feed was available for stock purposes, but in some districts broken weather affected haymaking operations and the supply of winter fodder. The lambing season was satisfactory, and owing to the excellent summer growth of grass no difficulty was experienced in fattening surplus stock on development schemes and other properties.

The Ahuwhenua, "Son of the Soil," Trophy presented by Lord Bledisloe during his term as Governor-General of New Zealand for competition by Maori farmers on Native-land-development schemes was awarded last year to a sheep-farming member of the Ngati-Porou tribe residing at Horoera, near East Cape, in the Waiapu County. This competition, which is held annually, is a definite incentive in fostering a spirit of emulation and friendly rivalry in farming among the Maori people, and the dedicatory inscription on the Cup, freely translated, reads appropriately thus: "The triumph of the warrior may fade, but he who conquers the soil gains a lasting victory." In stating that there was very little difference between the first six contestants, the judge, in making his award, commented on the general high standard attained in regard to management of stock and pastures, control of weeds, and maintenance of properties.

The relief of unemployed Maoris still enters largely into the scheme of operations undertaken by the Board, and grants totalling £227,600 from the Consolidated Fund and the Employment Promotion Fund were expended during the year in providing suitable occupation for Natives requiring assistance. Only Maoris who have registered with the Labour Department as unemployed persons are eligible for relief, and the funds placed at the disposal of the Board are utilized in subsidizing the labour-costs on the State schemes, rendering assistance during the winter months to settlers whose returns are insufficient for their maintenance, and developing other properties farmed under the Board's direction. All work is carried out on the contract system, under supervision, and, on the whole, good value is obtained for the expenditure incurred. On scheme lands the number of Natives assisted throughout the year was 2,884, and approximately 1,000 more were engaged on other Native properties.

The success which hitherto has attended the land settlement and development efforts of the Board is encouraging, and it is reasonable to assume that a continuation of the present policy of assisting the Maori to follow his natural calling—the cultivation of the soil—will be the means of revivifying a race of people who were the first settlers in this country and whose future has become increasingly difficult and more complicated. The welfare of the Native is inextricably bound up in his lands, and the development of the people can best be achieved through their effective settlement on these lands. But the process will be gradual, and its beneficial result will be more apparent in the next generation of Maoridom.

The housing conditions of Maoris is now a matter that is receiving the attention of the Board, which is empowered under the Native Housing Act, 1935, to make advances upon reasonable security for the erection and repair of Native dwellings out of moneys appropriated by Parliament for this purpose. A survey of the existing situation is in progress and the Government has intimated that a substantial sum will be available during the coming year for housing requirements. Applications, which are coming in freely, are now being considered by the Board, and the present indications are that this activity will become one of great importance.

The Board, in conclusion, desires to express its appreciation of the loyal support and co-operation of officers of the Native Department, who, in spite of heavy demands, have willingly devoted their best energies to furthering the work of the Board.

Accompanying this statement are individual reports on the schemes, farms, stations, and other activities controlled by the Board, together with detailed returns and statistical tables concerning the Board's operations.

M. J. SAVAGE,
Chairman.

PART I.—STATE DEVELOPMENT SCHEMES.

THE most important of the schemes now in operation for the development of the lands of the Maori people, and for assisting them in farming, are those which are financed out of moneys provided by the State and which are administered by the Board of Native Affairs, under the authority of Part I of the Native Land Amendment Act, 1936, which repealed and replaced section 522 of the Native Land Act, 1931.

For purposes of administration these schemes are grouped in Maori Land Board districts, and it is proposed in this part of the report to review their operation during the past year. It may be mentioned by way of introduction that there are three classes or kinds of schemes which come under the above heading, viz. :—

- (1) Land-development schemes : Which have for their object the development and settlement of blocks or compact areas of Native land—*e.g.*, Horohoro and Waimiha.
- (2) Unit development schemes or settlers' farms : For further developing small holdings of lands already settled on or being farmed by Native individuals or families—*e.g.*, Bay of Islands and Ruatoki.
- (3) Base farms : Which have been established for the purpose of assembling, holding, and distributing live-stock to surrounding schemes—*e.g.*, Manukau Farm.

TOKERAU MAORI LAND DISTRICT.

North Auckland, washed by the waters of the Tai Tokerau—the Northern Sea—has always been a district of importance in the Maori mind. Here the early voyagers from Hawaiki often made their landfall, and again their point of departure on setting forth for their island home, as is witnessed to this day by the name Hokianga-a-Kupe—the departing place of Kupe—the most celebrated of Polynesian navigators. Not only did their canoes make North Auckland the point of approach, but also the souls of their dead journeyed to Cape te Reinga (Spirits Bay), and thence passed into the unknown.

The population of the northern peninsula, representing the ancient domains of the Ngati-Whatua, Ngapuhi, Te Rarawa, Ngati-Kahu, and Te Aupouri peoples, is to-day estimated at 20,500 Natives. It must have been considerably more in early times, and even in Captain Cook's day it was extensive, but the earlier evidence of the hill forts at Ohaeawai, Pakaraka, and elsewhere, shows that the population, even a century ago, was then but a remnant of what it must have been. Even so, the earliest representatives of European civilization found the country populated by a stalwart and warlike people anxious to learn what the pakeha had to teach them. History relates the variety of lessons learned from the early adventurers, the whaler, the trader, lessons not always exemplary to the savage scholar, but, withal, tempered by the true principles of Christianity and the influence of the missionary.

The first epoch of the impact of European civilization on the Maori life was, on the whole, filled with stirring events. Ushered in by some years of bloodshed and strife, when the strongest Maori chief was he who possessed the greatest number of muskets, the day when the Treaty of Waitangi was signed in 1840 at the Bay of Islands must be regarded as of far-reaching importance in the latter-day annals of the Maori race. The treaty was his Magna Charta, the guarantee of his freedom and security. Henceforth the river of Maori life was to follow a new course—the course of progress. At times advancement has been slow and even seemed to have stopped, but the current in the main has flowed steadily on. The flag of progress hoisted on H.M.S. "Herald" off Russell in 1840 still flies undaunted, even though it has been obscured at times by the smoke of sacked and burning Kororareka and the battle cloud of Ruapekapeka.

Slowly, therefore, times were changing, perhaps a little slower in North Auckland than elsewhere, owing to its comparative isolation, but nevertheless surely. The whaler had departed, but his doubtful influences had remained—the settler colonist had arrived; there was bush to be felled; fences to be erected; gum to be dug; and a host of activities where the Maori could and did play his part. He did wonderful work in the bush, the farms and mills of Tokerau, but with few exceptions his remaining lands lay undeveloped. The remnants of his communal cloak were still upon him, and it prevented him, by reason of the title, from working his land as an individual, decreeing that his earnings in working for the pakeha should be shared and not saved.

A definite movement in recent years to end this impasse is seen in the consolidation schemes of the Native Land Court. Briefly, the schemes aimed at the marshalling of scattered individual or family interests into workable areas. After consolidation, land-development was to follow. In the early stages of this programme development materially assisted consolidation by providing an incentive, but, unfortunately, the former is at present hampered by the incomplete consolidation of the lands, which latter process is tedious, requiring skilled and experienced staffs, which, owing to the pressure of other activities, have not lately been available. The devising of a means to speed up the progress of consolidation provides a problem, the solution of which will require to be found.

Consolidation, unemployment, and development are the trinity of ideas which faces the Department in this district. Consolidation preceded development, but unemployment is a recent complication, the "slump" conditions of the years of economic depression giving rise to this new problem for which means had to be devised to meet it. The obvious solution was to use the available Maori labour in the development of the idle Native lands, and unemployment-moneys were made available in liberal sums, the application of which has had gratifying results. The policy of the Department, however, has been to regard the expenditure of these moneys as a means to an end and not an end in itself. Native farmers have been subsidized liberally to perform capital improvements on their own lands, and landless unemployed Maoris have been given work on undeveloped Native lands. In spite of an inclination in some uninformed quarters to criticize this aspect of the Department's work, much good has been achieved, and any tendency to wasteful expenditure of earnings by the Natives has been checked.

Undoubtedly an overindulgence in noxious liquors has roused the ire of the European, but is not the motivating factor of such excesses to be traced to the influences of the whalers at a time when the Maori was assimilating European culture? At one time the North boasted many hotels and sly-grog shops, and time, and time alone, will stamp out this unsavoury feature of Native conduct.

A close supervision of the relief expenditure, which amounted to £139,831 at the 31st March, 1937, is essential, and the Natives are being taught to realize that the unemployment benefits may not always be available, that they must not be abused, and that their economic salvation lies in the increased productiveness of their lands and herds. The extent of the problem in the Tokerau district is shown by the increasing population which numbered at the 1936 census 20,642, whereas in 1926 it was 15,227. This steady increase of the Native population not only in the North, but the rest of New Zealand, is a factor which cannot be overlooked by the guardian State. Palliatives are of little use in overcoming the problems to be met, and results of lasting benefit can only be achieved by intensifying the development programme. Development is not an experiment. It has withstood the light of public criticism, and it is a fair claim to make that most of the expenditure involved is fully secured and that the Native race has benefited considerably from the assistance. In several of these northern counties the Native population is equal in numbers to the pakeha, and the future of these people is a problem of paramount importance.

There are 442,000 acres gazetted as being subject to development legislation, while it is estimated that further development assistance can be profitably given over approximately 205,000 acres, which area would be suitable for dairy and sheep farming. At the present time active farming is being pursued on an area of 69,023 acres, of which it is estimated 35,658 acres are in fairly good grass and the balance in rough pasture. At the 31st March, 1937, there were 695 settlers (excluding Te Kao Scheme) with definite tenures, and 297 other Native farmers who received unemployment benefits only. In addition, 605 other workers received some measure of employment. Dependent upon these settlers and other workers were 7,098 adults and children. The number, included in the above, who received assistance from the Employment Promotion Fund totalled 1,410. The total relief received from this source amounted to £66,000, which gave an average per man of £46 for the year.

The receipts from butterfat, being the Department's proportion, averaging one-third, which is the main source of revenue in the Tokerau district for the twelve months ending 31st March, 1937, amounted to £20,694, which gives an increase of £4,498 on the returns from the same source for the previous period. Receipts from all sources amounted to £29,187 for the year, being an advance of £7,107 for the same period last year. Unit and scheme stock being run as at 31st March, 1937, were as follows: 11,491 dairy cows, 4,733 other dairy, 730 run cattle, 647 bulls, 5,740 sheep, 189 working bullocks, 796 horses, and 2,340 pigs. The number of cows in milk at the flush of the season was 10,064, and it is obvious on the returns that extensive culling is required.

Work in the course of completion or completed at the 31st March last for the year under review on unit, scheme, and other properties on land gazetted as under the land-development legislation comprised 2,407 acres of bushfelling; 17,029 acres of clearing; the erection and repairing of 20,964 chains of fencing; the splitting of 37,505 posts, 313 strainers, and 153,550 battens; the construction of 12,820 chains of new drains, with cleaning of 3,470 chains of old drains; the cultivation of 2,622 acres; the formation of 620 chains of roads; the erection of 55 cottages and 58 cow-sheds; and the making of 77 culverts.

During the coming year it is hoped to extend direct financial support to an increased number of unit farmers, and to increase development on some of the larger schemes, and in particular at Waima, Pouto, and Ounuwahao. Herd-testing will be introduced in some districts, and by the increased use of fertilizers it is hoped to reap the fullest benefit from the guaranteed price of butterfat. In addition, an endeavour is to be made to reduce the herds to the true carrying-capacity of the present overstocked pastures. By such intensifications of supervision it is considered that maximum productivity will be achieved, and the Natives educated to be less reliant on unemployment assistance, and more appreciative of the efforts that are being undertaken in their rehabilitation.

Bay of Islands.

In the Bay of Islands and Whangarei Counties Native farmers are being assisted in the following localities: Motatau, Otrira, Waiomio, Pipiwai, Karetu-Waikare, Whangaruru, Rawhiti, Oramahoe, Waimate, Ngawha, Te Ahuahua, Kaikohe, Mataraua, Tautoro, Awarua, Pakotai, Whatitiri, Takahiwai-Otaika, Ngararatunua-Glenbervie, Ngunguru-Pataua, and Ruapekapeka-Whakapara. Under active development are 25,442 acres, of which 19,715 acres are grassed and in rough feed. It is estimated that there would be a further 70,000 acres suitable for development as sheep and dairy land in the Bay of Islands.

There are 213 units being assisted, besides 102 other farmers who received assistance from Unemployment Funds, while some 239 other workers also benefited. The dependants of these farmers and workers number 2,549 adults and children, making a total of 3,103 persons under the scheme.

The carrying-capacity varies, in some parts being one cow to the acre, and in others it may be one cow to three to five acres. Stock carried on unit and base farm properties at the 31st March, 1937, is estimated as follows: 3,881 dairy cows, 2,021 cattle, 781 sheep, 235 horses, 178 bulls, and 823 pigs.

The butterfat proceeds to the Department totalled £5,992, the number of cows in the flush season being 3,161; the wool cheque produced £223; and the cattle and sheep receipts were £191 and £297 respectively.

The necessity exists for closer supervision, the application of more manure to pastures, and the culling of stock, in order to ensure that the production per cow is improved. This is a most important function of the Department's activities, and every endeavour is to be made to obtain maximum production. A programme of building of cottages and cow-sheds is planned, and in time the shortage in this aspect of the developmental activities will be remedied, with consequent benefits reflected in the amelioration of the living conditions, and greater efficiency in the milking-shed management, with a consequent higher grading in cream-production.

The wet season experienced during the past year resulted in excessive flooding in parts, and considerable damage to fences and stock was occasioned. The pastures are in good heart and the stock are going into the winter in prime condition. Some portions of this area are thickly populated, and where this exists the administrative problems are intensified. The main work for the year on unit and scheme properties consists of 257 acres of bushfelling; clearing of 2,141 acres; 2,570 chains of new fencing, with 327 chains of repairs; splitting 4,325 posts, 22,300 battens, and 17 strainers; 1,406 chains of new draining and 385 chains of drain-cleaning; cultivation of 378 acres; 33 chains of roading; and the erection of 9 cottages and 18 cow-sheds. On other Native properties assistance from Unemployment Funds for the following work was granted: 457 acres of bushfelling; 2,832 acres clearing; 2,344 chains of new fencing, with 88 chains of repairs; splitting of 8,550 posts, 32 strainers, and 27,850 battens; 2,109 chains of new drains, with 146 chains of drain-cleaning; 282 acres of cultivation; 141 chains of roading; and the erection of 1 cow-shed and 4 cottages.

Hokianga.

In order that the extent of this area, of which 17,955 acres are under development, may be better visualized, the following localities comprised therein are cited: Waima, Taheke, Omanaia, Utakura, Otua, Whirinaki, Opononi, Waimamaku, Rangiahua, Motukaraka - Te Karae, Panguru, Rangi Point - Mitimiti, Pawarenga, and Mangamuka. The Native population in this area is greater than that in any other part of New Zealand, due, no doubt, to the suitability of the climate for cultivation at a time when the kumara was one of the main items of a food-supply, and an abundance of shell and other fish were always available. A contributing factor in the conservation of the large population has been the reluctance of Europeans to undertake settlement owing to the isolation of the area consequent upon the lack of roading facilities. In the Hokianga district to-day there are several compact Native settlements in the fertile valleys that the Maori has retained, the farms being in first-class condition, while the Natives are fairly well versed in farming practice. The cattle are in good condition, but the herds require to be tested if improved production is to be obtained. The living-conditions of the Natives are more advanced than in less-favoured localities, and consequently the higher standard is reflected in the health of the people.

Loan accounts are not showing any large liability, and thereby allow for further advances to be made to improve the productivity of the farms. The local dairy company, which the development settlers supply, has a larger percentage of Native suppliers than European, while a Maori director on the board of management watches their interests. It is interesting to note that the first Native suppliers to the factory were from the Whirinaki and Panguru settlements which, incidentally, are now the most progressive settlements in the North. At that time the Native interest in farming was practically nil, the main occupations being gum-digging, sawmilling, and bush contracting. Gradually as these occupations diminished in scope the Natives took up dairying, but their resources were limited and their main source of finance was through the dairy companies. That method of financing could be termed elementary compared with the system adopted under developmental measures, but nevertheless it attained its objective and resulted in the establishment of many Natives on their own lands. Since developmental operations commenced some seven years ago butterfat-production has been much increased, but further improvement is expected. In addition to the Natives engaged directly under the Department, there are a large number of Native farmers who receive unemployment assistance in the development of their lands, and this places an added responsibility on supervisors, and, *ipso facto*, detracts from the intense supervision so essential to success. There are 249 settlers established, while 119 other farmers received assistance from unemployment funds and some 276 other workers were engaged on this scheme. Dependent on these people are 2,726 other adults and children.

In the course of the year work on unit and scheme properties consisted of 901 acres of bushfelling; 2,751 acres of clearing; 5,438 chains of fencing, with 1,012 chains of repairs; splitting of 3,700 posts, 27,300 battens, and 32 strainers; 1,385 chains of new draining, with 306 chains of drain-clearing; 667 acres of cultivation; 65 chains of roading; erection of 15 cottages, 18 cow-sheds, and 4 culverts. On other Native properties works of a similar nature were carried out with assistance from the Employment Promotion Fund, and details of these activities are included in the table published on page 12 of this report.

The live-stock carried on unit and scheme properties at 31st March, 1937 was: 3,833 dairy cows, 1,765 other dairy stock, 102 run cattle, 78 working bullocks, 279 horses, 262 bulls, and 984 pigs.

The receipts for the year were as follows: Department's proportion of the cream return, £7,183; wool proceeds, £131; and sheep and cattle receipts, £114 and £68 respectively.

The constant issue of water from springs on the Panguru Mountain is being utilized as a water-supply for the Native farmers at Motuti. The scheme of reticulation is being installed under the supervision of the Public Works Department with Maori unemployed labour, and during the year two reservoirs were constructed, and the work generally is well forward. About thirty sections, extending over 2,500 acres, will be served in addition to the local school. The area is good dairying land, but is poorly watered, so that the installation of a good water-supply will materially assist dairying operations and also be beneficial to the health and well-being of the people.

Kaipara.

Included in this development scheme are the lands in the following localities of the Hobson, Otamatea, and Rodney Counties: Waihaua-Whakapirau, Port Albert-Batley, Kaukapakapa, Otakanini-Reweti, Pakiri-Mahurangi, Matakoho-Naumai, Opanake-Kaihu, and Tangiteroria. There are some 7,298 acres under active development, of which 5,000 acres are in grass and rough feed. Fifty-eight settlers are being assisted, the average loan account is within a safe margin, and repayments have provided for interest payments in most cases, together with a reasonable reduction in principal. Assistance from unemployment funds during the year has been restricted, as it has not been possible in this district, by reason of the scattered nature of its inhabitants and the limited supervision available, to grant contracts to the same extent as has been done in other areas. In addition to the subsidies to the fifty-eight settlers, unemployment grants were made to twenty other farmers and ten registered unemployed, while there were some 450 adults and children dependent upon the scheme, this giving a total of 538 persons who were receiving assistance from the Department during the period under review.

The number of cows in milk at the flush of the season totalled 900, while the settlers' live-stock at 31st March, 1937, comprised 1,074 dairy cows, 268 other dairy stock, 12 run cattle, 49 dairy bulls, 234 pigs, and 67 horses. The carrying-capacity of these lands varies from locality to locality, and while there are some first-class pasture lands, others on which dairying is being conducted are actually only suitable for the running of sheep. The Department's proportion of the cream cheque (approximately one-third) was £1,919.

Work on unit and scheme properties during the year consisted of the erection of 4 cow-sheds and 2 cottages; the felling of 20 acres of bush, 158 acres of clearing; 410 chains of new fencing, with 40 chains of repairs; the splitting of 350 posts and 4,000 battens; 184 chains of new draining, with 21 chains of cleaning and widening; the cultivation of 50 acres; and the formation of 8 chains of roading. On other Native properties the record of work performed is shown in detail on page 12 of this report.

The majority of the settlers in the Kaipara area can be termed good average Native farmers, with the exception of a number at Waihaua, Karakanui, and Port Albert, who do not show the same interest in their farms. This state of affairs is in no small measure due to their living-conditions, which leave room for much improvement, and also to the inconvenience of the access to these particular localities which is by water only. The appointment of a foreman to assist in the supervision of Native farmers in these localities should go a long way towards remedying the position.

With ample sea fish and shell-fish from the arms of the Kaipara Harbour, one source of the people's food-supply is assured. Their health is fairly satisfactory, but there is room for improvement, and where new dwellings have been erected there is a marked change in this direction.

The shortage of suitable labour has retarded the erection of houses, but a steady programme has now been planned, and some twenty to thirty dwellings will be built during the ensuing season. Several spacious lean-to types of homes measuring 30 ft. by 14 ft. have been erected in urgent cases where the security would not permit of a larger building being constructed. It is proposed to enlarge this type to 30 ft. by 16 ft., which will give three bedrooms, a living-room, open stove, washhouse, and a bathroom, which model has given satisfaction to the Natives concerned. Considerable progress may be anticipated in the near future, as the Public Works Department will be carrying out a part of the programme, and the Supervisor has a team of good Maori carpenters, under a European tradesman, who will undertake the extensions and additions to houses and erection of the lean-to types.

Mangonui.

The most northern portion of the Tokerau district over which this scheme extends embraces the lands in the following localities: Te Hapua-Te Kao, Whatuwhiwhi, Parapara, Awanui, Pukepoto, Ahipara, Herekino-Whangape, Pamapurua, Peria, Mangonui, Otangaroa, Pupuke, Matauri Bay, and Matangirau. The majority of the country in this scheme is poor, and the Maori population is numerous. Holdings are comparatively small, and in many cases the possibility of supporting the farmer on the areas is remote. Perhaps the most compact group of development units is in Ahipara Bay, about ten miles west of Kaitaia.

For the year under review the weather has been reasonably good, although two minor floods damaged fences in several localities. In one locality the grass has not yet recovered from the effects of a tidal wave which occurred some eighteen months ago. Returns have been maintained, but extensive room for improvement exists. For the most part the health of the Natives has been good, except in the Parapara locality, where considerable sickness was reported, due, no doubt, to the living-conditions. All requests for employment assistance have been met through the efforts of the local certifying officer of the Labour Department, or the Native Department. In the Whangaroa

County there are no Unemployment No. 5 works, but it was possible to co-operate with the County Council and Public Works Department in the formation of the Matangirau access road, which undertaking, besides absorbing a large number of men, will be a valuable asset to the district.

In the Mangonui area there are 175 settlers, and, in addition, 56 other farmers were assisted, besides 80 relief workers, dependent upon all of whom were 1,373 adults and children.

Work on unit and scheme properties for the year comprised the clearing of 2,882 acres; 3,395 chains of new fencing, with 992 chains of repairs; splitting of 7,000 posts, 117 strainers, 2,520 battens; 2,297 chains of draining, and cleaning of 744 chains; cultivation of 596 acres; and erection of 11 cottages and 13 cow-sheds. On other farm properties suitable development works were carried out, including bushfelling, clearing, fencing, draining, roading, and the erection of 15 cottages. Full details of these activities are included in the table published on page 12.

An improvement is noticeable in the pastures, due, no doubt, to the increased top-dressing that has been applied, and this is reflected in the dairying returns for the year under review. The unit and scheme live-stock tally as at 31st March, 1937, was as follows: 2,629 dairy cows, 732 other dairy stock, 57 run cattle, 115 sheep, 207 horses, 150 bulls, and 270 pigs. The Department's share of the cream returns (approximately one-third) was £5,015.

The opportunity is taken to mention that the Natives living at Te Hapua, some eighteen miles north of Te Kao, have been given during the past twelve months, suitable relief. The very bad conditions under which they live is no doubt contributing to their poor health, and, after investigation, unemployment works were made available for them.

A special welfare officer was appointed by the Government in the interests of these people, but consequent upon the improvement in the gum market it was found that the Natives were able to earn sufficient without any assistance from the State. The market position has continued to show an upward trend, and it is considered that satisfactory prices for gum will be maintained for some time to come. Probably for this reason the Natives show a reluctance to accept the conditions of betterment proposed for them, but in order that any failure in the gum market will be met it is proposed to develop an area of two to three hundred acres at Ngataki, situated south of Te Kao, as an experiment. This work will provide a measure of employment for the younger people, but it is certain that the older inhabitants of Te Hapua will not migrate southwards. In the event of a collapse of the gum industry at some future time it will therefore be necessary to undertake a certain amount of unemployment work in the Te Hapua area to meet the position for the older people. This will probably be in the nature of afforestation, as the land in that locality is entirely unsuitable for development.

Manukau Base Farm.

Situated in the Mangonui County on the main Kaitia-Herekino Road, with a frontage to the road at four different points, this block contains an area of 830 acres. There are some good alluvial flats, while the country rises to steep hills of good loamy clay, which can be successfully grassed. There is a large area of standing bush, estimated at 430 acres, containing good puriri and taraire, and about 400 acres in grass. It is well watered in front, but the high bush country has a supply of water only at the back. If run as a station it is estimated that it will carry 700 ewes and 100 head of cattle. There will be some 500 acres on final development suitable for dairying. The pastures are in good heart, and the cattle are in excellent condition. During the season 28 calves from 30 Hereford cows were marked. The live-stock on hand at the 31st March, 1937, consisted of 30 calves, 32 cows, 7 heifers, 29 steers, 22 yearlings, 115 lambs, and 12 working-bullocks.

While proposals have been formulated for the ultimate subdivision of this area with some adjoining Native lands, the present intention is to continue development and to manage the property as a base farm for a further period. The work carried out during the year is included in the Mangonui scheme figures.

Motatau Base Farm.

This is the main farm of the northern district, comprising 770 acres of Native leasehold land, and being located at Pokapu, near Otiria. Since its inception as a scheme under development operations its primary function has been to facilitate the distribution of dairy stock for unit farmers in the Bay of Islands and Hokianga districts.

A dairy herd of approximately 75 cows was established, but the question of disposing of the dairy herd and running the property as a grazing proposition is now under review. The successive floods experienced to date have prejudiced the successful running of sheep together with a dairy herd. As the latter is run on the better portions of the station, it is found that sufficient feed is not always available for the sheep and cattle which are run on the hill country. In order to achieve the best results from this property a comprehensive drainage scheme for the whole of this district is necessary. Under the conditions that have been experienced good results cannot be expected, but, nevertheless, it is interesting to note that the butterfat figures since the year 1932 are as follows:—

	lb.
31st May, 1932	8,062
31st May, 1933	10,581
31st May, 1934	13,607
31st May, 1935	16,516
31st May, 1936	13,906
31st May, 1937	17,126
	<hr/> 79,798

In further consideration of this production it is mentioned that during the 1935-36 season 70 cows were milked, while for the 1936-37 season the tally was 75 cows. The results from the sheep, run cattle, and pigs have been poor, due no doubt to the climatic conditions experienced.

A recent report states that there are 500 acres in grass, 150 acres of swamp, 70 acres of poor pipe-clay country, and 50 acres low-lying in rough feed. The live-stock tally at 31st March, 1937, was 289 ewes, 71 cows, 31 other dairy stock, and 54 run cattle.

The work for the past year is included in the Bay of Islands scheme figures.

Panguru Base Farm.

This farm, containing 302 acres of freehold and leasehold land which was originally in thick bush, was acquired for the purpose of a base for the grazing and distribution of the stock intended for units during the progress of development. This function has now been fulfilled, and the question of subdivision and allocation of the area to individual settlers is under review. Situated adjacent to the Panguru Settlement, it has served Panguru and Pawarenga developmental areas. Comprising hilly, but workable, land of good quality, the area has shown a tendency in recent years, due to unfavourable weather conditions, to slip, and fencing has consequently been a difficult problem.

During the winter months there was ample feed available, and the stock carried came off in good condition; the pastures have been top-dressed with basic slag and have benefited thereby; extensive fencing repairs were necessary during the year owing to slips; and a manure-shed was constructed, which has proved invaluable. The services of a settler from the Panguru area were obtained to look after the property. It is proposed to lay on water from the Motuti water-supply which is now being installed, and one reservoir for the supply will be situated on the farm.

The pastures on Panguru are in first-class condition. The operations for the year are included in the Hokianga scheme figures, and the live-stock tally at 31st March, 1937, was as follows: 3 steers, 2 bulls, 2 calves, 3 cows, 15 heifers, 287 ewes, 7 rams, and 4 wethers.

Pouto.

Although gazetted under the Kaipara development scheme, this area is actually an extensive separate scheme. The Pouto lands are situated on the Kaipara Peninsula, and the development portion embraces an area of 1,400 acres out of a total of 9,000 acres, a large portion of which should respond to cultivation, and thus provide an ideal area for the establishment of a colony of Maori farmers. Access is by a formed road, a distance of forty miles from Dargaville, but the road is only passable to stock. At present access is obtained by a steamer from Helensville or Dargaville to Pouto.

The majority of the owners of the Pouto area are members of the Kena family, who, under the leadership of Paraone Kena, now deceased, carried out some very arduous and valuable work in the development of their lands at a minimum of cost. These people originally lived at the Pouto Village, which is some ten miles from the scheme, and before the inception of the present development activities they subsisted on garden and fish supplies.

The scheme is known locally as "Rangitane." At present it is sparsely populated and presents ample scope for the migration of Natives from overpopulated areas in other parts of the northern districts, the owners being agreeable to such a policy.

Since the inception of the scheme the workers have been living in sack and iron whares, and despite these hardships the children are of a fine healthy type. It is proposed during this next season to erect six cottages for the owners and twelve hutments for workers who will be introduced from other parts.

It is fitting in this report to pay tribute to the work done by Paraone Kena, who, by indomitable courage and foresight, has handed down his influence to the younger people, who are undertaking the development of their lands in the same manner as when he led them.

Losses among the stock have been very slight, despite the fact that last season was one of the worst in North Auckland for hoggets. The stock are going into the winter in excellent condition, and lambing will be commencing in July. The following stock was carried at the 31st March, 1937: 397 ewes, 249 lambs, 113 wethers, 14 working-bullocks, and 38 run cattle.

There are almost 2,300 acres ring-fenced, of which 400 acres are in good grass, and in addition there are 500 acres to 600 acres in good rough feed, the condition of the stock indicating the value of these grazing facilities. Some 350 acres of first-class swamp is being treated, and this is draining out well, and the next stage—consolidation of the pasture—will be carried out in the coming season with light cattle, followed at a later date by heavier stock. An investigation of the swamp after a recent flood revealed that the drainage has been well laid out and is capable of meeting the flow from any floods which may occur. The work during the year, from which fifteen men with fifty dependants received assistance, is included in the Kaipara scheme figure.

The prospects for Pouto as a farming venture are very bright, but, although the pasture land will be suitable for dairying, it is preferable to run the block as a station for several years. It is the intention to build up a Romney flock and a Hereford line of cattle, all suitable stock being retained and surplus requirements being sold off.

Tautoro Bush.

The scheme, comprising mostly easy-lying hills of clay loam on a sandstone formation, intersected by wide valleys, contains a considerable area of flat and very slightly undulating country, about 100 acres of which is medium to poor quality, being fairly steep and mostly in fern and tea-tree with light bush in the gullies.

Prior to the commencement of development in 1931, when this area of 1,607 acres was taken over from the Lands Department, there were roughly 1,050 acres of green bush, with dry timber standing thick in places, with fern, makomako, and second growth in parts, besides 150 acres of old pasture of indifferent quality, 160 acres in tea-tree and fern, and 100 acres of swamp land. The property is watered by creeks, but this supply is poor in summer; the hill country is inclined to revert quickly to fern and requires a large number of cattle to be carried during the summer; and many of the ridges are poor and the better grasses soon disappear. The work undertaken during the year is included in the Bay of Islands scheme figures.

It is estimated that the block will carry one sheep to $1\frac{1}{2}$ acres, together with one cattle beast to 2 acres to 3 acres. The live-stock on the property at 31st March, 1937, was 768 ewes, 1,048 wethers, 140 heifers, 84 three-year-old steers, and 34 calves.

Up to the present no proposals for the subdivision of this block have been considered, and the present intention is to continue to run it as a station. In the past, apart from being a valuable contribution towards the general development of the district, Tautoro Bush has absorbed the energies of many unemployed Natives, and it will continue to do so for some years to come, as much general work remains to be carried out on the block.

Waima.

This farm of 1,414 acres is situated on the main Kaikohe–Rawene highway, approximately fourteen miles from the nearest railway-station (Kaikohe) and the same distance from the nearest port (Rawene), whilst it also has access to the Waima Valley Road. The land comprises mostly rideable clay hills, with approximately 100 acres of flats, inclined to be stony, fronting the main road. On the Waima Valley frontage are approximately 90 acres of flat semi-volcanic with clay subsoil and with occasional water-worn boulder ridges. It is sufficiently watered to be run as a station, but on subdivision a supply will need to be established. Prior to development a portion of the land was in bush, chiefly taraire with scattered puriri, an extensive area of which was felled, but logging-up remains to be carried out, and in this connection developmental activities have during the year been confined to this work with the assistance of unemployed labour, pending a definition of future policy on the farming of the area.

By virtue of previous arrangements made with the Native owners the block was to be handed back to them in February, 1937, when, under land-tenure consolidation arrangements, the area would be subdivided into small holdings of from 40 acres to 60 acres. The Department has always been anxious to honour its undertaking, but realizing the unsuitability of the block in its present condition for dairying, owing to lack of water and the need of consolidation of pastures, an endeavour has been made to obtain an agreement to the continuation of the control by the Department. Negotiations to that end are still in progress, and it is hoped that they will be shortly concluded, but meanwhile progressive development has been to a large extent suspended. It will ultimately be to the benefit of the Natives for the Department's efforts to be resumed and extended to those portions of the block which are at present undeveloped.

Live-stock, which is in good condition, grazing on the property at 31st March, 1937, comprised 622 ewes, 80 steers, 397 lambs, and 477 wethers.

The work carried out during the year under review has been included in the Hokianga scheme figures.

Tokerau (North Auckland) District.

Details of works subsidized from the Employment Promotion Fund on Native properties not yet under development. (NOTE.—Such properties are usually described as belonging to non-units):—

Bushfelling	1,222 acres.
Clearing	9,003 acres.
Other cultivations	698 acres.
Fencing—	
New	8,993 chains.
Repairs.. .. .	2,099 chains.
Splitting—	
Posts	22,130
Strainers	147
Battens.. .. .	71,600
Draining—	
New	7,462 chains.
Cleaned.. .. .	1,914 chains.
Roading	502 chains.
Cottages (new)	21
Cow-sheds (new)	2

STATISTICAL DATA ON TOKERAU SCHEMES (SCHEME, UNIT, AND BASE FARMS).

Subject.	Bay of Islands.	Hokitanga.	Kaipara.	Mangonui.	Manukau.	Motatau.	Panguru.	Porto.	Tautoro.	Waimea.	Totals.
1. Date first gazetted or acquired	June, 1930	June, 1930	June, 1930	June, 1930	Sept., 1933	Jan., 1931	April, 1933	June, 1930	Feb., 1932	June, 1930	.. 10
2. Number of schemes	177,310	97,814	26,209	126,765	830	770	302	9,000	1,607	1,414	442,021
3. Area gazetted to date	25,442	17,955	5,898	14,798	400	550	280	1,400	1,200	1,100	69,023
Area developed to date	94,992	87,635	24,298	59,698	500	700	290	3,000	1,500	1,410	274,023
4. Area ultimately to be developed	213	249	58	175	..	..	..	..	..	..	685
Units—definite tenure	341	395	30	136	M	B	H	K	B	H	902
Additional labourers	2,549	2,726	450	1,373	M	B	H	K	B	H	7,098
Other dependants (wives and children)	3,103	3,370	538	1,684	M	B	H	K	B	H	8,695
Total dependants ..	..	..	..	..	..	..	..	..	..	..	..
5. Unemployed labourers (included above)	504	524	68	314	M	B	H	K	B	H	1,410
6. Live-stock tallies—	..	..	..	..	..	..	..	..	..	..	..
Cows ..	3,881	3,833	1,074	2,629	..	71	3	..	..	..	11,491
Cows in milk (flush season)	3,161	3,433	900	2,492	..	75	3	..	..	..	10,064
Other dairy stock	1,920	1,765	288	732	..	31	17	..	..	..	4,733
Run cattle ..	101	180	12	57	122	54	3	52	258	80	5,919
Sheep ..	781	..	768	115	115	315	298	768	1,836	1,512	5,740
Horses ..	235	279	67	207	..	2	..	3	2	1	796
Horses : Working	178	262	49	150	1	2	..	..	3	..	647
Bulls ..	823	984	234	270	..	29	..	..	..	..	2,340
Pigs ..	..	..	..	..	..	..	..	..	..	..	..
7. Receipts—	..	..	..	..	..	..	..	..	..	..	..
Butterfat—	..	..	..	..	..	..	..	..	..	..	..
Total poundage (approx.)	325,700	390,300	104,200	272,500	..	16,000	..	..	..	..	1,108,700
Department's proportion	5,992	7,183	1,919	5,015	..	585	..	..	..	..	20,694
Wool—	..	..	..	..	..	..	..	..	..	..	..
Weight (approximate) ..	4,100	2,400	..	..	..	2,850	2,500	3,250	16,800	20,950	52,850
Total proceeds ..	223	131	..	..	..	184	136	175	910	1,134	2,863
Sheep sales ..	297	114	..	..	..	367	158	28	1,079	1,269	3,312
Cattle sales ..	191	68	48	50	..	131	32	..	1,170	404	2,094
Crops and sundries ..	86	36	21	2	3	28	..	7	39	1	223
Total cash to Department ..	6,789	7,532	1,988	5,067	3	1,265	326	210	3,198	2,808	29,186
8. Year's activities—	..	..	..	..	..	..	..	..	..	..	..
Bush felling and clearing ..	5,687	7,023	462	6,264	M	B	H	K	B	H	19,436
Fencing : New ..	4,914	9,139	913	5,998	M	B	H	K	B	H	20,964
Draining—	..	..	..	..	..	..	..	..	..	..	..
New ..	3,515	3,065	415	5,825	M	B	H	K	B	H	12,820
Cleaned ..	531	664	188	2,087	M	B	H	K	B	H	3,470
Other cultivation ..	660	842	316	804	M	B	H	K	B	H	2,622
Roading ..	174	191	13	242	M	B	H	K	B	H	620
Splitting—	..	..	..	..	..	..	..	..	..	..	..
Posts ..	12,875	8,950	1,550	14,130	M	B	H	K	B	H	37,505
Strainers ..	49	32	50	182	M	B	H	K	B	H	313
Battens ..	50,150	41,900	19,900	41,600	M	B	H	K	B	H	153,550
Cottages : Year ..	13	17	2	26	M	B	H	K	B	H	58
Cow-sheds : Year ..	19	18	4	14	M	B	H	K	B	H	55

B, H, K, or M = figures included in main district schemes—Bay of Islands, Hokitanga, Kaipara, and Mangonui respectively.

TOKERAU DISTRICT.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Receipts.										Total Receipts, including Unemployment to 31st March, 1937.	Net Liability as at 31st March, 1937.			
	Receipts, excluding Unemployment Grants to 31st March, 1936.		Unemployment Subsidies.		Cash Collections, Scheme Produce, 1936-37.		Sales to other Schemes.		Total Expenditure, plus Interest, to 31st March, 1937.						
			1936-37.												
	£	s.	d.	£	s.	d.	£	s.	d.	£			s.	d.	
Bay of Islands ..	20,052	13	11	15,566	8	9	6,696	12	0	6,789	6	0	28,620	7	11
Motatau Farm ..	4,005	19	5	345	0	0	207	0	0	1,264	14	10	6,551	2	3
Tautoro Bush ..	1,635	16	3	2,626	10	0	1,149	11	0	3,198	12	10	9,088	8	4
Hokianga ..	24,011	2	4	21,675	13	0	10,718	0	2	7,532	9	5	68,674	12	0
Panguru Farm ..	1,034	7	1	449	8	0	79	8	0	325	15	11	2,381	9	10
Waima Bush ..	2,848	14	9	2,152	7	0	605	0	0	2,808	9	9	9,030	17	9
Motuti Water-supply ..	..	..	..	867	13	0	..	..	..	..	..	..	867	13	0
Kaipara ..	5,511	6	10	2,103	1	9	628	6	6	1,988	4	6	10,488	12	3
Pouito ..	159	6	6	1,620	8	2	552	4	0	209	7	1	2,635	3	2
Mangonui ..	15,501	6	0	12,989	2	2	6,711	14	11	5,066	11	4	41,324	19	10
Manukau ..	296	13	11	650	1	0	1,138	6	0	3	0	0	2,292	15	8
Bulk stock, &c... ..	18,211	15	0	..	..	..	..	..	..	..	..	..	27,407	19	6
Totals ..	93,269	2	0	60,177	19	10	29,353	15	7	29,186	11	8	231,096	1	3
Payments.													Total Expenditure, plus Interest, to 31st March, 1937.		
Schemes.	Expenditure, plus Interest, to 31st March, 1936.			Cash Expenditure, 1936-37.			Purchases from Bulk and other Schemes.			Net Interest, 1936-37.			Total Expenditure, plus Interest, to 31st March, 1937.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Bay of Islands ..	62,989	2	1	11,357	6	0	2,980	15	2	1,678	16	0	79,005	19	3
Motatau Farm ..	12,114	10	3	587	6	11	163	8	2	401	7	10	13,266	13	2
Tautoro Bush ..	9,792	17	4	3,453	8	3	656	5	9	294	0	0	14,196	11	4
Hokianga ..	86,960	19	9	20,239	5	1	5,965	5	10	2,459	13	9	115,625	4	5
Panguru Farm ..	3,409	13	3	400	19	1	8	15	0	97	5	4	3,916	12	8
Waima Bush ..	9,122	3	0	1,571	6	9	1,031	16	9	187	8	3	11,912	14	9
Motuti Water-supply ..	..	..	..	..	..	..	3,113	14	9	12	10	0	3,126	4	9
Kaipara ..	17,651	17	8	1,985	15	10	543	12	0	578	4	1	20,759	9	7
Pouito ..	3,911	7	8	1,101	6	2	96	16	10	127	12	0	5,237	2	8
Mangonui ..	55,622	18	5	9,129	4	11	1,205	6	5	1,490	11	8	67,448	1	5
Manukau ..	4,026	19	10	1,679	5	5	170	19	11	183	5	2	6,060	10	4
Bulk stock, &c... ..	18,872	9	4	7,130	10	2	4,351	15	5	17	3	3	30,371	18	2
Totals ..	284,474	18	7	58,635	14	7	20,288	12	0	7,527	17	4	370,927	2	6

WAIKATO-MANIAPOTO MAORI LAND DISTRICT.

A glance at the detailed reports of the development schemes of the Department reveals the extent of the progress which this feature of the rehabilitation of the Maori is making in this district. Extending from Auckland in the north to the borders of the Tuwharetoa and Taranaki country in the south, the district embraces the ancestral domains of the Waikato tribes, the Maniapoto of the King-country, and the Ngatimaru of Hauraki.

Left landless and hostile after the Waikato wars with their resulting confiscations, the Waikato tribes for many years remained aloof and apathetic, living to a great extent spiritually on the memories of the glorious past, the remnant of their former numbers refraining from taking advantage of the enlightening influences which were aiding the tribes elsewhere. That all this is now changing is greatly to the credit of the far-seeing leaders which Waikato possesses in no small degree. Their kinsmen of Maniapoto were not unaffected by similar influences, but, being by no means landless, although slow to realize the advantages of development, they are now eager to participate. The Ngatimaru have been affected least of all by developmental activities, but due to various reasons not of their own making, a commencement has now been made in this district and progress is assured.

In olden days the Waikato-Maniapoto tribes were in the van of Maori agriculture. Dr. Hochstetter has described the view from Kakepuku which he climbed in 1859, and the richly cultivated country which met his view—these were the lands of Kopua, Pirongia, and Rangiawhia, largely cultivated by the Maoris. The crops were not confined to kumara and similar edible roots, wheat was grown, and grown well, by those early Maori farmers. In those days the Waikato, the Waipa, and the Waihou were busy waterways, the banks resounding to the merry shouts of the “Ngatangata hoe” as the canoes sped on their way to market with the produce of their lands. However, the war changed all that, and the fair promise of those earlier years was not fulfilled.

The initiation of the Native land development schemes bids fair to show that, what was denied by circumstances to an earlier generation, is being revived to the benefit of the present, and one may imagine the leaders of old—Te Wherowhero, Te Waharoa, and Rewi Maniapoto, could they return from the spiritland beyond Reinga—counselling their followers to-day to emulate the pakeha in modern methods of agriculture.

The population of this district is 14,845, and it was approximately 12,500 at the census of 1926, ten years before. The estimated extent of the Native lands is 750,000 acres, of which area 31,295 acres are gazetted, and approximately 13,000 acres are developed under the provision of the Native Land Act. The extent of the Maori population shows the problem, and the tendency is for it to become more serious as the number increases. Land development will, it is thought, prove to be an important factor in dealing with the situation, assuming, of course, that capital funds are available and that suitable education on farming methods is provided.

Development of land in this area falls into two classes—the large development scheme, of which Mahoenui and Waimiha are examples, and the unit scheme exemplified by such undertakings as Waipipi and Pio Pio. The larger schemes are proving very useful, apart from the development aspect, in absorbing available unemployed. On the whole, they prove easier to handle and to supervise than the unit schemes where financial assistance is extended to individual farmers. The ragwort menace in the King-country demands stocking with sheep, and close supervision is necessary. There is abundant evidence that the average Maori farmer responds in a most satisfactory manner to intelligent supervision and sympathetic, but firm, treatment. It may well be said that the success of land development will be in exact proportion to the ability of the Department to supervise the activities which it is promoting.

Here, as in other districts, assistance from unemployment funds is available where necessary. As far as possible the funds are spent on properties in which the Department is financially interested, but where private Native farmers require subsidized assistance, and supervision is available, an effort is made to meet the needs of the applicants. The amounts of the grants for the past year were £7,746 on scheme lands and £8,197 on non-unit properties.

The extent of the work being undertaken in this district may be appreciated from the following record of the year's general farming activities on both scheme and other lands, the latter being shown in parentheses: Bushfelling and clearing, 1,821 (1,525) acres; stumping and logging (110 acres); new fencing, 1,346 (1,284) chains, and repairs to fences, 500 chains; digging new drains, 939 chains, and cleaning old drains, 291 chains; grassing, 743 acres; roading, 166 chains; ploughing and cultivating, 788 acres; splitting posts, 4,350 (10,025), battens, 37,680 (58,350), strainers, 207 (343); the erection of 12 cottages, 8 cow-sheds, 2 wool-sheds, 7 implement and manure sheds, and 6 workmen's huts.

The live-stock tallies as at 31st March, 1937, for scheme and unit lands were 8,739 sheep, 1,954 cows in milk, 598 other dairy stock, 1,337 run cattle, 215 horses, 99 bulls, 304 pigs, and 550 goats.

The units or settlers established number 82, the additional labourers on schemes 175, the wives and children 639, thus giving a total of 896 persons.

In summing up the work in progress the district may be divided into three parts—the Waikato proper, where, although Native land is not plentiful, dairying is in progress on small holdings with satisfactory results; the Hauraki area, where movement is commencing which will result in the development of small holdings; and finally, and probably the most important, the Maniapoto district, with no shortage of land and further possibilities for large block development, and where mixed farming by units is pursued, and where, if the control of ragwort is assured, then good dairying country is available.

It is proposed during the coming year to commence the development of an area at Tunaek in the vicinity of Whatawhata, at Uruwha near Waihi, and other areas are under consideration, notably extensive blocks in the Raglan County, which would appear to offer scope for development. Inquiries have been made into other lands in the Hauraki area, but here lack of unanimity among individual holders of small areas is hindering developmental progress. Experience gained during the year shows the necessity for an exhaustive stock-taking of the lands available in the district, and the compilation of title data to supplement the records of the Native Land Court.

Hangatiki Base Farm.

Situated within one mile of the Hangatiki Railway-station and midway between the townships of Te Kuiti and Otorohanga, this base farm comprises a total area of 556 acres, of which 500 acres are estimated as suitable for development. The property was taken over in January, 1937, from the Waikato-Maniapoto District Maori Land Board, which was then mortgagee in possession. The sum of £3,547 is due to the Board as a liability free of interest charges.

The land occupies a position that makes it admirably suited for the purpose of a base farm, being in close proximity by good roads to a number of areas already under development and others which are now under consideration.

Geographically, Hangatiki is situated near the confluence of several tributaries of the Waipa River and, as it was in olden days, it is at the cross-roads of inland and coastal highways.

Historically it can claim an interesting background of Maori history and traditions. Near here is Paratiu, the fortified pa of the Ngati-Maniapoto tribe, where the tribe had congregated with the intention of fighting out the deciding battle of the Waikato War. Rewi Maniapoto and his gallant band, however, chose to fight on their own particular ancestral soil at Orakau, and the main body of the tribe waited in vain for Rewi and the British forces. Paratiu remains to-day—still in a good state of preservation—as mute evidence of the Maniapoto military and strategical genius in the selection of their fortified pas. Hangatiki is also famous as the home of Maniapoto, the eponymous ancestor of the Ngati-Maniapoto tribe. Here also he died.

At the time the base farm was taken over from the Board only 75 acres of pastures were worth top-dressing; 90 acres were in poor pastures which required ploughing and resowing; the drains in 45 acres of swamp were choked and required cleaning; fences, yards, and bridges were in poor repair; and gorse had been allowed to grow unchecked. When the Department took possession the services of a young half-caste Maori were obtained as working foreman, and he has proved very satisfactory, and in the short period that he has been employed good work has been carried out in repairing the fences and bridges and grubbing out gorse.

As at 31st March, 1937, the property was carrying 240 ewes, which is its limit at the present time. The sheep will not return a profit until next season as they were only purchased in February, 1937. The carrying-capacity is $2\frac{1}{2}$ sheep to the acre.

Harataunga.

As a result of representations that the Department assist three Native farmers at Kennedy Bay, Coromandel, this new scheme was inaugurated. These men were depending on employment relief to carry on their farms, but they were considerably hampered for want of stock and dairy utensils. The Chief Supervisor reported very favourably on these settlers, and after full information had been collected the Board of Native Affairs approved of an area of 376 acres being declared subject to the development legislation and the nomination of three units. The three Natives thus assisted have justified the action of the Department, and it is hoped to establish additional units during the coming year. Supervision is conducted from Paeroa, where further projected development schemes in the Hauraki Plains and Coromandel Peninsula are being considered. The matter of obtaining consents of the majority of owners is a difficult one, since many of the owners of the blocks live at Tikitiki, Te Araroa, and other places north of Gisborne. The Harataunga people are members of the Ngati-Porou tribe of the East Coast. The story of how and why the Harataunga block was gifted by a Ngatimaru chief, and how they came to settle there, is a long one, and is an interesting chapter in the history of the Ngati-Porou tribe as coastal traders. With the opening-up of inland means of transport the Harataunga people became an isolated community (broken for a brief and hectic period during the gold rush of the "nineties"), and representatives of various families, in some cases whole families, returned to their ancestral homes on the East Coast.

Only two of the settlers were milking cows during the past year, and they commenced in November, 1936. The activities in general farm work comprised $23\frac{1}{2}$ acres of bushfelling and clearing, the splitting of 200 posts, and the erection of 1 new cottage, 2 cow-sheds, and repairs to 1 cottage.

The number of dependants—wives and children—is thirteen. The area cultivated to date is 110 acres, while, in all, a further 230 acres are estimated as suitable for ultimate development.

Kaihau.

Locally known as "Tahuna," this scheme is situated about two miles from Waiuku Township in the Franklin County, and comprises five separate holdings, totalling 376 acres. The five occupiers are on wages based on one-third of their cream cheques, and they retain the total proceeds from the pigs. The question of tenure has been under consideration during the past year, and valuations have now been made with a view to establishing the occupiers as assisted farmers.

Until the 31st December, 1936, this scheme was financed by the Waikato-Maniapoto District Maori Land Board, but since that date the Native Department has been responsible for control and finance.

The following butterfat production table is supplied :—

Farm No.	Area.	Cows.	Butterfat.	Value.	Average per Cow.	Carrying-capacity.
	Acres.		Lb.	£	Lb.	Cows.
1	130	70	15,062	827	215	70
2	44	32	7,432	415	232	30
3	53	28	5,724	315	203	30
4	112	38	8,473	464	223	40
5*	37	16	1,811	113	113	30
Totals ..	376	184	38,502	2,134	209	200

* Ten months only.

Grading—Superfine, 13,497 lb. ; first, 24,874 lb. ; second, 131 lb. : total, 38,502 lb.

The area under development contains 310 acres, upon which 184 milking cows were carried at the flush of the season. The returns for the year to the Department, representing 100 per centum, were £2,134 from 38,502 lb. of butterfat.

Kawhia.

The Kawhia development scheme comprises twelve settlers and one block scheme—the Mangaora Subdivisions. There are three hapus interested—Ngati-te-Wehi (on Moerangi blocks around the Aotea Harbour), Ngati-Hikairo (on Kawhia blocks along the shores of the Kawhia Harbour), and Ngati-Apakura (on Mangaora Subdivisions). It must be appreciated that these three hapus are truly Waikato people and staunch supporters of the “Maori king.”

Kawhia itself is rich in traditional Maori history and legends. It was here that the famous “Tainui” canoe made a landfall after its voyage from Hawaiki about A.D. 1350, and it was here also that Te Rauparaha, the great Ngati-Toa chieftain, was born. The historic Pohutukawa of Papa-o-Korewa, to which, tradition tells, the “Tainui” was moored, still stands on the shore of the harbour.

This scheme owes its beginning to the lead given by the late Maori king, Te Rata Mahuta, who, in the initial stages of developmental activities, advised his people as follows: “Listen, let us work with a vim in our work for our maintenance, and let those who are opposed go their way. Be you steadfast in your work.” And through all the difficult periods which have been the lot of these people, these words and the mana of the Maori king have carried them through. To-day we find that the Natives in the Kawhia district have become fully alive to the advantages to be derived from Native land development, and great interest is being shown in the progress of the established settlers. Indications are not lacking that within the near future the Department will be asked to consider further development of Native lands in and around Kawhia. It is claimed by the Kawhia Maoris that here was the cradle of Hawaikian settlement of the west coast, and they are quite definite in their contention of historicity, and are apparently supported by songs and genealogy.

As it is at present constituted, this scheme extends over an area of 4,351 acres, of which 2,000 acres are under development, 1,400 acres being in grass.

During the year under review the units who have been running sheep in conjunction with their dairy herds have shown a marked improvement both in farming generally, and, always, in the financial returns of their farms. One of the principal factors to bring about this excellent result can be attributed to the keen competition amongst the settlers as to who could obtain the best fat-lamb returns. In the course of the season the fat-lamb weights ranged from 36 lb. to 44·5 lb., and illustrates the results that can be derived in applying basic slag to this type of heavy coastal country.

The farmers generally have proved quite capable of managing their own stock. This is very gratifying, because, when sheep were first supplied, their knowledge of handling them was very limited. Full advantage has been taken to improve their holdings with the assistance of unemployed men, and much good work has been achieved. The health and behaviour of the people has been very satisfactory. Efficient and judicious supervision is being displayed by the Supervisor, and a certain share of the excellent results obtained must accrue to his credit. Provision has been made in the current year's estimates for the erection of five cottages, and an early start is anticipated under the direction of the Public Works Department.

The Mangaora Block, containing 740 acres, of which 220 acres are under active development, has had the majority of the local unemployed Natives concentrated upon it, chopping heavy manuka, fencing and post splitting. The Polled Angus heifers transferred from Rotorua have done exceedingly well, and have kept second growth under control. At the 31st March, 1937, Mangaora (which is being developed as scheme land), was carrying 306 breeding-ewes, 49 Polled Angus heifers, 30 Polled Angus calves, and it wintered 290 ewes, which lambed down 256 lambs, averaging 90 per centum. The tallies of the units' live-stock are as follows: 280 dairy cows, 137 other dairy stock, 35 run cattle, 805 ewes, 38 horses, and 90 pigs.

The butterfat production from 260 cows was : Superfine, 14,396 lb. ; first grade, 26,861 lb. ; second grade, 887 lb. ; or a grand total of 42,144 lb., valued at £2,052, and averaging 153 lb. per cow. This is considered satisfactory, as it shows an improvement of 5,750 lb. on last year's figures.

The sale of wool amounted to 7,201 lb. at a total gross value of £411, which averages out at 1s. 1·9d. per pound and 7 lb. per sheep.

Besides the general farm work the following operations were completed :—

				Mangaora.	Units.
Bushfelling and clearing	..	..	..	69½ acres.	392 acres.
Draining—					
New	..	..	..	..	236 chains.
Cleaning	..	..	..	..	26 chains.
Fencing—					
New..	..	..	..	18 chains.	255 chains.
Repairs	..	..	..	..	80 chains.
Splitting—					
Posts	..	..	..	500	1,600
Battens	..	..	..	380	10,500
Strainers	..	..	..	63	100
Cultivating and ploughing	..	..	..	..	31 acres.
Building	..	..	..	1 whare	2 cow-sheds.

In addition to 12 units and 15 workmen on Mangaora, the scheme provided assistance for 14 unemployed Natives, the total dependants numbering 156 persons.

Te Kuiti Base Farm.

Formerly acquired by the Waikato-Maniapoto District Maori Land Board as mortgagee in possession, this property, comprising 617 acres and situated approximately four miles from Te Kuiti Railway-station, was taken over as a central stock base farm in 1932. The sum of £8,000 is still due to the Board.

The area comprises good papa country and is well watered by running streams. Out of the total area of 588 acres suitable for development, 455 acres are in good grass, 120 acres in fair to poor grass, and the balance is in gorse and patches of bush.

This country is ideal sheep land and will carry four sheep per acre, or with mixed stock it will carry two sheep per acre and one beast to 3 acres. Two hundred and three head of cattle were on hand as at 31st March, 1937, as well as 1,093 sheep. The farm wintered 1,000 ewes, which produced 1,103 lambs, an average of 110 per centum.

The season's activities carried out by two permanent farm hands and by unemployed Natives embraced 80 chains of new fencing and 50 chains of fencing repairs ; 40 acres of grubbing and clearing ; 20 chains of roadmaking ; 150 acres of grass-harrowing ; 50 acres of ploughing, cultivating, and grassing ; and 260 acres of top-dressing.

The farm has mainly been used as a distributing centre for live-stock for schemes in the Maniapoto district. It has been carefully and efficiently managed, and a perusal of the farm accounts will disclose the fact that the venture has been highly successful.

The revenue from the sales and transfers of live-stock and wool for the year ended 31st March, 1937, amounted to the sum of £3,615, made up as follows :—

		Cash Receipts.	Transfers to other Schemes.
		£	£
Wool	..	623	..
Cattle	..	532	765
Sheep	..	1,426	259
Sundries	..	10	..
		<u>£2,591</u>	<u>£1,024</u>

The proceeds from the sale of 10,373 lb. of wool realized £623, giving an average of 1s. 2·3d. per pound, and 9·8 lb. of wool per sheep.

Considerable improvement has been achieved during the past season through both heavier stocking (up to capacity) and top-dressing. This improvement is reflected not only in the farm returns, but is also visible even to any visitor to the property.

Mahoenui.

Located about thirty-eight miles south of Te Kuiti, and lying on both sides of the main New Plymouth highway, Mahoenui scheme comprises a compact area of 6,076 acres. The scheme embraces the hapu of the Ngati-Rungaterangi, a buffer sub-tribe in the eventful past history of the Maniapotos and Taranakis, of which the Wetere family are the recognized leaders. It is looked upon as one of the pioneer development schemes in the King-country district.

To-day, after nearly seven years of active development of what was unproductive land, there may be seen herds of beef cattle and sheep on excellent grasslands extending over 2,377 acres. Fortune has not always smiled on Mahoenui scheme, but it is very pleasing to report that the cleaning-up work, comprising stumping, logging, and burning during the last two years, has considerably improved the pastures. The general appearance of the scheme has been the subject of very favourable comment by settlers in the district and by visitors in this locality. The improvement of this farming venture must reflect to the credit of the Supervisor, and the prospects for the future are considered bright.

The Farm Supervisor reports that the 110 acres swede crop was an exceptionally good one, and no difficulty will be experienced in wintering the scheme stock, which as at 31st March, 1937, included 1,378 ewes, 1,088 wethers, and 838 lambs; while the run cattle carried comprised 92 heifers, 73 cows, 57 one-year-old steers, 70 two-year-old steers, 310 three-year-old steers, and 52 calves.

The total receipts for the year included the following transactions :—

	Cash Receipts. £	Transfers to other Schemes. £
Wool	1,151	..
Cattle .. .. .	..	733
Sheep	1,862	393

Forty-two bales of wool from the main scheme alone were sold, totalling 17,829 lb., which averaged 1s. 0·9d. per pound.

The live-stock on the scheme is in excellent condition. The main scheme wintered 1,160 ewes, which lambed down 1,033 lambs, giving an average of 90 per centum. The pastures have improved to such an extent that this coming season it is intended to run 250 Polled Angus cows, 240 steers, 2,000 breeding-ewes, and 1,000 wethers.

The work carried out on the main scheme during the year by permanent hands and unemployed men is summarized as follows: 86 chains of roading (10 ft.), including the laying of 25 culverts; 210 chains of new draining; 240 chains of new fencing, with 50 chains of repairs; 445 acres of bushfelling, clearing, and grubbing gorse; 176 acres of grassing, 1,000 acres of top-dressing; 130 acres of cultivation; the splitting of 22,100 battens; the erection of a two-stand wool-shed 35 ft. by 40 ft., and a dip; and the erection of 2 workmen's huts. During the coming year it is proposed to fall 650 acres of bush to the north of Totoro Road.

At present the scheme, including two unit properties, has dependent upon it seventy-six men, women, and children, and the health of the community has been excellent. During the year twenty-six men were assisted from the Employment Promotion Fund. The principal unit, one of the hereditary leaders of the Ngati-Rungaterangi, takes a keen interest in the progress of the scheme. He milks a herd of about 30 cows and runs 606 sheep and 30 Polled Angus heifers. Proceeds amounted to £448 for live-stock sales, and £204 from 4,963 lb. of wool for the past season. The unemployment work on the unit sections covered 6 acres of bushfelling and clearing; 198 chains of new fences, with 80 chains of repairs; 103 chains of new drains; 26 acres of cultivating and ploughing; and the splitting of 500 posts and 30 strainers.

Mangapu.

Although this scheme at present consists of only two units it is confidently anticipated that further land on the watershed of the Mangapu Stream will later be gazetted. The areas so far included comprise a total of 633 acres, gazetted on 3rd September, 1936, are at the headwaters of the Mangapu Stream, one of the many tributaries of the Waipa River. There is a considerable amount of Native land between the areas now under development and Hangatiki, which has, and still is, benefiting as the result of the Mangapu Drainage Board's operations. The principal draw-back to the extension of development on a large scale is the lack of proper access.

One of the properties has about 70 acres of good dairying land and the balance is good sheep and cattle country, with very little gorse, blackberry, or ragwort. The other property has 100 acres of poor grass, which is to be reconditioned by clearing and burning scattered scrub and top-dressing. The balance of the ploughable country, 150 acres, will be cropped and put down in pasture in areas of 30 acres at a time.

The two units established in September, 1936, are already carrying 18 dairy cows, 60 run cattle, and 400 breeding-ewes. The sheep were purchased in February last and consequently will not return a profit until next season.

From the Employment Promotion Fund assistance was provided for four men having thirteen dependants, the work comprising 15 acres of clearing and bushfelling; 60 chains of new fences; 40 chains of fencing repairs; the splitting of 150 posts, 500 battens, and 6 strainers; 20 acres of ploughing; and the building of 1 whare and the making of 4 culverts. The butterfat production from October to March totalled 2,125 lb. and realized £90.

Ngahape.

The area of 423 acres, situated six miles from Te Kawa, so far included in this scheme comprises a portion of the estate of a well-known deceased Native. In the early history of the Ngati-Maniapoto tribe this locality supported a big population, but a sub-tribal dispute over some of the fertile cultivated areas led to one sub-tribe joining the southward trek of Te Rauparaha and other Tainui leaders.

One settler is at present established, this scheme having only been gazetted on 14th February, 1937, but an additional area of over 800 acres adjoining the land already under development has been submitted for inclusion, but various intricate legal difficulties have held matters up in the meantime.

The area on which the unit is concentrating has approximately 60 acres in grass, the balance being in light heather and scrub on the undulating to hilly section of the country. Ragwort has a strong hold, necessitating the purchase of sheep in the near future to be run in conjunction with the cows. The carrying-capacity will be $2\frac{1}{2}$ sheep per acre or one cow to 2 acres.

Onewhero.

This "blanket" scheme comprises thirty units in six groups scattered across the northern portions of the Raglan and Waikato counties, and each group presents a separate problem in farming, the soil and type of Native being different in each case. The following remarks give a general description of each area:—

Onewhero (Proper).—This section is situated about five miles from Tuakau, and comprises 720 acres of both low-lying and volcanic land on the banks of the Waikato River. There are ten settlers established, and considerable draining works have been undertaken during the year. A new water-supply is nearing completion and should prove a great benefit to the better class of farming land in this area. Housing conditions generally show improvement, but there are still a few cases where betterment is needed.

Opuatia.—Located fifteen miles from Tuakau and comprising some 1,380 acres, this area is of papa and semi-gum land. The land is poorly watered, but it is understood that power-lines will be running past most of the farms in the near future, and if water can be obtained from bores with the use of electric pumps it should go a long way to improving the returns of the eight farmers who are in this area.

Mercer.—It has been previously reported that blackberry was a serious menace for the one settler in this locality, but this problem is now well under control. The unit is making excellent progress on his farm, which has an area of 51 acres.

Mangatangi.—Seven farmers are established in this locality about twelve miles east of Pokeno. The soil consists of good-quality loam, and, generally, the pastures are particularly good. Splendid work has been done here in checking the spread of blackberry.

Koheroa.—There are two sections in this locality, which is composed of poor quality gum land about eight miles north-east of Mercer. Only one unit is active, however, and he has done fairly well.

Waikarakia.—This is an area of 1,073 acres of heavy clay flats and gum land hills. There are at present only three active units in the locality, which is eleven miles east of Mercer. These three farms total an area of 277 acres of the best land, and are well managed.

General.—The total gazetted area is 4,642 acres; the area developed, 2,900 acres; while the further land estimated as suitable for development is approximately 1,000 acres. The number of dependants on these sections is 193 persons.

The live-stock tally as at 31st March last was 49 horses, 61 pigs, 29 bulls, 718 dairy stock, of which 573 cows were in milk at the flush of the season.

The receipts for the past year were as follows: 101,257 lb. of butterfat, which produced £5,877, two-thirds going to the units, and one-third to the Department, while cattle sales amounted to £142.

The summary of the year's general farming activities are as follows: 20 acres of bushfelling and clearing; 67 chains of new draining, with 60 chains of cleaning of old drains; 12 acres of grassing; 30 acres of ploughing; the splitting of 600 posts; the harvesting of 16 acres of hay; the alterations to 2 cottages and the building of 1 new hut.

Oparure.

Comprising 602 acres around Te Kuiti and Oparure, of which 470 acres are under development, this scheme has two settlers who are successfully farming with sheep and cows, but the efforts of the third unit to control the growth of gorse and blackberry are somewhat disappointing. It is desirable to bring this scheme into the Waitomo development area, and representations to this effect will be made during the ensuing year. Of the original five units, two have paid off their loan accounts and no further assistance will be required.

The scheme, as at present constituted, supports thirty-three dependants belonging to the Ngati-Kinohaku and Ngati-Rora tribes. The work carried out during the year comprised: 75 acres of clearing and bushfelling; 110 chains of new fences; 11 acres of ploughing; the splitting of 400 posts, 2,200 battens, and 4 strainers; together with additions and alterations to 2 cottages. The live-stock carried by the units as at 31st March last was as follows: 33 cows, 10 other dairy stock, and 220 ewes.

The cash receipts for the year were: Butterfat, £263 gross from 5,862 lb.; £71 from 1,250 lb. of wool; and live-stock sales, £300.

Pio Pio.

Lying in the valley of the Mokau, one of the most important waterways to the west coast in the early history of the district, this scheme of 1,266 acres was gazetted in August and September, 1936. The quality of the soil is excellent, being good river flats. In years gone by the tide of tribal warfare between the Ngati-Maniapoto and various Wanganui and Taranaki tribes ebbed and flowed in an unceasing manner up and down the Mokau as the people of the two canoe areas—Aotea and Tainui—fought desperately for this much coveted and fertile territory.

The scheme at 31st March, 1937, consisted of only four units, but the areas will later be divided into suitable farms. The personal element in all cases is excellent. In common with other areas in the King-country, ragwort is prevalent, and sheep will be run until the control of this menace is assured.

The work carried out by unemployed men on the farm sections consisted of 192 acres of bush-felling and clearing, 58 acres of ploughing and cultivating, and the erection of 1 whare. Live-stock on the properties as at 31st March comprised 35 cows, 10 other dairy stock, 50 run cattle, and 590 ewes.

Pirongia.

This scheme comprises a number of blocks at the foothills of Pirongia Mountain and along the banks of the Waipa River and some of its tributaries. The Waipa River in the days of water conveyance was a busy thoroughfare. There were some populous villages along its banks, and wheat-growing was carried out on an extensive scale, but after the wars between Cameron's forces and the Maoris the lands were allowed to revert in many instances to their native state, with the addition, in more recent years, of introduced pests, such as ragwort, gorse, and blackberry.

With the advent of the railway, the Maori population, with the exception of a few families, moved to Otorohanga and to other places nearer the line.

The scheme was commenced in July, 1936, and as at 31st March, 1937, consisted of eight farms, the areas proclaimed embracing approximately 1,336 acres. It comprises easy rolling, ploughable, light country with a particularly fertile soil that responds very well to superphosphate. The settlers have all taken a keen interest in their farms; they are good workers who will doubtless prove successful and who are showing a good example to others in the manner in which they are improving their lands. One farmer has approximately 100 acres of first class river flats, but, unfortunately, it is infested with heavy gorse. It is intended to grub this area, plough deep, and sow it in grass on the first ploughing. During the coming year it is proposed to erect five cottages for the units as well as two cow-sheds.

Work carried out during the year by fifteen unemployed men and eight units with fifty-five dependants consisted of 186 acres of bushfelling and clearing, 30 chains of new fences, 53 chains of new drains, 122 acres of ploughing and cultivating, 41 acres of grassing, and 148 acres of top-dressing.

The receipts for the nine months were: Cream, £85; wool, £45; and sheep sales, £144. The live-stock tally at 31st March was 73 cows, 17 other dairy stock, 113 sheep, 20 horses, 3 bulls, and 24 pigs.

A further area of 371 acres at Kopua acquired by the Native Trustee has been recommended for development under the Native land legislation. The work of bringing this block in will provide work for the unemployed Maoris in the district.

Waahi.

Four farms occupied by members of the Mahuta family are included in this scheme. There are three units at Waahi, Huntly, and one at Rotowaro, and they are all very satisfactory farmers. Although small in area, this scheme is the spear-point of development operations in the Waikato in that one of the units, Koroki Mahuta, is the "Maori King," and the influence exerted by him and the members of his family is reflected throughout and beyond the district. Splendid improvement was made in the pastures during the year, and the units all take a great interest in their farms.

On a total area of 618 acres development has been undertaken on 574 acres. The dependants on the scheme comprise four units, seven additional labourers, and sixteen others, a total of twenty-seven persons.

The number of cows in milk at the flush of the season was 131, while the total butterfat production was 22,457 lb., which realized £1,194.

Waikato.

Classified as a "blanket" scheme, this area embraces seven scattered holdings located at Gordonton, Huntly, Tauhei, and Parawera. The total gazetted area is 770 acres, of which 344 acres are under development, while it is intended to ultimately bring in a further 350 acres. The total dependants on the scheme number forty. The three settlers at Gordonton are sadly handicapped through having only a poor water-supply, which has to be pumped, and, moreover, it does not seem possible to guarantee a successful supply. A new house was built for the one unit at Huntly—a Native woman, who is probably the best settler under the Department's schemes in the whole of the Waikato district; twelve acres of new grass were brought in by the settler at Tauhei. The two new units at Parawera have proved to be good workers and a credit to the Department. Ragwort will be controlled on this latter area during the coming year by stocking with sheep, and, ultimately, these two men should make a success of their holdings.

The number of cows in milk at the flush of the season was 98, while the butterfat production totalled 19,008 lb.

The year's operations comprised 44 acres of clearing; 75 chains of new fencing, and 50 chains of repairs to fences; the digging of 10 chains of new drains, and the cleaning of 30 chains; 60 acres of ploughing and cultivation; the splitting of 400 posts, 2,000 battens, and 4 strainers; renovations to 1 cottage; and the erection of 1 new cow-shed.

Waimiha.

When the future history of Waimiha is written, the part played by the launching of the Native land development scheme in this locality, and its subsequent progressive steps in the rehabilitation of the Te Ihingarangi hapu of the Ngati-Maniapoto tribe will take up no small nor unimportant part in that history.

Situated one mile and a half from the Waimiha Railway-station, and forty miles south of Te Kuiti, development operations on these pumice lands of the King-country commenced in May, 1930. Of the 7,872 acres proclaimed under the provisions of the Native Land Act as suitable for development purposes, the Department has concentrated on approximately 2,500 acres. To-day this area of land, which was previously covered with tea-tree and fern, is transformed into healthy pastures carrying, at 31st March, 1937, the following live-stock: 730 ewes, 23 rams, 13 bulls (dairy), 170 cows, 150 heifers, 35 heifer calves, 30 yearling heifers, and 190 bullocks.

When dairying commenced in 1932, approximately 2,000 acres were divided in sections, having in view the establishment of units at a later date. The time is now ripe for the setting-up of provisional units, and during this coming milking season it is hoped to see twelve settlers established. The pumice land at Waimiha is capable of being developed into fair dairying land with a butterfat production of 100 lb. to 130 lb. of butterfat per acre (under really high farming a butterfat production of 150 lb. to 175 lb. per acre is possible). Successful farming depends on adequate winter feeding; each dairy cow will require about $2\frac{1}{4}$ acres of pasture land, of which about $1\frac{1}{4}$ should be used for summer grazing and 1 acre conserved as hay or silage for winter feeding; or swedes can be used for part of the winter feeding, allowing 1 acre of swedes for every ten cows and $\frac{3}{4}$ acre for hay and silage.

During the year ended 31st March, 1937, the Supervisor reports that the scheme as a whole has shown general improvement through heavier stocking with bullocks and sheep. The grassed lands, which in original state comprised poor pumice soil, have shown a remarkable improvement, more especially the pastures on which bullocks have been grazed.

An excellent crop of swedes was grown from an area of red clover which was ploughed in and fallowed throughout last winter. The hay cut this year has not been up to the standard of previous years owing to the inclement weather experienced, but, nevertheless, 200 tons were pressed, baled, and adequately stacked and covered, while approximately 400 tons of silage were conserved.

The total butterfat produced during the year from 164 cows and 80 heifers (first calvers) milked in ten herds was 43,223 lb.—graded superfine 12,779 lb., first 29,051 lb., and second 1,393 lb.—and realized £2,259.

Five new houses for prospective units were erected under the supervision of the Public Works Department, while seven implement and manure sheds (combined), and three new cow-sheds were also built, making in all eleven milking-sheds supplied to date.

Up to the present, dairying at Waimiha has not been very successful, but the position is apparently much better now than in the past. Causes of poor past returns have been lack of water, lack of perennial rye-grass in the pasture, and inadequate winter feeding.

The installation of the water-supply, gravitated from Te Akau, has been in the hands of the Public Works Department, and water has now been reticulated to all the houses, sheds, and troughs of the milking sections, and to the majority of the scheme sections. Any further reticulation will be carried out by scheme workers. The completion of the supply will enable the properties to be brought up to full carrying capacity.

Besides work undertaken by the permanent hands, the undermentioned operations were carried out by unemployed men—Units' sections: 40 chains of new fencing and 25 chains of new draining; Scheme lands: 300 acres of bushfelling and clearing, 390 chains of fencing, 220 chains of new draining, with 175 chains of cleaning, the planting of 79,000 shelter-belt trees, 1,650 acres of top-dressing, 167 acres of ploughing and cultivation, 40 chains of road-making, and the erection of 1 wool-shed.

The main wool-clip totalled 6,196 lb., the net proceeds amounting to £355, which gives an average of 1s. 1-7d. per pound, or 8-9 lb. of wool per sheep. Six bales of wool from the previous season's clip were sold in March, 1936, and are included in the total proceeds shown in the summary. The scheme wintered 770 ewes, which produced 730 lambs, an average of 95 per centum. In addition to the wool, the proceeds from the sales of dairy cattle and sheep were £283 and £1,132 respectively.

The live-stock is in good condition and takes the limonite and salt with avidity. A special feature of the year's operations has been the successful running of bullocks, which were in prime condition. If shipping space had been available in March, 100 head would have been sold for chilling purposes. The sickness among the lambs did not manifest itself to as great an extent as in the previous year. The position was carefully watched, and at the first sign of sickness the fates were sent to the works and the balance sold. The dairy stock is in good condition and the last year's calves are doing well.

The scheme carries a population of ninety-eight Natives, and the health of the community has been good.

Waipipi.

Known locally as “Hakona,” the scheme is on the slopes above the Waiuku River, about six miles by road from Waiuku. It comprises an area of 280 acres of almost fully developed land divided into five farms, irrespective of the title position, and, as in the case of Kaihau, the occupiers are on wages based on one-third of their cream cheques, while they also retain all the proceeds from the pigs.

The tenure for these people is under consideration in conjunction with the Kaihau scheme, and it is hoped to reach finality on this point before very long. The establishment of the occupiers as units with some definite form of tenure would undoubtedly put the people on a sound basis and give them a greater sense of responsibility. The persons dependent on the scheme number twenty-three.

It is hoped to effect repairs and improvements to the sheds during the coming year, and this should tend to improve the quality of the cream supplied.

The following butterfat production table is supplied :—

Farm No.	Area.	Cows.	Butterfat.	Value.	Average per Cow.	Carrying- capacity.
	Acres.		Lb.	£	Lb.	Cows.
1	71	29	5,422	288	188	35
2	60	22	5,302	284	241	25
3	56	31	5,894	323	190	30
4	46	18	4,646	258	258	25
5	47	29	6,211	343	214	30
Totals ..	280	129	27,475	1,496	213	145

Grading—Superfine, 2,802 lb. ; first, 24,489 lb. ; second, 184 lb. : total, 27,475 lb.

Waitomo.

The four development settlers in this scheme gazetted in September and October, 1936, and comprising an area of 501 acres, are occupying various isolated areas within the Waitomo County. All four farmers, being former Waikato-Maniapoto District Maori Land Board mortgagors, were taken over under Native land development operations during the year. Three of the Natives have only small sections of approximately 66 acres each, but the area embraces good heavy country in a central position. The fourth unit has a farm of 301 acres of easy, light ploughable country which in the past had been allowed to revert to fern and ragwort. The present Native on this property is a first-class worker, and it is confidently considered that he will eventually be one of the most successful men in the district.

During the season the settlers milked 60 cows, while in addition the properties at 31st March, 1937, were carrying 15 other dairy stock, 40 run cattle, 206 sheep, and a number of pigs. The total butterfat production for the full year is not available.

The scheme has dependent upon it thirty-one individuals, and five men were assisted from the Employment Promotion Fund to complete the following work : 14 acres of clearing, 15 chains of new draining, 12 acres of grassing, 35 acres of top-dressing, 42 acres of ploughing, and the erection of 1 cottage.

STATISTICAL DATA OF WAIKATO-MANIOPO TO SCHEMES (SCHEME, BASE FARMS, AND UNIT).

Subject.	Hangatiki.	Hanataunga.	Kalbau.	Kawhia.	Te Kuiti.	Mahoenui.	Mangapu.	Ngahape.	Onewhero.
1. Date first gazetted/acquired	Jan., 1937	May, 1937	April, 1933 April, 1937	March, 1931	June, 1932	April, 1930	Sept., 1936	Feb., 1937	Oct., 1931
2. Number of schemes	556	376	376	4,351	617	6,076	633	423	4,642
3. Area gazetted to date	100	110	310	2,000	588	2,377	70	60	2,900
Area developed to date	500	340	374	4,000	588	5,377	570	370	3,900
Area ultimately to be developed	5	3	..	12	..	2	2	1	30
4. Units—Definite tenure	12	13	9	29	6	26	2	3	18
Additional labourers	17	16	14	115	9	44	9	14	145
Other dependants (wives and children) .. ..	..	..	..	..	..	..	..	..	..
Total dependants	17	16	23	156	15	72	13	18	193
5. Unemployed labourers (included above)	5	3	..	41	6	26	4	4	14
6. Live-stock tallies—	..	..	..	..	..	..	..	..	..
Cows milked .. ..	..	25	184	280	2	48	18	21	573
Other dairy stock .. ..	..	9	21	122	..	24	3	12	146
Run cattle .. ..	..	..	..	115	198	684	60	..	..
Sheep—	..	..	..	..	..	..	..	..	..
Rams	7	..	..	33	26	34	11	..	..
Other	240	..	..	1,111	1,067	3,904	400	..	..
Horses: Working	2	2	9	40	3	18	5	4	49
Bulls .. ..	..	1	6	17	3	6	1	1	29
Pigs .. ..	..	7	10	90	..	4	5	8	61
Goats .. ..	..	..	..	150	200	200	..	..	..
7. Receipts—	..	..	..	..	..	..	..	..	..
Butterfat—	..	..	..	..	..	..	..	..	..
Total poundage .. ..	..	2,300	(38,502)	42,144	..	..	2,125	..	101,257
Department's proportion .. ..	..	30	(2,134)	684	..	..	30	..	1,960
Department's percentage .. ..	..	33½	(100)	33½	..	..	33½	..	33½
Wool—	..	..	..	..	..	..	..	..	..
Weight .. ..	..	..	..	7,201	10,373	22,792	..	..	..
Department's proportion .. ..	..	..	..	310	623	1,151	..	..	..
Sheep sales .. ..	..	..	..	930	1,426	1,862	..	..	..
Cattle sales .. ..	..	..	..	224	532	..	..	..	142
Crops and sundries	2	..	..	3	11	54	..	..	14
Total cash to Department	2	30	Maori Land Board.	2,151	2,592	3,067	30	..	2,116
8. Year's activities—	..	..	..	..	..	..	..	..	..
Bush felling and clearing .. ..	..	23	..	461	40	451	15	..	20
Fencing—	..	..	..	273	80	438	60	..	..
New .. ..	..	..	..	80	50	130	40	..	..
Repairs .. ..	..	..	..	..	..	..	..	..	..
Draining—	..	..	..	236	..	313	..	..	67
New .. ..	..	..	..	26	..	..	..	..	60
Cleaning .. ..	..	..	6	..	50	176	..	..	12
Grassing .. ..	..	1	..	31	50	156	20	..	30
Other cultivations .. ..	..	..	..	..	260	1,200	..	..	..
Top-dressing .. ..	..	..	..	..	20	86	..	..	..
Roading .. ..	..	..	..	..	2,000	2,500	..	..	..
Number of shelter-belt trees planted .. ..	..	..	..	..	..	..	..	..	..
Splitting—	..	..	..	..	..	..	..	..	..
Posts .. ..	..	200	..	2,100	..	500	150	..	600
Battens .. ..	..	..	..	10,880	..	22,100	500	..	..
Strainers .. ..	..	..	..	163	..	30	6	..	..
Cottages: Year .. ..	..	1	..	..	..	..	..	..	2
Cow-sheds: Year .. ..	..	2	..	..	..	..	..	..	..
Wool-sheds: Year .. ..	..	..	..	..	..	..	..	..	..
Sheep-dip: Year .. ..	..	..	..	..	..	..	..	..	..
Huts: Year .. ..	..	..	..	1	..	2	1	..	1

Subject.	Oparure.	Pto Pio.	Phongia.	Waahi.	Waikato.	Waimiha.	Waipipi.	Waitemo.	Totals.
1. Date first gazetted/acquired	May, 1932 ..	Aug., 1936 ..	July, 1936 ..	Feb., 1930 ..	June, 1932 ..	March, 1930 ..	June, 1933 ..	Sept., 1936 ..	.. 17
2. Number of schemes	602	1,266	1,336	618	770	7,872	280	501	31,295
3. Area gazetted to date	470	250	237	574	344	2,500	274	100	13,254
Area developed to date	570	1,050	1,127	634	694	6,000	280	496	26,870
Area ultimately to be developed	3	4	8	7	7	2	..	4	82
4. Units—Definite tenure	3	4	15	7	7	34	6	1	175
Additional labourers	27	33	55	16	26	64	17	26	639
Other dependants (wives and children)									
Total dependants	33	41	78	27	40	100	23	31	896
5. Unemployed labourers (included above)	6	8	23	2	5	19	..	5	171
6. Live-stock tallies—									
Cows milked	33	35	73	131	98	244	129	60	1,954
Other dairy stock	10	10	17	41	23	141	5	15	598
Run cattle... .. .	..	50	..	..	..	190	..	40	1,337
Sheep—									
Rams	7	17	3	..	..	23	..	6	167
Other	220	590	110	..	..	730	..	200	8,572
Horses: Working	7	12	20	7	14	7	8	8	215
Bulls	1	2	3	4	7	13	2	3	99
Pigs	11	15	24	8	14	20	10	17	304
Goats .. .. .	..	..	..	..	..	..	..	..	550
7. Receipts—									
Butterfat—									
Total poundage	5,862	2,250	2,040	22,457	19,008	43,223	27,475	7,448	316,091
Department's proportion	88	42	38	398	349	2,259	1,496	51	7,425
Department's percentage	25-33½	33½	33½	33½	33½	100	100	33½	..
Wool—									
Weight	1,250	..	759	..	..	8,330	..	657	51,362
Department's proportion	60	..	15	..	..	434	..	13	2,606
Sheep sales	288	..	144	..	..	1,132	..	95	5,877
Cattle sales	11	..	..	..	12	283	50	5	1,259
Crops and sundries	119	..	..	3	128	111	23	..	468
Total cash to Department	566	42	197	401	489	4,219	1,569	164	17,635
8. Year's activities—									
Bushfelling and clearing	75	192	186	..	44	300	..	14	1,821
Fencing—									
New	110	..	30	..	75	280	..	..	1,346
Repairs .. .. .	..	..	..	..	50	150	..	..	500
Draining—									
New .. .. .	..	..	53	..	10	245	..	15	939
Cleaning.. .. .	..	..	..	..	30	175	..	..	291
Grassing .. .. .	..	240	41	6	..	200	..	12	743
Other cultivation	11	58	122	40	60	167	..	42	788
Top-dressing .. .. .	..	..	148	..	..	1,650	..	35	3,293
Roading .. .. .	..	..	..	..	..	60	..	..	166
Number of shelter-belt trees planted .. .. .	..	..	500	..	..	79,000	..	..	84,000
Splitting—									
Posts	400	..	..	..	400	..	..	..	4,350
Battens	2,200	..	..	..	2,000	..	..	..	37,680
Strainers	4	..	..	..	4	..	..	..	207
Cottages: Year	2	..	..	..	1	5	..	1	12
Cow-sheds: Year .. .. .	..	..	..	..	1	3	..	..	8
Implement and manure sheds: Year .. .. .	..	..	..	..	..	7	..	..	7
Wool-sheds: Year .. .. .	..	..	..	..	..	1	..	..	2
Sheep-dip: Year .. .. .	..	..	..	..	..	..	..	..	1
Huts: Year .. .. .	..	1	..	..	..	..	..	..	6

WAIARIKI MAORI LAND DISTRICT.

The Waiariki district extends around the Bay of Plenty from Tauranga to Cape Runaway, a distance of 150 miles, and includes the counties of Rotorua, Whakatane, Opotiki, and the northern half of Taupo, the greater part of Tauranga, and a portion of Matamata County.

The headquarters of this district is the Township of Rotorua.

The tribal divisions within the Waiariki territory are as follows: Tauranga district, the Ngai-te-rangi people; Te Puke to Matata, Maketu to Taupo, and Matata to Murupara, the Arawa, Ngati-Manawa, and Ngati-Tuwharetoa tribes; Matata to Opape and hinterland, the lands of the Ngati-Awa, Tuhoe (Urewera), and Whakatohea tribes; Torere, the Ngaitai tribe; and from the north of Torere to Cape Runaway, where the Whanau-a-Apanui landowners reside.

It was natural that the development and settlement of New Zealand should have had its first impulses in the lands abutting on the sea-coast or adjacent to the principal sea-ports of the Islands. The Maori wars between 1860 and 1870 retarded settlement in the Waikato district, and this in turn had its effect upon settlement of the lands which lay beyond, or which, geographically, were so situated that their economic approach was through, that area. This isolation has proved to be a blessing to the Natives of the Rotorua district as it did not subject the Maori landowners to the temptation of disposing of their territory to the land-hungry pakeha to anything like the same extent as operated in the case of the nearer and perhaps better lands of the North Island. The beneficial effects on the Rotorua Maoris of this isolation are to be seen to-day by any one who cares to visit the many thriving Native holdings which have been developed under the Government's Native land development policy inaugurated under the legislation passed for that purpose in 1929. However, it was not this isolation alone which saved much of the Maori estate from alienation to European purchasers. Other factors of equal or even greater importance operated to save the land for the Maori.

In its beginnings it was the thermal activity which was to be found in and around Rotorua which was the district's principal attraction. These thermal activities possessed potentialities for the development of a Tourist and Health resort; a world's playground in fact. The land was not prized or sought after for its farming and agricultural value; the soil consisted of pumice deposits of varying degrees of fineness, and farmers and settlers were not favourably disposed towards that class of country. The result, therefore, was that when the Government's policy of Native land development and settlement of Maoris came into existence in 1930, the Rotorua district provided a more extensive field for the application of the policy than most other districts both by reason of the extent of its Maori owned land and the density of its Maori population. There were many who doubted that the land could be developed and settled by Natives with any likelihood of permanent economic success. The results, however, prove conclusively that not only the Maori settlers themselves, but the district as a whole, can be assured of a rich and stable return from the farming of these lands.

The Maori settler of the Rotorua district has helped to create a community value greater than the cost of the development of his land. But his work is not finished, for he has yet to continue to cultivate and improve his farm in order to maintain it at its present standard of production and to endeavour by the utilization of scientific knowledge to increase its productivity still further. Thus will he rise to full citizenship, able and willing to meet his full responsibilities in that estate side by side with every other member of the community.

Climatic conditions are fairly uniform throughout, though considerably milder winters are experienced on the coastal lands. The district has a generous rainfall, fairly well distributed throughout the year. Inland the summer temperatures are high, winter temperatures low, and ground frosts are fairly common between April and November. Owing to the low temperatures, pasture growth in the immediate vicinity of Rotorua, Ruatahuna, and Tokaanu is backward till middle October, but on the Maketu, Tauranga, and other coastal areas the mildness of the winters ensures a much earlier growth in the pastures. In common with other parts of New Zealand, this summer has been exceptionally wet and the pastures have shown luxuriant growth, which has necessitated heavier stock purchases than originally contemplated.

In the immediate vicinity of Rotorua there are 12,500 acres, comprising Horohoro, Peka, Parekarangi, and Tuhourangi, under development, of which 7,000 acres are in grass. Extending towards the coast within a distance of sixteen miles of Rotorua in the area comprising Tihiotonga, Brents, Tikitere, Okere, Taheke, and Rotoiti, there are 28,547 acres under development and 10,178 acres in grass. From this area of pasture land, 17,178 acres in extent, the following sales of fat and store stock have been made for the twelve months ending 31st March, 1937: 7,693 lambs, 1,422 ewes, 6,378 wethers, and 584 bullocks (booked for sale early in April).

Going further afield to embrace Maketu, Tauranga, Ruatahuna, and Tokaanu, the total shearing figures are 29,948 sheep for a wool-clip of 638 bales. Employment has been given to at least five hundred

men, who have depending on them between 1,500 to 2,000 dependants. The total sales for the whole of the central district are as follows :—

Period 1st April, 1936, to 31st March, 1937.

	Lambs.	Ewes.	Wethers.
Brents to Rotoiti	7,693	1,422	4,803
Atiamuri Road .. .. .	..	..	1,575
Maketu and Te Puke	842	300	330
Tauranga	1,297	600	..
Ruatahuna	500	577	..
Tokaanu	633	100	100
	10,965	2,999	6,808

	Bullocks.	Beef Cows.
Brents to Rotoiti	208	252
Atiamuri Road	376	166
Maketu and Te Puke	126	40
Ruatahuna .. .. .	..	100
	710	458

In the short space of five years over 500,000 lb. of butterfat have been produced from the schemes on the Rotorua-Atiamuri Road and for the same period from five sheds on Tikitere, approximately 183,400 lb. of fat have been produced.

A summary of cash receipts for the central district for the years 1935-36 and 1936-37 are as follows :—

	1935-36.	1936-37.
	£	£
Wool	5,355	13,232
Sheep	14,216	17,206
Cattle	12,081	855
Cream	11,854	18,559
Crops	458	62
Sundries	3,674	2,368
	47,638	52,282

Before tracing in detail the schemes on the Tauranga-Rotorua and Tauranga-Whakatane roads, from Brents Farm to Rotoiti scheme, a brief extract from "Soil Surveys of the North Island" will be helpful in appreciating the nature of the soil in these areas :—

"On Waerenga block part of Okere development scheme (north shore of Lake Rotorua), 1,097 acres are classed as rolling and flat country and 595 acres as steep. The soils are derived almost entirely from Kaharoa sub-aerial deposits, the texture of which is that of a gravelly sand. On the eastern corner, Rotomahana coarse sands 3 in. thick overlie the Kaharoa ash, at one mile to the west they thin to 2 in. ; and on the western boundary they are $\frac{1}{4}$ in. to $\frac{1}{2}$ in. thick. The available iron in the soil is considerably lower than on the Taupo pumice, but the thin coating of Rotomahana ash on Waerenga will have a beneficial effect as far as bush sickness is concerned, for on areas where this ash is thick, anæmia in stock does not develop."

It should be mentioned here that bush sickness to any marked extent has not been experienced on Okere scheme, due no doubt to the fact that the use of licks and the method adopted in working the sheep and cattle is such that stock on areas inclined to sickness can be changed to healthy land within the property from time to time.

Many of the schemes in the area from Brents to Rotoiti are covered with Rotomahana mud, and a description of this by the same authorities is worth quotation here :—

"The areas to be developed on which grey Rotomahana ash forms the soil, contain, in general, a high proportion of steep land. On Taheke nearly two-thirds of the land not covered with bush is classed as steep, on Tikitere one-sixth, on Puketawhero slightly more than half, and on Wharenui almost two-thirds.

“Rotomahana ash, deposited during the Tarawera eruption of 1886, is a mixture of fragments of rhyolite and of basalt. It is thickest on Wharenui and Puketawhero, where it ranges from 6 in. to 9 in.; on Tikitere it is between 3 in. and 5½ in.; on Taheke the 4 in. on the southern boundary thins to 2 in. on the northern boundary. The texture of the soil is that of a sand loam on Puketawhero and Wharenui, and a coarse sand on Taheke and Tikitere. On most of the steep slopes the grey ash is thin or absent, having been washed into the valley-bottoms, where it forms water-sorted beds of relatively small area. Underlying the grey ash are the gravelly sands and sands of the Kaharoa shower. The Rotomahana sands contain a low percentage of moisture during dry weather. The sandy loam holds the moisture fairly well. The ash contains more available iron than the Taupo pumice, and bush sickness is unknown on soils derived entirely from it. Over much of Taheke, the Rotomahana ash is 2 in. to 3 in. thick, and since Kaharoa ash underlies, a slight amount of sickness in sheep is to be expected.”

The fact that the Department can utilize “change” areas in the scheme itself offsets any bush sickness that may be met with.

Further extracts from the aforementioned report presented by the Scientific and Industrial Research Department for 1931–32 on a soil survey of these lands are quoted hereunder for reading in conjunction with the individual scheme narratives:—

“Much the greater area of the soils are formed from sub-aerially deposited Taupo pumice (rhyolitic in composition). The deposit is in general 22 in. thick on Horohoro, 13 in. on Parekarangi, and 9 in. on Peka and Tihiotonga. Underlying the Taupo pumice on all these areas is the Mamaku shower.”

Two soil types are to be found:—

“(a) Taupo sandy silt on rolling and flat country; and

“(b) Taupo free sandy silt on steep slopes.

“In many places on the steep slopes, the Mamaku medium sands are mixed with the Taupo pumice. On well-defined terraces bordering the main streams on Horohoro the parent material of the soil is water-sorted Taupo pumice. The textures are those of sands, sandy silt, and silt. These water-sorted sands cover a relatively small area. Small patches of loam, usually swamp, occur in many of the valley bottoms.

“Taupo sandy silt after a period of dry weather contains more than four times as much moisture as the Rotomahana sand and the Kaharoa gravelly sands at Tikitere, as much as indeed the loams of the Waikato. This high moisture content is no doubt largely due to the silt fraction, which packs so closely together. Taupo pumice soils will not dry out badly during a prolonged dry spell.

“In several districts stock depastured entirely on Taupo pumice soils are liable to develop an anæmia which is usually called ‘bush sickness.’”

This “bush sickness” is probably due to the soil being low in available iron.

On the Atiamuri Road the Department is cultivating lands on which the available iron is low, and therefore safeguards have to be used in the management to guard against this malady in stock. Little difficulty has been experienced to date with “bush sickness” on these schemes, but every precaution is taken in the stock management.

It is interesting to note the method now adopted in bringing in the pumice lands, which is as follows: Clear, plough, leave fallow for six months if possible; work and cultivate until a thoroughly good seed-bed is assured; and sow a mixture of 40 lb. of grass-seed together with 3 cwt. superphosphate per acre. Afterwards annually top-dress with 2 cwt. of super per acre. Directly the grass has made a proper strike, constant stocking with bullocks or wethers for at least three years is required, and if this practice is carried out, the fourth year will result in a good pasture suitable for the establishment of dairy herds.

The local Supervisor states that the Atiamuri Road lands will fatten 3½ to 4 wethers to the acre in the season; or 3 ewes to be carried and lambed, and lambs put off, but not carried over; or they will carry 1 dairy cow to 1½ to 2 acres or will fatten a bullock to 2 acres. Two-year-old bullocks put on as stores in the autumn will go off fat the following March.

In the Bay of Plenty district there are sixteen schemes, reaching from Whakatane to Cape Runaway, comprising a total area of 86,895 acres, of which 25,461 acres are at present under development and a further 21,000 acres are considered suitable for settlement. The number of farmers already established total 322, and further holdings are being settled as development proceeds. The live-stock returns for this group of schemes is as follows: 9,170 dairying stock, 10,193 sheep, and 719 run cattle. Sales of butterfat, wool, and live-stock show an appreciable increase over the previous year, and the settlers in this district are gradually increasing the carrying capacity of their farms and are making steady progress under supervision.

The following details of the Department's operations will illustrate not only the extent to which the Native land development policy has been carried out in the Rotorua district, but also the results and measure of success which have been obtained thus far.

Horohoro.

The Horohoro scheme, located along the main Atiamuri Road outward from Rotorua, marked the commencement in February, 1930, of experimental work on the development of Native lands. From the organization which brought these pumice areas into cultivation, the other schemes in the Waiariki district have grown, and that organization has been modified and improved by experience. In the comparatively short period of active development of these lands hitherto unproductive, the

results achieved have amply justified the contention that this class of country is capable of being brought to a stage of production on a sound economic basis. A panoramic view of the scheme lands may be obtained from the slopes of Haparangi Mountain, and to-day there is presented conclusive evidence of the wisdom and foresight of the policy of development of these lands. The total area of the various subdivisions comprising the Horohoro scheme is 10,896 acres. The nature of the country, generally, is rolling to flat and covered to a depth of approximately 22 in. with a deposit of Taupo pumice ash, rhyolitic in composition. The rainfall is generous and fairly well distributed throughout the year. There is a wide range between summer and winter temperatures, and ground frosts are experienced between April and November. Pasture growth is affected by low temperatures up to the end of October. Horohoro, as the pioneer scheme on this class of country, has not only demonstrated the possibilities of pumice land development, but also the relation of land settlement to the health and social problems of the Maori people.

During the year under review valuations of the various sections were made, and arrangements are in train for the finalization of tenures for individual settlers and terms of repayment of advances made. The establishment of a Native school on the scheme has made provision for the education of the children of the settlers, and particular attention is given to the study of agriculture.

Detailed reports on the year's activities of the various subdivisions of the scheme are appended. The original subdivisions comprised Rongomaipapa and Ngati-Tuara only.

Horohoro : Haparangi Plantation.

This plantation lies to the south of the Atiamuri-Rotorua Road on the slopes of Haparangi Mountain. Approximately 750,000 trees have been planted on an area of 833 acres. The plantation was commenced in August, 1933, primarily as a measure to provide work for unemployed Maoris at Rotorua and also to provide shelter for the Horohoro subdivisions.

The trees are showing good growth and, apart from attention to the fire-breaks and roads, no other work has been necessary during the period under review. The trees comprise such varieties as *Pinus Murrayana*, *Radiata*, *Ponderosa*, *Macrocarpa*, and Douglas fir, and these should ultimately provide a valuable asset to the Department.

Horohoro : Kapenga No. 1.

This subdivision adjoins Kapenga No. 2 at the foot of Haparangi Mountain, and comprises an area of 1,000 acres. Development operations were commenced in July last, and it is hoped eventually to settle up to twelve families on this scheme.

It will be necessary for a water-supply system, either pumping or gravitation, to be installed before subdivision and settlement take place, but during the initial stages of development springs and creeks will provide ample water. A programme of work on internal roads will also require to be undertaken.

Work carried out during the period under review consisted of 359 acres of clearing, 244 acres of grubbing, 206 acres of ploughing, cultivating, sowing in grass and top-dressing, 315 chains of fencing, and 26 chains of road formation.

Horohoro : Kapenga No. 2.

Kapenga No. 2 subdivision is located on the south side of the Rotorua-Atiamuri Road about seven miles from Rotorua, and adjoins the Tuhourangi scheme on the south and Kapenga No. 1 on the north. The area of this scheme is 400 acres, and development operations were commenced in June, 1933. It is hoped ultimately to subdivide the property into four dairy farms, but, as yet, no settlers are established.

The pastures are not yet of the required standard for dairying, but during the period under review 155 heifers and 172 bullocks were grazed on the scheme.

There is a gravitation water-supply system from springs, but the higher areas under the mountain will require to be supplied by a pumping system.

Work during the year was restricted to top-dressing the grassed areas. It is hoped that, after consolidation by beef cattle for a further season, dairying settlers will be established.

Horohoro : Ngati-Tuara.

This subdivision, which derives its name from that of the tribe owning the lands, is located on the main Atiamuri Road extending for a distance between the ten and twelve mile pegs and including the area between the road and the Horohoro Bluff. It adjoins the Rongomaipapa and Parekarangi schemes on the south and north-east respectively. The area of the lands under development is 2,125 acres. There are nineteen settlers established on the scheme, of whom seventeen are engaged in dairying, and their dependants number 108 adults and children.

The lands occupied by settlers comprise 1,384 acres in grass and under cultivation, 36½ acres of shelter belts, and 437½ acres in natural state. In addition, an area of approximately 267 acres remains to be improved and allocated. The pastures are in good condition and steps are being taken to check the spreading of ragwort. Turnips for winter feed are under cultivation.

Live-stock on the scheme as at the 31st March, 1937, comprised 538 dairy cows, 128 heifers, 138 calves, and 550 breeding ewes.

The following are butterfat returns for the period under review, together with a comparative table for the preceding season :—

Year.				Total Butterfat supplied.	Total Value.	Number of Cows milked.	Average per Cow.	
				lb.	£		lb.	£
1936-37..	..	..	..	74,294	4,185	425	152·8	9·8
1935-36..	..	..	..	62,084	2,797	365	170·0	7·7

Three milking-machines have been installed during the period under review, this making a total of five machines on this scheme.

Nineteen buildings have been erected on the scheme, and additions of two rooms are being made to sixteen cottages. A store-shed has also been erected.

The source of the main Horohoro water-supply system is located on this scheme, and two settlers obtain their supplies from this system. The majority of the holdings are well watered, but to ensure a regular supply, extensions of the main system are being undertaken.

Horohoro : Rongomaipapa.

The Rongomaipapa subdivision is situated at the southern end of the Horohoro block and comprises an area of 1,209 acres. There are twelve settlers established on the scheme, all of whom are engaged in dairy farming. There are sixteen adults and twenty-three children dependent upon the settlers, making a total of fifty-one persons permanently resident on the scheme.

This scheme has practically reached full development. The area in grass and under cultivation is 915 acres, in plantation and shelter belts 45 acres, and in natural state 249 acres. The pastures are in excellent condition and top-dressing with 2 cwt. of superphosphate per acre has been carried out. Areas of swede turnips for winter fodder are under cultivation. Ragwort is under control.

Live-stock on the scheme as at the 31st March, 1937, consisted of 464 dairy cows, 208 dairy weaners, and 200 breeding ewes.

The following is a table of butterfat supplied for the period under review, with comparative figures for the previous season :—

Year.				Total Butterfat supplied.	Total Value.	Number of Cows milked.	Average per Cow.	
				lb.	£		lb.	£
1936-37	..	..	..	62,639	3,557	409	143	8·7
1935-36	..	..	..	48,409	2,290	316	153	7·2

Six Diesel-engined milking machines were installed during the period under review, and a total of eight sections are now provided with machines.

The buildings on the scheme comprise twelve cottages and cow-sheds and a store-shed.

The majority of the holdings on this scheme are naturally watered by streams and springs. Four settlers are partially supplied by the main Horohoro system, and further extensions will be made during the ensuing year.

On completion of the metalling of the main Horohoro road this access will be of great advantage to some of the settlers, but further roadwork will, however, be necessary to meet the requirements of them all.

Negotiations are in train for the installation of an electric power supply, and if this eventuates, it will be of material benefit to the settlers and will enable further milking machines to be provided.

Horohoro : Tuhourangi.

This subdivision, comprising a total area of 1,007 acres, is situated on the south-western side of Haparangi Mountain, fronting on to the Rotorua-Atiamuri Road and adjoining Waikaukau on the southern end and Kapenga No. 2 on the northern side. There are five settlers established on dairy farms, and it is hoped to allocate a further four holdings next year. There is a total of twenty-six persons, of whom twelve are adults permanently resident on the scheme.

An area of 938 acres is in grass, and the pastures are in good order. Ragwort is kept under control. Abnormal growth due to the wet summer experienced has resulted in large crops of hay being saved, and there will be an abundance of winter feed.

Live-stock on the scheme as at the 31st March, 1937, consisted of 124 fat bullocks, 190 dairy cows, 9 heifers, and 46 calves. It is of interest to record that in July last the bullocks were put to graze on a paddock of 200 acres, and this line has been disposed of for chilling.

Milking was commenced late last season and 6,368 lb. of butterfat were produced. During the period under review 12,378 lb. butterfat have been obtained from 141 cows and heifers. One milking machine has been installed.

Five cow-sheds, six cottages, and a store-shed have been erected on the scheme.

Some of the holdings are naturally watered, whilst six farms are being supplied by a gravitation system from a spring on Haparangi Mountain.

The scheme is served by internal roads, which will require improving.

Horohoro : Turanganui.

This subdivision of 640 acres is situated on Bryce's Road, about three miles in from the Atiamuri-Rotorua Road turn-off. Development operations were commenced in June, 1931, and it is anticipated that eight dairying settlers will ultimately be established on the scheme.

An area of 260 acres in grass carried 100 bullocks, which will be sold in April.

This scheme was originally initiated to provide work for Maoris of the Te Aitanga-a-Mahaki tribe of Gisborne, but, unfortunately, these people did not settle down to the conditions of their new homes and, with the exception of one family, they gravitated back to the East Coast. The perseverance of the remaining settler will be rewarded by the allocation of the first section available for allotment.

There are at present eight whares and a dining-hall erected on the scheme, and these dwellings will later be replaced by adequate cottages.

The condition of Bryce's Road has not permitted cartage in wet weather, and this access will require to be improved.

Work carried out during the year consisted of top-dressing of the grassed area and clearing and cultivating of 25 acres.

Horohoro : Waikaukau.

Extending along the Rotorua-Atiamuri Road and adjoining the Tuhourangi scheme and the Ngakuru Settlement, the Waikaukau subdivision contains a total area of 1,193 acres. There are ten settlers established on the scheme, and of these, five are dairying. Their dependants number thirty people.

Of the total area, 680 acres are in grass and 160 acres fallow. The pastures on the dairying sections are in good order. The greater part of the land is still in the process of development and is gradually being brought up to the standard required for dairying.

The following live-stock was on the scheme as at the 31st March, 1937: 47 beef cattle, 147 dairy cows, and 62 heifers and calves.

Milking was commenced late in the last season, and the aggregate quantity of butterfat produced by 80 heifers was 10,163 lb. For the period under review the butterfat output from 129 cows was 17,902 lb. which, under the circumstances, may be regarded as satisfactory. One milking machine has been installed.

Seven cottages and five cow-sheds have been erected, and extensions of two rooms to three of the cottages are to be made. The settlers were previously housed in a large communal dwelling which was erected for the purpose.

The scheme is adequately watered by the Waikaukau Stream, but further extensions by reticulation will be required.

Work undertaken during the period under review included top-dressing 680 acres, clearing 74 acres, draining 134 chains, fencing 111 chains, ploughing 316 acres, 176 acres cultivating and sowing in grass. In addition to this work, ordinary seasonal operations were carried out on the dairying sections.

Arawa.

Consequent upon the requests of settlers on three farms of an aggregate acreage of 252 acres in the vicinity of Rotorua for assistance under Part I of the Native Land Amendment Act, 1936, the areas in question were taken under development during the year.

The first gazetted holding containing 49 acres, and, comprising undulating terraces and flats of a black soil with a pumice subsoil, is situated on the main Rotorua-Ngongotaha Road, three miles from Rotorua. Though overrun with gorse and blackberry, it is estimated as being ultimately able to carry 25 cows. Meantime sheep are being grazed on the property. Owing to its splendid situation the prospective value of the farm should increase, irrespective of any improvements undertaken. The Supervisor estimates that it will cost £25 per acre to fully develop and subdivide the area, but when completed it should result in a first class small farm.

One of the remaining two properties contains 130 acres, of which area 20 acres had been cleared, stumped, and burned at 31st March last. Preparations are in hand for the erection of three miles of fencing and the grassing of about 90 acres. When fully developed the land should carry about 40 dairy cows.

The third section of 73 acres contains soil of a good loam on pumice which responds quickly to top-dressing. Development-work is being taken in hand immediately.

Brents Farm.

This property, situated three miles and a half from Rotorua on the Rotorua-Whakatane Road, comprises 335 acres. The leasehold portion of 294 acres was made freehold during the year under review.

The farm is still used as the base for all stock movements in the Rotorua central area. The pastures are in first-class order and no trouble is being experienced with noxious weeds. The healthy land, covered with "Rotomahana mud," is ideal for the purpose of a central stock depot.

The wool-shed built in the previous year is proving invaluable, and the large night pens, capable of sheltering 1,200 sheep, greatly assisted shearing operations this year. Heavy rains were experienced in the Rotorua district during November and December, and, had it not been for the stock accommodation provided by the night pens, shearing would have been costly.

The work undertaken covered the usual seasonal stock operations and farm management—repairing fences, 140 chains of new fencing, installation of fifteen water-troughs, 62 chains of wire netting around holding paddocks, and top-dressing the 300 acres of grassed land. An additional portable shearing-machine was purchased, and two stands were added to the existing four-stand electric machine. The portable machines save unnecessary droving of large numbers of sheep and are invaluable for the operation of the outlying schemes. Charges on a "per head basis" for shearing are made against the other sections. The head stockman resides on Brents, and between twenty and thirty adult labourers received some measure of work in the shearing, dipping, and general farm activities.

Besides the continual heavy stocking during stock movements, the following complement was carried throughout the year: 463 ewes, 380 wethers, 251 culled lambs, and 48 run cattle.

Korohe.

This is a settlement of 1,658 acres adjoining the Hautu Prison farm near Tokaanu, and should be suitable for sheep and dairy farming when fully developed. About 500 acres consist of hilly country covered in manuka and fern, and the balance of 700 acres comprise river-flats and swamp land, infested at present with blackberry, gorse, and ragwort. The soil conditions vary considerably, but most of the block consists of potential dairying land capable of carrying a rye-grass, cocksfoot, and white-clover pasture.

The block was favourably reported upon by a committee of inspection in May, 1935, and steps will be taken to bring it under the development provisions of the Act early in the coming year. In the meantime employment is being given to a number of relief workers, and during the year under review 88 acres were cleared and stumped, 64 acres were top-dressed, and 16 acres sown down in grass, besides which 172 chains of fencing were erected. At present 220 ewes are being grazed on the property.

Maketu Farm.

This farm, which contains a total area of 1,277 acres, is administered by the Department for the Arawa District Trust Board and is being carried on principally out of revenue from dairying.

The area in grass remains at 900 acres, and during the year a great deal of new development work was undertaken, the principal activities being 389 chains of new fencing, 316 chains of fencing repairs, 80 chains of roading, 229 chains of draining, 174 chains of cleaning and deepening old drains, and the grubbing of 125 acres of gorse and blackberry. A new house was erected for the ploughman during the year.

The five milking herds (392 cows in flush of season) produced 74,220 lb. of butterfat during the season under review, and substantial returns were made from the sale of pigs, sheep, and wool. In the coming season it is proposed to place the five sheds on a share-milking basis, the Department retaining two-thirds of the proceeds from butterfat and one-half from pigs and calves, with the share-milkers meeting certain maintenance costs and rearing sufficient heifer calves for replacing culled stock.

Other live-stock carried during the year, in addition to the dairying herds, was as follows: 77 dry cows, 90 yearling heifers, 100 weaners, 203 Hereford steers, 592 breeding ewes, and 979 wethers.

Maketu : Motiti Island.

A portion of Motiti Island—off the coast from Maketu—was brought under development in 1932 for the purpose of assisting 15 settlers engaged in maize growing on an area of 852 acres.

Despite a poor corn crop this season no further financial assistance was required by the farmers, although the Department received little in the way of repayments on individual loan accounts. Many of the advances to settlers have already been reduced, however, and providing an average crop is harvested next season it is expected that a certain number of the loans will be fully repaid.

Maketu : Pukaingataru.

This is a subdivision of the main Maketu scheme and comprises an area of 211 acres on which two dairy farmers are established. The settlers are self-supporting, and their assignments of cream cheques are sufficient to cover interest and provide a sinking fund to ensure repayments of advances over a reasonable period of years.

Maketu : Te Puke.

The Te Puke scheme comprises an area of 422 acres, which is bounded on the eastern side by the Kaituna River.

One dairying settler has already been established, but owing to excessive growth of noxious weeds further settlement has been delayed, and it will be several years before the pastures on the balance of the area will be suitable for dairy farming. It is proposed during the next season to divert a stream, and if this work is undertaken the excessive flooding of the pasture land will be overcome.

Work carried out during the year has been confined to clearing 60 acres, grubbing 70 acres, a small amount of new fencing and draining, and cleaning and widening a number of drains. The scheme wintered 240 breeding ewes and 20 beef cattle.

Maketu : Waewaetutuki.

Gazetted for development as part of the Maketu scheme, this block containing 767 acres is a separate undertaking and is providing useful work for approximately fifty unemployed Maoris from Te Puke.

The area is located near Maketu and contains 700 acres of swamp country running between Waihi Bluff and the Kaikokopu Stream, the northern boundary being the Waihi Estuary. The remaining land lies above the bluff.

The greater portion of the land is suitable for development, but levels are being taken on an area of 150 acres, next to the Waihi Estuary, in order to ascertain whether this piece can be drained sufficiently to enable its successful development. The balance of the block should become good dairying land once the gorse is cleared and the swamp land suitably drained.

It is proposed, as soon as the property is ring-fenced, to stock the area with store cattle.

Matakana Island.

A portion of Matakana Island, which is situated off Tauranga, was brought under the provisions of the Native Land Act during the year, when 112 acres were gazetted for development. It is estimated that some 3,000 acres are available for settlement, and the land when cleared is ideally suitable for dairying, pig grazing, and cropping.

At present two settlers have been established, but the scheme has provided work for twenty-eight unemployed Natives and will, it is hoped, be the means of preventing a number of young men from seeking assistance on the mainland.

Ragwort is a menace on portions of Matakana Island, and unless this weed is checked the livelihood of the people will be seriously affected, but every effort is being made to cope with this pest.

Maize production should be encouraged as the harvesting of the crop provides seasonal work besides being a profitable crop.

Ngatimanawa.

The lands comprising the Ngatimanawa (or Murupara) scheme, which were made subject to the provisions of Part I of the Native Land Amendment Act, 1936, in January last, are of a total area of 6,264 acres, of which some 4,000 acres are suitable for development. The location is about forty miles from Rotorua on the Rotorua-Wairoa Road near the Galatea Settlement. There are two distinct areas—one portion, known as Karatia, lying between the Rangitaiki River and the State Forest Reserve; and the other portion, known as Whirinaki, is on the opposite bank of the Rangitaiki and between that river and the Whirinaki River.

The country consists of tablelands of pumice formation covered with light scrub and fern, extensive flats of a shingly formation along the Whirinaki River, and good alluvial flats along the Rangitaiki River. At present the river-flats are infested with ragwort and other noxious weeds. Generally, however, the lands are considered to be quite suitable for development, as is evidenced by the results achieved on the small-farm scheme at Murupara and the operations at Galatea. The Native owners of the lands were unanimous in their desire to have their lands brought under development, and have displayed enthusiasm in the initiation of the scheme. The existing housing accommodation is fair, and it is not proposed to make further provision under this heading at the present juncture.

There is on the lands a certain amount of grass and rough feed that will carry stock. It is estimated that some fifteen miles of fencing will be required, and it is proposed to take the area on a face and fence defined portions suitable for stocking, but ensuring that new fencing lines will comply with future subdivisional plans. It is proposed to commence operations on two areas each of 250 acres in the Karatia and Whirinaki sections.

On completion of development the scheme area should be suitable for subdivision into dairy-farms of from 80 acres to 100 acres capable of carrying 1 cow to 1½ acres to 2 acres. In addition, a certain number of sheep will require to be kept to control noxious weeds. There is at Te Whaiti an extensive seed-bed of ragwort, and during floods there is considerable spreading from this area. It is estimated that the full cost of development should not exceed £15 per acre.

Active work on the scheme was commenced at the beginning of December last, and the first work undertaken was the clearing of ragwort on 2,500 acres. Then followed 350 acres of clearing and stumping scrub, 300 acres of ploughing, of which 229 acres have been grassed, and the balance allowed to lie

fallow until spring. Fencing has been commenced, and four miles were completed as at the 31st March. River protection and systematic groyning and willowing of one mile on the Rangitaiki and Whirinaki Rivers has been completed. This river protection work is already proving invaluable, and rich alluvial flats are being saved from erosion. Further protection work will be undertaken as opportunity offers. A large store-shed has been erected.

A working foreman has been appointed, and an average of thirty men have been employed to date, all these being members of the Ngatimanawa tribe, which is thereby dependent on the scheme. The development work to be undertaken will absorb all available workers.

Okahu.

Gazetted under the Tikitere scheme, this area of 180 acres of particularly good land, situated on the Rotorua side of the Ohau Channel, is used for grazing purposes. It is one of the best paddocks in the district.

On 160 acres there have been wintered regularly during the past few seasons approximately 800 ewes, and on the average 90 per cent. of the lambs go off fat.

It is interesting to note that half of this area was never ploughed, the pastures having been consolidated with heavy cattle.

The cash receipts are included in Tikitere scheme figures.

Okataina.

Lying to the eastward of the road between Lake Rotoiti and Tarawera, this property of 13,847 acres was gazetted in May, 1933, as a post-supply source. It contained excellent totara.

During the year, 29,372 posts, 89,248 battens, and 412 strainers were split, the timber being used on the Rotorua Central and Bay of Plenty schemes. A small quantity of posts was supplied to the Te Kuiti district. It is estimated that the block will be worked out during the ensuing year.

Okere.

This scheme comprises an area of 6,054 acres, of which 1,950 acres are in grass. It is situated on both sides of the Rotorua-Tauranga Road from the seven-mile peg to the seventeen-mile peg, and adjoins the Taheke scheme. It is run as a sheep grazing proposition, but it will ultimately be subdivided into small dairying and sheep farms. The tally of live-stock wintered on the property was 60 bullocks and 2,800 ewes. The natural increase from sheep was 2,900. Stock sales comprised 600 fat lambs, 1,000 culled ewe lambs, 1,000 shorn store wether lambs, and 300 top ewe lambs were retained. The wool-clip comprised 60 bales, or 16,201 lb.

Up to the present the scheme, together with Taheke block, has employed all the unemployed Natives of the Mourea and adjacent districts. There are 3,000 acres of good undulating tawa bush with practically no milling-timber on it. It is undoubtedly one of the best bush blocks in the district, is well watered, and covered with a layer of "Rotomahana mud." It is particularly healthy and should be an excellent block for breeding purposes.

The work carried out during the year under review included 396 acres of bushfelling and clearing; the grubbing, ploughing, discing, harrowing, and sowing in grass of 252 acres; the erection of five miles of fences, with repairs to 188 chains; the formation of 60 chains of roads, with repairs to 102 chains; while, in addition, the grassed areas were top-dressed and 12,500 battens were split for scheme fences.

The cash receipts for the year comprised wool, £1,286; sheep, £817; and sundries, £61; while a further £1,765 was received after 31st March in respect of sheep and cattle sales.

Oruanui.

This block is situated thirteen miles from Taupo, and is operated as a post-splitting proposition on license from the State Forest Department. Owing to shortage of labour, the output has not been sufficient to meet the requirements of the various districts, but late in March, 1937, five additional men were obtained for splitting, and the supply of posts has been correspondingly increased. The Forestry Department has undertaken to make available to this Department sufficient areas to meet the requirements of the development schemes. A supply is now being forwarded to the Te Kuiti district, 12,850 posts, 600 battens, and 117 strainers having been split during the past year.

Parekarangi.

Situated on the northern side of the Rotorua-Atiamuri Road, six miles from Rotorua, and constituting the connecting link between the Ngati-Tuara scheme on the south and Peka and Tihiotonga on the north, this property contains 2,868 acres. Although it actually could be considered an extension of Horohoro, this area was gazetted separately in 1931, due to the fact that it is owned by a different branch of the Tuhourangi subtribe of Te Arawa. The country is undulating in nature with steep faces, comprising ploughable, well watered land. Consequent upon the strong growth of fern, heavy stocking was necessary to consolidate the loose soils and control ragwort. The pastures are steadily improving, and, although ragwort is still prevalent, the establishment of further settlers with their complement of stock is to be pursued as far as possible.

Under developmental operations there are 1,570 acres, of which 1,116 acres are in grass and upon which two dairy herds are run. Seven new herds will be established during the coming season. Seven cottages have already been erected, and a two-roomed extension will be added this ensuing season to one house; and five cow-sheds have been built.

It is interesting to record that one of the settlers, who is eighty years of age, is farming on his own account. His mana and example are an incentive to the other Maoris in the locality.

The health of the Natives is good, and the scheme supports eighty-four persons.

The butterfat production of the one settler who was milking during the previous year was 7,267 lb., while for the current season from July to March 10,543 lb. of butterfat were produced from the eighty cows and heifers of the two sheds. A comparative table of cash receipts is appended:—

				1935-36.	1936-37.
				£	£
Cream	..	..	..	343	579
Cattle	..	..	..	3	7
Wool	..	..	..	..	791
Sheep	..	..	..	..	1,705
Sundries	..	..	..	9	8
Totals	..	..	..	355	3,090

The live-stock carried last winter comprised 96 dairy cattle, 373 dairy heifers (grazed while awaiting distribution to herds next season), 60 beef heifers (transferred to Tokaanu), 109 beef cattle, and 1,592 wethers which have since been sold as fats. The wool-clip from 1,556 sheep totalled 14,568 lb. net.

The work undertaken included the top-dressing of 1,116 acres, the eradication of ragwort on 100 acres adjacent to the bush, 389 chains of fencing, cleaning 484 chains of drains, 3 chains of roading, the laying of 150 chains of water-line, the installation of thirteen water-troughs, and the clearing of 150 acres of second growth.

There are 300 acres that can be brought in for grazing, but apart from this area the balance of the property will be left in standing bush. The block is well served internally by roads, and also it fronts on to the main Atiamuri Road.

Parekarangi Extension.

Adjoining Ngati-Tuara scheme and fronting the Rotorua-Atiamuri Road, this block of 700 acres, gazetted under Parekarangi, was taken in hand in 1933, when the area was ring-fenced and shelter-belts planted.

Active developmental work was recommenced this year, when 370 acres were cleared and 120 acres were ploughed, grassed, and top-dressed. This is an excellent block to provide work for the Natives of Rotorua.

It is anticipated that approximately eight families will be eventually established on dairy holdings on this scheme.

Peka.

In 1931 Mita Taupopoki, of Whakarewarewa, a well-known chieftain who has since passed away, asked that his lands be brought under the development scheme in order to make work available for his people, who were at that time suffering as a result of the depression.

This property is situated just south of the Hemo Gorge at the junction of the Rotorua-Taupo and Rotorua-Atiamuri roads and completes the series of schemes along the latter road.

The block comprises 1,364 acres, of which 390 acres are now in grass. Its proximity to Rotorua makes it an ideal area for absorbing unemployed labour.

There are two dairying settlers, who are milking on a share basis. Three cow-sheds and four cottages have been erected, the latter being occupied by the two settlers—the permanent stockman for the Atiamuri Road schemes and a nursery foreman.

As the Wharenui Nursery was closed down last year a nursery was established on this block with the object of supplying trees for general scheme purposes. At present there are two million trees of various species, including 500,000 barberry cuttings, available for the coming season's planting.

During the past year Peka has been used for the receiving and assembling of dairy stock from the Atiamuri Road schemes.

The work carried out during the year consisted of the top-dressing of the grassed portion, 121 chains of fencing, 12½ chains of new drains with 285 chains of cleaning, 40 acres of gorse-grubbing, and the clearing of second growth, fern, and tea-tree.

The cash receipts for the year were £379, of which £289 was for butterfat.

Putaruru.

This is a small holding of 38½ acres which is being developed by the Board of Native Affairs as a dairy farm. The property is situated near Putaruru, and the land is a subdivision of the Mangakaretu block. Work was commenced late in 1936, and at the end of the year under review 26 acres had been cleared and sown down in grass. The nominated occupier should be milking twelve cows next season, and when fully improved the property should carry a herd of twenty cows.

Rotoiti.

Gazetted under development in June, 1932, to serve the purpose of an avenue for the absorption of the unemployed of Otarae-Marae on the northern shores of Lake Rotoiti, this block of 4,912 acres has now 1,700 acres in good pasture. It was carrying 4,070 sheep and 435 run cattle at 31st March, 1937.

The scheme employed thirteen men (with twenty dependants), who were engaged during the past year on the following work: The clearing of 84 acres; 237 chains of fencing, with 391 chains of repairs; clearing 53 chains of fire-breaks; the splitting of 50,000 battens; the erection of 1 cottage and 1 wool-shed.

Last winter the area carried 1,900 ewes, 1,600 wethers, and 250 breeding cows.

The sales comprised 1,929 lambs and 1,506 wethers. The wool-clip of 79 bales, or 27,793 lb. from 3,460 sheep, realized £1,599.

Rotorua Nursery.

The nursery at Wharenui has been closed. The land there had become weed infested and overrun with grass-grub, thereby making it difficult to raise seedlings. A new nursery on virgin land on the Peka area was established during the year, and the results are particularly promising.

The seeds planted last October resulted in a first class strike, and good growth is showing. This year trees already lined out number 1,076,000, while 1,589,000 remain to be planted out.

An area of 5 acres is now planted, and during this next year it is proposed to clear a further area adjoining, so that sufficient land will be available in rotation.

The foreman, who is an enthusiast, was previously employed for many years by the State Forest Department, and the Native Department is exceptionally fortunate in having an experienced man of his calibre to handle this important work. During June and July arrangements were made for the planting of 500,000 barberry cuttings. This work was completed and an excellent strike has resulted. It is intended to experiment with barberry hedges, which should do well and give good results in the Rotorua area.

The foreman reports that the trees planted out on the various schemes in the district are doing well.

Ruatahuna.

The lands constituting the Ruatahuna scheme are situated in the valley at the head of the Whakatane River in the heart of the Urewera Country. The total area of the scheme lands is 12,181 acres, of which 2,500 acres are classed as flat to rolling and the remainder is practically all steep and rugged country. Climatic conditions in this area are severe, the average annual rainfall being 80 in., while snowfalls are often experienced.

This scheme was initiated after the Hawke's Bay earthquake in 1931 with a view to providing employment for Maoris of this section of the Tuhoe tribe. The country is slightly tainted with sheep sickness, and is a sheep farming proposition.

Settlers' live-stock on the scheme as at the 31st March, 1937, comprised 1,780 breeding ewes, 816 hoggets, and 229 beef cattle. The wool-clip aggregated 51 bales.

The fencing carried out will enable a larger number of stock to be carried, and, with top-dressing of pastures, losses of stock should be minimized.

During the period under review employment was provided for some 30 men, who have some 150 dependants, adults and children. Work undertaken included 500 acres of clearing and sowing down in grass, grubbing of manuka and briers on areas suitable for ploughing, completion of the Mataatua Road giving access to settlers on the northern portion of the scheme, fifteen miles of boundary and subdivisional fencing, sowing 500 acres, top-dressing the greater portion of the grassed areas, the erection of cattle-yards and outbuildings.

Since the commencement of development activities there has been a noticeable improvement in the health of the Maoris, and many of the people are erecting houses with timber secured at reasonable rates from a local sawmill. The potato crops throughout the district this year have been good.

Losses of stock have previously been heavy on this scheme, due, no doubt, to extreme cold in winter and to lack of fencing and prevalence of noxious weeds, but it is anticipated that in time these difficulties will be overcome. Development operations are being restricted to a steady annual programme to ensure the preservation and improvement of the present felled areas.

Taheke.

This block of 9,081 acres adjoins and is in quality and contour very similar to the Okere scheme.

The area in grass is 2,015 acres, and carried during last winter 1,240 ewes, 1,050 wethers, and 200 breeding cows; 300 top ewe lambs were retained, the balance being sold as fats.

The wool-clip from 2,306 sheep was 49 bales, or 16,934 lb. The cash receipts for the year under review were wool £984 and sheep £1,527.

The work performed on the block consisted of the top-dressing of the grassed area; 290 acres of bushfelling; the clearing of 326 acres of second growth; the ploughing, cultivating, and sowing in grass of 92 acres; the erection of 350 chains of fences; the formation of 34 chains of roads; surface sowing of 198 acres; the clearing of 182 chains of fire-breaks; and the preparation for surface sowing of 50 acres.

Tauranga.

This scheme comprises the Kaitimako block of 595 acres, together with two farms aggregating 179 acres, all of which are now fully developed. The land is situated on the southern side of the Tauranga—Te Puke Road about a mile and a half from the town boundary.

On the Kaitimako Block there are 540 acres in grass and the pastures have been further consolidated during the year with sheep and cattle, while development work was confined mainly to fencing, top-dressing, and clearing ragwort. The stock tallies on this particular block at the 31st March, 1937, comprised 360 run cattle and 2,117 sheep. The Kaitimako property is not yet considered ready for subdivision and requires heavy stocking for another year in order to consolidate the pastures and check the growth of ragwort and other noxious weeds.

Tihiotonga.

Acquired in July, 1928, by the Waiariki District Maori Land Board from the European owners on behalf of the practically landless subtribe of the Arawas, the Ngati-Whakaue, this property is situated two to three miles from Rotorua. As the area was subject to cattle sickness, "change" areas were later acquired.

In 1934 the control of this area was handed over to the Department and a progressive development programme undertaken. Progress has been maintained, and the property is now in good condition.

The area gazetted on 1st December, 1936, and varied on 17th June, 1937, now comprises the following lands:—

						Acres.	Acres.
Tihiotonga blocks—							
Native leasehold	..	..	..	..	..	1,507	
Crown leasehold	..	..	..	..	..	42	
Freehold	..	..	..	..	..	913	
						—	2,462
Wharenui blocks: Native leasehold	..	..	..	..	..		2,235
Puketawhero blocks—							
Native leasehold	..	..	..	..	..	504	
Freehold	..	..	..	..	..	11	
						—	515
							5,212

Tihiotonga Proper.—Comprising easy-lying country facing north, with steep faces in parts and almost adjoining Rotorua Borough, this block contains soil similar in nature to that of the schemes on the Atiamuri Road.

There are 1,000 acres in good grass and 500 acres in second class pastures, the balance being undeveloped. When the whole area is grassed and the pasture properly established it is proposed to subdivide it into holdings of 80 acres to 100 acres.

The stocking for the past season comprised 1,500 breeding ewes (lambling tallies, 90 per cent.), 1,800 wethers, 60 breeding cows, 250 dairy stock, and 166 run cattle. During the year 1,200 wethers were sold off fat.

The work for the period under review included the clearing of 240 acres of tea-tree and fern, 60 acres of ploughing and cultivation, the top-dressing of 1,148 acres, 74 chains of fencing, the repairing of the ram and water-supply, the erection of a new concrete dam, the repairing of 185 chains of road, and the harvesting and baling of hay on 137 acres.

Puketawhero.—Previously known as Iles's block, this area was purchased for, and is being used as, a "change" paddock for sick stock from the Tihiotonga block. The major portion of the country is steep, there being only 70 acres in the front which could be classed as rolling to easy. It is suitable only for sheep and cattle.

Wharenui.—This section is worked in conjunction with the Puketawhero block. The country is healthy, as contrasted with Tihiotonga, being covered with a layer of "Rotomahana mud." The soil has a high content of potash and phosphoric acid with a very low lime requirement. The property is eminently suitable for grazing sheep and cattle, but as it is hilly and more or less broken by deep watercourses it is not suitable for subdivision.

At the back of this property an area of 1,300 acres of Crown land has recently been taken over, and this gives a continuous area of land to the shores of Lake Okareka.

Wharenui and Puketawhero, with 1,339 acres in grass, carried 200 hoggets, 600 wethers, and 110 beef cattle during last winter, and 5,000 wethers and two-tooth ewes were put in on the spring to control the exceptional growth. The property proved its sound qualities by taking over 1,500 ewes and lambs from the sick country at Tihiotonga. As a result of the change 70 per cent. of the lambs went away fat and the balance were sold as stores. The ewes were returned to Tihiotonga in a healthy condition.

The work carried out on the two latter blocks comprised 412 acres of clearing, 1,339 acres of top-dressing, 224 acres of ploughing, surface-sowing 230 acres of grass, burning 280 acres ready for sowing, and other general work, including a water-supply system with three miles of pipe-line.

The sheep shorn on the three properties numbered 5,804, from which a wool-clip of 117 bales, or 42,061 lb., was obtained. Sales of sheep realized £2,486.

Tikitere.

Commenced in April, 1931, this block appears under the Mourea scheme in earlier reports. A colony of selected men from the East Coast district were imported at that time to commence development work. Their leader was a hard-working young Native who was thoroughly experienced in all phases of farming. Comprising 2,743 acres, it adjoins the Tikitere thermal regions, and the covering of "Rotomahana mud" from the Tarawera eruption over the greater part of the lands has made it very responsive to cultivation and manuring. The contour of the country is broken by several gullies and pock-marked with steam holes and mud springs.

Although to-day the property is still in the development stage, 1,147 acres are in grass and five dairy farmers have been settled. This country a few years ago had practically no value, but to-day the unimproved value in the valuation roll is shown as £5 per acre. A valuable block of 500 acres, known as Paehinahina, has just been cleared and surface-sown, an excellent strike having been obtained.

The butterfat produced since the inception to date is appended :—

Year.						Number of Sheds.	Cows Milked.	Butterfat.
								lb.
1932-33	..	..	..	..	..	1	N/A	5,019
1933-34	..	..	..	..	..	5	169	33,724
1934-35	..	..	..	..	..	5	180	34,381
1935-36	..	..	..	..	..	6	250	52,016
1936-37	..	..	..	..	..	5	276	64,637
Total	..	..	..	..	..	..	..	189,777

A comparison of last year's cash receipts with the previous year's figures is as follows :—

						1935-36.	1936-37.
						£	£
Cream	..	..	..	..	..	2,271	3,609
Cattle	..	..	..	..	..	55	51
Wool	..	..	..	..	..	..	695
Sheep	..	..	..	..	..	..	325
Sundries	..	..	..	..	..	308	47
Totals	..	..	..	..	..	2,634	4,727

The wool-clip from 1,565 sheep totalled 35 bales, or 11,910 lb.

The work undertaken during the year included 196 acres of clearing, the ploughing and cultivating of 120 acres, 171 chains of fencing, the surface-sowing and clearing of 514 acres, 218 chains of roading, clearing 205 chains of firebreak, and the top-dressing of all grassed areas.

Tikitere-Waikato.

This area contains 590 acres, of which 537 acres are in grass.

Gorse has delayed the settlement of this area as dairying farms. However, six cottages have been erected and five sheds will be engaged in milking during the ensuing season. It is anticipated that seven settlers will ultimately be established.

The block wintered last season 160 bullocks and 800 ewes, and the lambing tallies reached 80 per cent. A wool-clip of 28 bales, or 9,335 lb., was obtained from 968 sheep. The cash receipts for the year amounted to £772, of which £544 was for wool.

The work undertaken comprised 119 acres of gorse grubbing, 276 chains of fencing, 60 chains of roading, together with the top-dressing of the grassed areas.

Tokaanu.

This scheme extends along both banks of the Tongariro River from the Tokaanu Village to the bridge at Turangi. The lands comprise a total area of 3,325 acres, of which 2,683 acres are capable of development. The scheme is still in the process of development, but ten settlers have been allocated individual sections. At present principally sheep farming is being undertaken.

The area in pasture is 1,013 acres and in rough grass 180 acres. Special care is necessary in the preparation of pastures on the pumice areas in this district. Past experience has shown that thorough consolidation is essential to grass establishment. Areas recently sown down are now becoming permanently established, and noxious weeds are kept under control. That these lands are well suited for sheep raising is evidenced by the size and condition of the sheep bred on the scheme and by the quantity and quality of the wool-clips.

Live-stock on the scheme as at the 31st March, 1937, comprised 2,178 breeding ewes, 982 ewe hoggets, 72 rams, 189 wethers, and 323 beef cattle.

For the period under review the wool-clip from 2,576 sheep totalled 26,210 lb. net, while 633 lambs were sold at £1 5s. 6d. per head.

Since the inception of development operations, twenty-seven miles of fencing, 454 chains of draining, 46 acres of plantation and shelter-belts, 99 chains of river protection work, and considerable roading have been carried out. During the year the work undertaken comprised 94 chains of draining, 84 acres of turnips sown, 160 acres of hay and ensilage harvested, 21 acres of oats harvested, 179 acres cleared and stumped, 760 acres top-dressed, 98 acres sown in grass, 327 chains of drain cleaning, 263 chains of new fencing. In addition, a sheep dip and yards were erected on the Waipapa section and sheep-yards built on the Hautu side of the Tongariro River. River protection work was effected and a reticulated water-supply for Waipapa section was installed. These activities provided work for 32 Natives supporting 102 dependants. Ten houses for the settlers on this scheme have been erected.

At present this scheme is too isolated for dairying, but this will be made possible by the completion of the Taumarunui-Tokaanu Road now under construction by the Public Works Department. The present policy is to farm the land as a station and eventually establish some of the sections with sheep and others with cattle.

Tauranga-Taupo.

Situated ten miles from Tokaanu, on the shores of Lake Taupo, this block comprises an approximate area of 2,789 acres, which is being developed as a scheme, although not yet formally gazetted as subject to the Act.

The land consists of swamp, pumice hills, shingle fans, and areas of light sandy country which were probably old lake-beds. The light sand and shingle soil will tend to become dry in the summer and will be more suitable for sheep than for dairy cows. It is expected that the property, when developed, will carry three breeding ewes to the acre.

During the year 456 acres were cleared, 272 chains of fencing were completed, 119 acres were ploughed and sown down in grass, and 100 chains of drains were dug. In addition, assistance was given to a Maori settler who has been farming in the locality for many years, and the work undertaken on his property during the season is included in the above figures.

Te Kaha.

This scheme, located at Te Kaha in the Bay of Plenty, comprises a total area of 2,966 acres, of which 2,400 acres are suitable for development. There are now thirty-two settlers within the scheme, and of these, thirty are milking and supplying the local dairy factory. The number of persons dependent upon the unit holdings is 169, or 68 adults and 101 minors.

The area in permanent and temporary pasture is now 1,327 acres, the area sown during the year being 222 acres. A fairly cold winter was followed by an early and mild spring, which accelerated pasture growth. A short spell of cold weather hampered growth, but the grass rapidly recovered and an ideal growing season followed. There has been an abundance of feed. With the extensive fencing work carried out and the closer grazing that is being practised there is a marked improvement observed in the quality of the pastures.

Inferior grasses of the nature of ratstail and danthonia, which were prevalent in this area prior to the inception of development operations, are now being replaced by better varieties of grasses, and the careful handling of old cropped-out areas is resulting in the establishment of good pasture lands.

The majority of settlers have saved one or more stacks of hay, but adverse weather conditions prevented the harvesting of a greater quantity of available grass. With the quantity of hay saved and rough feed, however, the stock should have ample winter feed. Instruction in hay and ensilage making is being maintained.

Dairy stock withstood the winter season fairly well and, with the early spring growth, rapidly attained good production. At the end of the period under review all stock was in good condition and should winter quite well.

Stock diseases, particularly mammitis, have been less prevalent this year. The settlers are benefiting from instruction given in the care and treatment of their dairy herds. There has been almost a complete absence of other diseases, and all stock appears to be in good health. Live-stock on the scheme as at the 31st March, 1937, comprised 30 bulls, 665 cows, 111 heifers, 112 heifer calves, 40 working horses, 44 working bullocks, and 18 steers.

The grading of cream supplied by this scheme is relatively slightly lower than that of other schemes in the Bay of Plenty district, but there is evidence of improvement. The following gives particulars of butterfat supplied as at the 31st March, 1937, together with a comparative table for the previous year :—

Year.	Total Butterfat supplied.	Total Value.	Number of Cows milked.	Average per Cow.
	lb.	£		lb.
1936-37	76,297	3,176	506	150·7
1935-36	57,937	1,842	381	152·0

A good gravitation water-supply has been installed on this scheme providing for twenty separate farms, four houses, and a meeting-house. A committee, acting in conjunction with the departmental Supervisor, exercises a check on the water drawn in order to ensure that there is no undue wastage. The Maungaroa and Pahaoa sections of the scheme are poorly watered, and the question of providing an adequate supply system is being investigated.

The building programme for the period under review provided for the erection of three dwellings and four cow-sheds for settlers. It has not been possible to complete this work owing to a shortage of timber and to transport difficulties. As soon as the necessary materials are available the work will be undertaken and pushed to completion. During the coming year it is hoped to carry out a programme which will provide the majority of the settlers on the scheme with comfortable housing and adequate dairying facilities.

Ragwort is still prevalent on the river and creek beds, from whence it tends to spread further afield. As these areas are within the scheme boundaries it is necessary to continue treatment with sodium chlorate. Comparatively small patches of the weed are present on individual holdings, but settlers are exercising control. Blackberry is still noticed in scattered areas, and settlers are frequently employed grubbing and burning the weed on their holdings.

The following work has been carried out during the past year: 517 chains of new fencing have been erected; approximately 120 chains of general repairs and renovations have been undertaken; in addition, 3,895 posts, 17,200 battens, and 40 strainers have been split and packed on to unit holdings; 34 chains of new drains have been opened up, and approximately 70 chains of drains cleaned and deepened; 175 acres of clearing have been undertaken, of which the majority has comprised scrubbing and stumping; the balance has been confined to clearing and grubbing rushes and blackberry. During the year 84½ acres were ploughed, of which the greater part had previously been cropped. Sixty-two acres of this are now sown in permanent pasture and the balance has been reserved for green feed and cropping next year.

Maraenui.

The lands comprising the Maraenui scheme are located at the mouth of the Motu River on the Bay of Plenty. The total area of the scheme lands is approximately 1,500 acres, of which it is proposed to develop 800 acres. An average total of sixty persons have benefited by the operation of this scheme, this number being made up by fourteen workmen, eleven adult dependants, and thirty-five minor dependants.

There are, as yet, no established settlers on this scheme, which is still in the course of development.

The period under review has been exceptionally favourable for pasture growth and there was abundant feed for stock. All the permanent pasture on the flats has been top-dressed with 3 cwt. of superphosphate. An area of 100 acres is in permanent pasture and a further 250 acres in rough feed. The only crop sown during the year was 10 acres of sweeds. This produced quite a fair average yield, but some 2 acres were destroyed by floods in the early stages.

Stock on the scheme as at the 31st March, 1937, was 7 rams and 266 ewes. During the month of March all stock was sold and replaced, this practice being necessary at least every second year on land where ragwort is prevalent. One hundred and thirty-eight ewes, 135 lambs, and 1,161 lb. of wool were sold.

Ragwort control proves a heavy item of expenditure. The method adopted is grazing by sheep and spraying and cutting. From November to March all available labour is employed on this work.

The work carried out during the year mainly comprised ragwort control, manuka clearing, and repairs to fences.

Matata.

Situated on the coast seven miles on the Te Puke side of Matata, this block, which is locally known as Hauani scheme, comprises an area of 2,366 acres, which were gazetted under the provisions of Part I of the Native Land Amendment Act, 1936, at the close of 1936. Running along the front of the block is the railway and the main Whakatane-Tauranga Road. The block is surveyed and partitioned into thirteen sections, exclusive of 2 acres comprised in the Papakainga Reserve.

At present there is neither fencing erected nor a system of water-supply, and it will be necessary to install a ram and pump from the Pikowai River to a point from whence it can be reticulated over the whole area.

Although the country is somewhat cattle and sheep sick, the Field Supervisor considers that the greater part can be brought into good pasture suitable for dairying and that it should then carry one cow to 2 acres. There are already five units established.

Ngatiawa.

This scheme takes its name from that of the tribe which occupies the territory around Whakatane.

Ngatiawa comprises an area of 5,315 acres, of which 4,300 are suitable for development. An area of 1,640 acres is in permanent pasture, 100 acres in temporary pasture, 82 acres in new grass, 700 acres in rough feed, and 38 acres in turnips.

There are now two established settlers within this scheme, and work carried out during the year made it possible to absorb all available unemployed Maoris in Whakatane. However, Maoris from Ruatoki had again to be employed for ploughing and top-dressing. The area occupied by the two settlers is 150 acres, of which 65 acres are in pasture, 35 acres in new grass, 12 acres in crops, and 38 acres unimproved.

The rainfall for the period under review has been above normal, with the result that the pastures have given an abundance of feed throughout the season. The areas put into new grass in the autumn are now showing up well, and there is every indication of them stooling out into a good sward. All pastures were top-dressed with 2 cwt. of superphosphate during the year and the top-dressing over the last three years is now showing results. The yield of turnips was very poor, the heavy rain experienced after sowing being the chief cause of the failure.

Live-stock on hand comprised 8 horses, 22 bulls, 274 cows, 85 steers, 118 heifers, 145 yearlings M.S., 50 rams, 1,980 ewes, 314 wethers, and 1,047 hoggets.

As a result of heavy culling the breeding ewes are now a very good line of sheep, well woolled and in first class condition. The two-tooth wethers are a fine line of well-grown sheep. Hoggets have not done very well this year owing to the wet season which resulted in the death-rate being about 15 per cent. Dogs have occasioned considerable trouble, and thirty-five hoggets were lost in one night. The majority of the ewes were mated with the Romney strain for the purpose of keeping up the flock. The average wool from grown sheep was $9\frac{1}{4}$ lb. and for lambs $2\frac{1}{2}$ lb.

The cattle have done well in spite of heavy crushing. This year two Hereford bulls were mated with some of the black Polled Angus cows in an endeavour to increase the calving percentages.

The wool-shed and shearers' quarters were painted during the year, and this has greatly improved the general appearance. On unit properties one dwelling and one cow-shed have been erected.

In addition to general station routine and top-dressing, the following work has been carried out during the past year with the assistance of unemployment labour: Clearing tea-tree, 500 acres; stumping, 140 acres; fencing (new and repairs), 700 chains, ploughing, 80 acres; drain-cleaning, 1,500 chains; sowing grass, 117 acres.

Omaio.

This scheme is situated at Omaio Bay in the Bay of Plenty district and adjoins the Maraenui scheme. The total area of the lands is 2,179 acres, of which it is proposed to develop 1,900 acres. There are now nineteen settlers within the scheme, all of whom are milking and supplying the dairy factory. The number of persons dependent upon the settlers is 126, of whom 39 are adults and 87 are minors. There has been an increase of one settler during the year and an additional two are supplying the dairy factory.

The area in permanent and temporary pasture is 1,310 acres, and the area sown down during the period under review is 46 acres. All permanent and portions of the better classes of temporary pastures are being well maintained and show improvement, due to consolidation and careful stocking, while the general quality of the sward, which previously held a large proportion of inferior grasses, has been improved. There still remains an area of temporary pasture of poor quality which is infested with blackberry and other weeds. An early spring followed by an excellent growing season resulted in an abundance of feed throughout the year.

Live-stock on the scheme as at the 31st March, 1937, comprised 475 cows, 79 heifers, 31 working-horses, 21 working bullocks, 73 heifer calves, and 26 steers and unbroken working bullocks.

The grading of all cream supplied has been good, reflecting the care taken by the settlers in observing cleanliness of sheds and utensils. The ample supply of water from the scheme system has enabled a high standard of cleanliness to be practised and maintained. Butterfat returns for the year under review and comparative returns for the previous year are as follows:—

Year.	Total Butterfat.		Number of Cows milked.	Average per Cow.	
	lb.	£		lb.	£
1936-37.. .. .	61,626	2,948	376	163·9	7·8
1935-36.. .. .	53,796	2,193	343	156·8	6·4

The installation of the scheme water-supply is producing very beneficial results. The majority of the settlers are now connected with the system. Most of the settlers have erected one or more troughs, and further troughs are being constructed, which will shortly provide all paddocks with water.

Due attention is being given to providing adequate housing and shed accommodation for the settlers. Construction of new buildings and renovation of those existing is under consideration.

Work carried out during the past year was as follows: A total of 493 chains of new boundary and subdivisional fencing was erected; 66 chains of general fence repairs were also undertaken by settlers; 1,796 posts and 5,250 battens were split and packed out on to unit holdings; 23 chains of new drains were opened, and general cleaning and deepening carried out; 33 acres of clearing, principally blackberry and second growth, were undertaken; 71 acres of stumping, mainly blackberry grubbing and manuka stumping, were completed; 54 acres were ploughed and, with the exception of 8 acres, sown in permanent pasture.

Those settlers, whose properties are still in the course of development and whose proportion of dairying returns has been small have been assisted from the Employment Promotion Fund to develop their holdings. In this way development has been carried on and work found for a number of men within the scheme area.

The progress made by the settlers has been generally satisfactory and supervision and instruction is being maintained. The scheme foreman displays keenness in carrying out his duties.

Opape Base Farm.

The property known as Opape base farm comprises a portion of the Opape block; situated eight miles from Opotiki on the Coast road to Cape Runaway. The property is held under a lease expiring on the 30th June, 1962, the leasehold interest having been acquired by the Department in July, 1931.

The farm, which was established as a base for the breeding and supplying of dairy stock to the Native settlers in the Bay of Plenty district, contains a total area of 1,072 acres, of which approximately 800 acres are suitable for development.

The area in permanent pasture is 344 acres, in swamp and rough feed 80 acres, and in lucerne 5 acres. Conditions prevailing during the period under review have been very satisfactory for pastures, and there has been an abundance of feed throughout the season. The area top-dressed with slag has shown excellent results. Good crops of hay and ensilage have been saved, and these will provide ample feed for the coming winter. The area sown down last year has taken extremely well, as has also a further area of 105 acres sown down this autumn.

All live-stock is in good condition and little trouble has been experienced during the year. Stock on the property at the end of the period comprise 4 bulls, 128 cows, 62 heifers, 27 heifer calves, 3 horses, 247 ewes, and a number of pigs. The sheep have done well, 120 fat lambs, averaging 39.3 lb., being sold. This year the number of ewes was increased to 250.

The total butterfat supply for the period under review was 20,327 lb., returning £1,148. The average per cow was 230 lb. The grading of butterfat produced on the property this year has been slightly lower than usual. This may be attributed to the fact that, during the flush of the season, the Manager was absent by reason of indisposition.

During the year general farm-work has been carried out, fences repaired, drains cleaned, and a further area of 105 acres sown in pasture; 176 chains of new fencing were undertaken; 10 chains of fence repairs; and 120 chains of draining; while 100 acres were cleared. The major portion of this work has been carried out with the assistance of Employment Promotion Funds.

Sales during the period under review were as follows: Cattle, £102; sheep, £187; pigs, £4; wool (1,868 lb.), £106: total, £399.

Orete.

The Orete scheme is located on the coast of the Bay of Plenty, and comprises 4,774 acres, of which it is proposed to develop 3,600 acres. There are now twenty-five settlers established, and of these, twenty-three are milking and supplying a dairy factory. The number of persons dependent upon the settlers is 125, being 27 adults and 98 minors.

The area in good permanent pasture is 1,773 acres, in temporary pasture and rough feed 280 acres, and in crops 54 acres. The area sown down during the year is 153 acres. An early mild spring aided growth, and this was well maintained throughout the year, there being an abundance of feed. The weather conditions at harvesting time, however, were adverse, and consequently the settlers were unable to save all the available hay, but sufficient hay and ensilage have been saved to provide for winter requirements.

Live-stock on the property as at the 31st March, 1937, comprised 25 bulls, 776 cows, 130 heifers (two to three year), 155 heifer calves, 39 working horses, 22 working bullocks, 554 breeding ewes, 8 rams, 48 two-toothed ewes, and 324 mixed-sex hoggets. All stock is in good condition.

The grading of cream supplied has been satisfactory, having regard to the difficulties frequently encountered during the year in transporting the cream to the factory. Throughout the year flooding of the rivers and streams to be crossed *en route* to Te Kaha has often caused several days' delay in the collection of cream. Particularly was this so during the end of January and in early February, when heavy flooding and slips on the roads resulted in complete cessation of all traffic for from ten to fourteen days. The grading generally reflects credit upon the settlers for the standard of cleanliness observed, and this has been aided by the installation of an efficient and adequate water-supply system. The following is a table showing butterfat supplied for the season under review with a comparative return for the previous season:—

Year.			Total Butterfat supplied.	Total Value.	Number of Cows.	Average per Cow.	
			lb.	£		lb.	£
1936-37	..	..	108,213	5,057	552	196	9.2
1935-36	..	..	94,293	3,388	484	194	7.0

With the improvement of their holdings and consequent growth of their herds, the installation of five more milking-machines for settlers is now warranted.

Work carried out for the past year comprised—Fencing: 514 chains of new fencing erected, mainly subdivisional, 123 chains of repairs and renovations, and 1,250 posts and 1,200 battens split and packed out; 103 chains of new drains opened and general drain cleaning undertaken; 101 acres of scrubbing and general cleaning-up of scattered areas of manuka and blackberry, and 75 acres of this was surface-sown; 41 acres of stumping in preparation for ploughing was completed; 92 acres were ploughed of which 38 acres were worked and sown down in permanent grasses and the balance sown in crops.

A portion of the new development work has been carried out under the employment promotion scheme. This has materially assisted the settlers in developing their holdings and supplementing their incomes where sections are not yet fully productive.

The settlers have displayed commendable energy, and an increasing number of holdings are now rapidly attaining the status of good dairy farms.

Orete No. 2.

Orete No. 2 is situated at Orete, some sixty miles east of Opotiki. The total area of the block is 6,365 acres, of which approximately 1,200 acres are in standing bush. Of the area originally felled and grassed the greater part had reverted to fern and second growth, leaving about 2,000 acres in fair pasture.

This land was first made subject to the provisions of section 522 of the Native Land Act, 1931, in December, 1932, but development was not prosecuted. In December last an inspection of the block was made, and it was recommended that development operations be recommenced.

Steps are being taken to stock the property, which in its present state should carry 1,000 head of cattle and 2,000 wethers.

Te Piki.

Adjoining the Whangaparaoa scheme, the Te Piki scheme comprises lands of a total area of 4,245 acres, of which it is proposed to develop about 1,000 acres. This scheme is still in the earlier stages of development and, as yet, there are no established settlers. All development work is carried out under the Employment Promotion Scheme and there are twenty workers employed, their dependants being eighteen adults and forty minors.

During the period under review 50 acres of ploughed land was sown down in pasture and 30 acres surface-sown. The total area in permanent pasture is 370 acres and in rough feed 400 acres. The area in crops comprises 40 acres of maize and 30 acres of turnips. The pastures have been top-dressed with 2 cwt. of superphosphate per acre, and there has been an ample production of feed. Approximately 120 tons of good clover hay was saved, but the yield of a further 10 acres had to be destroyed through being spoilt by wet weather. The greater portion of the maize crop is in good condition, despite damage caused by floods. Turnip crops generally have not been so successful this year, the roots being small and consequently of less feed value.

The scheme is stocked with 300 breeding ewes and 160 in-calf two- and three-year heifers, and it is proposed to issue this stock to settlers on various schemes about July next. In addition, run cattle from the Orete scheme have been used for crushing and consolidating the swamp areas. Sales of live-stock during the year comprised 80 two-toothed wethers and 100 bullocks.

A satisfactory programme of work has been accomplished during the year, the main work carried out being 560 chains of fencing; 200 acres were cleared and ploughed; and 250 chains of drain cleaning and 240 chains of new drains were constructed. The property is now subdivided into twelve paddocks.

Putauaki.

Named after Putauaki (Mount Edgecumbe), a prominent landmark in the district, this scheme, a new one, is situated in the vicinity of Te Teko, some fourteen miles from the Borough of Whakatane. The scheme comprises a total area of 7,078 acres, of which approximately 5,000 acres are suitable for development. The area immediately adjacent to Te Teko of relatively small acreage is of good class swamp offering little or no drainage difficulties. The land in the major area of the scheme comprises Tarawera ash on light loam soil, mostly level to undulating and covered in its natural state with light scrub and fern and is capable of being brought in at no considerable cost. The remaining area, which lies to the west of the Tarawera River, is undulating to steep country with a coating of Tarawera ash, and carries manuka and in places heavy bush.

The area in permanent and temporary pasture is approximately 500 acres, the area sown in permanent pasture since the commencement of the scheme being 122 acres. These areas should eventually develop into good dairying land.

There are eleven settlers on this scheme at present, of whom eight are milking. It is anticipated that from eight to ten more settlers will be established during the coming year. The number of persons dependent upon the present units are twenty-seven adults and forty-one children.

Live-stock on the scheme as at the 31st March, 1937, comprised 173 cows, 68 heifers and calves, and 10 working horses.

During the year four cow-sheds and one cottage were erected, and material is on hand for three more cottages and two cow-sheds, which will be built shortly. The estimates for 1937-38 will make provision for three new dwellings and four new sheds and for alterations to two cottages.

Ragwort is very prevalent over the scheme area. The settlers are keeping the weed in check as far as possible on their holdings, and unemployment labour is utilized to deal with the out-lying areas. It will, however, be some time before the weed is controlled.

The following work was undertaken on the different unit properties during the year: Fencing (new), 190 chains; clearing, 130 acres; stumping, 151 acres; ploughing, 105 acres.

The general standard of work done on this scheme is only fair. A few of the settlers are showing keenness and developing their holdings, but the majority require supervision and instruction, as they are untrained and inexperienced. This position will be met by the appointment of a scheme foreman.

Ruatoki.

The origin of this scheme, which provides for the greater part of the Tuhoe or Urewera tribe, together with an historical outline of the lands comprising the scheme, have been traversed in previous reports.

The total population securing a livelihood through the operation of the scheme as at the 31st March, 1937, was 959, classified as follows :—

		Dependants.	
		Adults.	Minors.
Settlers	117	199	424
Scheme employees	2	2	3
No. 5 Scheme workers	52	38	94
Others	18	4	6
Totals	189	243	527
Grand total	959		

All those classified as settlers are supplying the dairy factory, either delivering their cream to the main factory (38 suppliers) or their milk to a Ruatoki branch (79 suppliers). Actually of the 117 settlers, 40 are not yet entirely self-supporting.

The general health of the population is not good, but an improvement is anticipated as a result of the provision of adequate housing made possible by the development of the lands. There is a high rate of infant mortality, which may be attributed largely to ignorance on the part of parents as to the proper care of children in early youth. The incidence of tuberculosis is, unfortunately, also high, and it has been estimated that few families are not affected in some measure. During this period of transition from a comparatively primitive mode of living to a stage of development equivalent to that of the European population, the Tuhoe tribe requires education in matters of hygiene and diet. Moreover, the evils of gambling and intemperance are not absent, and these require careful and consistent efforts towards suppression in the general scheme of improvement in the social and economic conditions of the people.

The total area of the lands comprising the scheme is 31,309 acres, of which the area proposed for development is 10,000 acres. The following table sets out the approximate areas in pasture and various crops as at 31st March, 1937 :—

	Acres.
In permanent pasture	5,443
In rough and temporary pasture	1,100
In maize	150
In other crops	102
Total	6,795

The growth on all pastures during the year has again been excellent. A spell of dry weather for three weeks in the early part of December commenced to affect the pastures on the light shingly soil of the river-flats, but abundant rains, which followed before any real feed shortage, kept grass growth at a high level. This followed the top-dressing with superphosphate of 2 cwt. per acre of practically the whole of the grassed area of the scheme either in the spring or the previous autumn. Much good hay was saved before the end of December, but a month of broken weather from the last week in that month caused a considerable loss in the harvesting operations. Although this year a larger number of settlers saved a portion of their winter feed requirements in the form of ensilage, it needs to be further impressed upon the settlers the vital necessity of providing for ensilage making by the excavating of pits or trenches in the off-season. These people are at present without the training and equipment necessary for making stack silage.

The concentration upon dairying amongst settlers on this scheme has resulted in a reduction in the area of maize grown, but the area in millet might well be increased in conjunction with a resuscitation of the practice of maize growing as the former crop is of great use for feed. The relatively small area in root crops is, no doubt, attributable to the necessity of pre-cultivation and inter-cultivation in the production of these crops, and with a view to ensuring care in preparation of land for these crops careful instruction and supervision will be maintained. Most of the settlers now appreciate the benefits of regular top-dressing, and they are learning to obtain the maximum from manuring by sowing at the correct time and by improved pasture control.

The stock position on the scheme as at the 31st March, 1937, may be summarized as follows :—

	Bulls.	Cows.		Heifers.		Working-bullocks.	Working-horses.	Sheep.
		Milking.	Dry.	R.W.B.	Calves.			
Settlers' stock	167	2,376	378	370	361	2	217	200
Scheme stock .. .. .	..	..	..	..	..	..	1 (entire)	208

Settlers' dairy stock is, on the average, of good quality and capable of increased production.

The inexperience of some of the settlers in stock husbandry and grazing control has militated against marked improvement in the production. It is hoped that this position will be overcome as the settlers gain the necessary experience in these branches of farming practice.

Until such time as settlers generally are capable of getting the best out of their stock and taking full advantage of any opportunities to raise the quality, efforts at stock improvement must necessarily be less effective than might be desired. For this reason every effort is being made to ensure that settlers understand stock and the need for care from the earliest stage both in the winter period as well as during the milking season. Until this stage is reached no sound progress towards stock improvement can be expected but, once these fundamental factors are generally recognized, improvement should be marked.

The percentage of culled stock from settlers' herds has been low throughout the period of the scheme's operation, and this year the figure probably will not exceed 3 per cent. Mammitis is not so prevalent amongst small hand-milked herds as in larger herds, but, nevertheless, it is still the most serious cause of the culling of dairy stock.

During the year settlers' stock was condemned as follows—viz., tuberculosis, 5; actinomycosis, 2. In addition, two other herds were treated for actinomycosis and recovered. Several settlers lost one or more cows through tympanites (bloat), whilst other complaints encountered and treated were ragwort-poisoning, post-calving troubles, ante-partum paralysis, milk-fever, abortion, and foot-rot.

The following scheme stock was disposed of in February after crushing on new grass had been completed for the season—viz., 26 steers, 1 heifer, and 1 cow with calf. At about the same time 203 ewes and 5 rams were transferred from the scheme to the hill lands, where ragwort is becoming difficult to control. These are now the only bulk stock on the scheme and it will be necessary to purchase a draft of about one hundred cattle early in the season for the effective crushing of the new grass sown this year.

The Department keeps a draught entire on this scheme in order to encourage the settlers to engage in breeding the right type of farm horse.

Practically the whole of the money income of settlers on this scheme is derived from the dairy produce supplied either for butter or cheesemaking. During the year under review the Department's deductions from Ruatoki settlers' cheques amounted to £9,504. It is estimated that the total returns under this heading for the year would be in the vicinity of £25,000, or an increase of £9,000 over the previous year. The grading of the milk and cream generally has shown satisfactory improvement in view of the fact that many of the sections have yet no dependable water-supply and a few only have adequate means of heating water for cleansing dairy utensils.

At the local dairy factory, where the methylene blue test and the curd test are now used and give a definite standard of grading, the milk-supply for the year was approximately 90 per cent. first grade and 10 per cent. second grade. A small percentage, chiefly milk held on the farm for more than one day through floods, has had to be returned as unsuitable for cheesemaking. It is interesting to record that this factory, of which there are only seven European suppliers, won the Auckland Provincial and New Zealand Championships at the Auckland Winter Exhibition last year. In the case of cream supplied by Ruatoki settlers to the dairy factory at Opouriao the grading for the year was approximately as follows: Finest, 35 per cent.; first grade, 60 per cent.; second grade, 5 per cent. These figures are considerably better than those shown last year, particularly in regard to the percentage of finest cream obtained.

The returns of butterfat produced on the scheme since the season of 1931–32 have been given in previous reports. The following are the returns for the year ended the 31st March, 1937, together with comparative tables for the two years preceding:—

Year.	Total Butterfat.	Total Return.	Number of Cows.			Butterfat per Cow (in Milk).	Returns per Cow (in Milk).
			Total.	Milking.			
				Number.	Per-centage of Total.		
	lb.	£				lb.	£
1934-35 ..	261,330	9,626	2,018	1,707	84·6	153	5·6
1935-36 ..	387,858	15,759	2,462	1,994	81·0	195	7·9
1936-37 ..	443,070	24,875	2,754	2,376	86·3	193	10·8

In contrast with the two latter seasons 1934–35 was unfavourable climatically from the aspect of dairy production.

A survey of the proposed water-supply schemes to serve the whole of the flats area east and west of the river has been carried out this year by the Public Works Department, and it is hoped that an early start will be made on this important project. Whilst gravitation systems will overcome the difficulty encountered on unwatered sections on the flats, simultaneous consideration will be given to the claims of the hill settlers for improvement in their water-supply from springs or by pumps according to the nature of the individual sections.

The total number of buildings erected on unit properties on this scheme to date is fifty cottages and fifty-eight cow-sheds. The design of the cottages erected this year has made provision for a larger kitchen and an additional room as compared with the three-room-and-porch design of those erected in

1935-36. All the cow-sheds, with the exception of two erected by the settlers themselves, are of the "walk through" type. The standard size of shed has been a four-bail, but on large sections the settlers have added two extra bails at their own expense.

Ragwort is the only serious noxious weed with which settlers on this scheme have to contend. Its incidence, however, is so widespread that the control and prevention of spreading of the weed from the infested areas is a matter of major importance within the scheme. Approximately £200 has been expended on sodium chlorate and lime for use in ragwort control during this period.

The work carried out on the scheme during the year comprises the following:—

Fencing.—Boundary fences, new and renovation, 869 chains; Subdivision fences, 1,542 chains. A further 350 chains of fences have been battened.

Draining.—Approximately 120 chains of main drains have been opened up and a further 670 chains cleaned and deepened. In addition, 665 chains of feeding drains have been dug and 570 chains cleaned and deepened.

Clearing, Stumping, &c.—Clearing of 290 acres of fern and scrub-covered country for new grass has been carried out, besides approximately 20 acres of river-flat cleared of brier, &c. Stumping was necessary only on 50 acres of the area for new grass, the cover of the major portion of this area being fern and small scrub.

Ploughing, Cultivation, &c.—The ploughing and cultivation work done during the year and covering portions of both autumn grassing seasons amounts to 714 acres. In addition to this area, approximately 200 acres of other crops, chiefly maize and domestic crops of potatoes and kumaras, were also grown. Settlers in some cases require much persuasion to cultivate for regressing their plots of land after use for domestic crops and are inclined to leave these areas to volunteer grasses and weeds.

Roading, &c.—A considerable amount of work has been carried out, chiefly on the roads west of the Whakatane River.

This scheme is still in the process of expansion and should continue to increase its output both in quality and quantity for many years until such time as the whole of the population can be maintained by the return from their lands on the Ruatoki and Waiohau blocks without relief assistance. There is, however, one aspect of the development on this scheme which will require attention. It may be stated that in the case of some few of the small sections it will be uneconomic to provide full improvements, including buildings. On the other hand, for considerations of health improved housing is urgently needed in these cases. There are practical difficulties in the way of amalgamating small sections and in removing a settler from one section to another in which he may hold no interests, in order to allow him increased scope. However, it is felt that reasons of health are so imperative that estimates have been included to provide for housing, even though it may mean that the particular settler will require to be placed on a share-milking basis for several years to enable the section to be worked economically. The small section will not provide the occupier with a reasonable standard of living when development is complete. For this reason it is necessary to decide before buildings are erected on small sections, whether it will be possible to arrange transfers of landed interests to increase the size of the holdings, thereby enabling all sections to be operated on a definitely economic basis.

A marked improvement in the general tidiness of the sections has been observed during the past year, but some settlers still fail to make full use of their subdivisional fencing and are inclined to neglect closing gates, with a consequent wastage of feed. The advent of a water-supply will enable a definite advance to be made in this respect. A fair number of settlers are taking a keen interest in better pasture management, but few have a real understanding of their stock and require a good deal of instruction in order that they may obtain the best results. Insufficient attention to shed-hygiene is a matter calling for careful supervision, but some progress can be claimed, and this will be more marked when each shed is provided with an adequate supply of water.

The scheme foreman continues to give efficient service and is of assistance in creating an understanding between the settlers and the departmental officers. The scheme storeman is carrying out his duties quite satisfactorily.

Torere.

The Torere scheme, covering the lands of the Ngaitai tribe, is located near Opotiki. It comprises a total area of 3,508 acres, of which it is proposed to develop 3,000 acres suitable for dairy farming. There are now thirty-six settlers within the scheme, of whom thirty-one are milking and supplying the dairy factory. The number of persons dependant upon the settlers is 88 adults and 129 minors.

The area in permanent and temporary pastures is 2,012 acres, whilst the area sown down during the year is 132 acres. All permanent pastures on the table lands and most of those on the river-flats show further improvement during the past year.

Ragwort, brought down by floods, is still prevalent on portions of the river-flats, and certain of these areas, although carrying a fair quality permanent pasture, are badly infested. These areas and some additional run-out temporary pastures within the scheme will require reploughing, cropping, and sowing down in permanent pastures.

An excellent growing season resulted in an abundance of feed for stock being available, but, owing to adverse weather experienced at harvesting time, no great quantity of hay was saved.

Live-stock on the scheme as at the 31st March, 1937, comprised 33 bulls, 836 cows, 162 heifers, 147 heifer calves, 29 working bullocks, 54 working horses, 9 steers or unbroken bullocks. All live-stock on the scheme is in good condition, and very few were lost through ragwort poisoning.

The grading of all cream supplied to the factory has been uniformly good, although a fairly large quantity of only first-grade cream was supplied during the early part of the season. This may be attributed rather to feed flavours than to lack of cleanliness as there is a distinct improvement in the standard of cleanliness maintained by settlers. The following is a statement of butterfat supplied for the year ending the 31st March, 1937, showing the average and value per cow, together with a comparative table for the preceding four years :—

Year.	Total Butterfat.		Number of Cows milked.	Average per Cow.	
	lb.	£		lb.	£
1936-37	129,718	7,122	757	171.4	9.4
1935-36	118,998	4,632	671	176.6	6.9
1934-35	76,739	2,482	507	151.0	4.9
1933-34	94,038	3,479	631	149.0	5.5
1932-33	81,407	3,164	499	163.0	6.3

The water-supply system for this scheme provides adequate and efficient service, particularly for those settlers in the central areas. Two small supplementary systems will require to be installed in the near future in order to provide supplies of water for settlers at either end of the scheme whose present supplies are inadequate. The situations of these holdings render their connection with the main supply excessively costly.

Six cottages and four cow-sheds are in the course of erection, and the building programme for the coming year provides for the erection of twelve cottages and eleven cow-sheds, with alterations to four existing houses. With the completion of this programme the majority of the settlers within the scheme will be comfortably housed and have proper milking facilities.

As previously mentioned, there is a high incidence of ragwort within the scheme. This is most prevalent on lands adjacent to the Torere River as the result of reseeding from major floods. Systematic control treatment with sodium chlorate and lime has been undertaken, and the situation is improving.

Work carried out during the year is as follows: 580 chains of boundary and subdivisional fencing have been erected or heavily renovated, and of this work, 273 chains were carried out by settlers; 2,550 posts and 8,100 battens were split and packed out on to unit properties; 26 chains of new drains were opened and 63 chains were cleaned and deepened; 147 acres of scrubbing and stumping were done by means of unemployed labour and 29 acres done by settlers, a total of 176 acres cleared for the year; 111 acres were ploughed, and of this area 32 acres were sown in green feed to be reploughed in the autumn, and the balance sown in permanent pasture.

Generally, the standards observed by the settlers on this scheme are high, and there is an indication of keenness to progress and to take advantage of the opportunities offered in the development of their lands. The foreman is a practical farmer and carries out his duties efficiently.

Waiohau.

Good progress has been maintained during the year in the development of this scheme, which comprises a total area of 7,425 acres situated on the Rangitaiki River, some twenty-eight miles inland from Whakatane. The area in permanent pasture is 410 acres, in rough feed 100 acres and in turnips 120 acres, whilst the total area sown during the period under review was 250 acres. There are fifty-one adults and fifty-five minors dependent on the scheme.

The season has been ideal for this class of country. There has been an abundance of feed throughout the year. With improved consolidation the pastures will become more dense and produce a better sward. All pastures have been top-dressed with 3 cwt. of superphosphate and present a good appearance. Good crops of hay have been saved from each unit farm in addition to two large stacks for general scheme use. The turnip crop, although badly checked by the white-butterfly pest in the early part of the season, recovered well and produced a fair average yield.

Settlers' live-stock on the scheme comprised 6 bulls, 165 cows, 85 heifers, 20 heifer calves, 473 wethers. In addition, 342 wethers and 847 hoggets from the Ngatiawa scheme are being grazed, temporarily.

Three dwellings and six sheds were erected on the scheme during the year.

Ragwort and gorse are the principal noxious weeds to be contended with, and both these are kept under control.

The following work has been carried out on the scheme during the year : Ploughing and sowing into pasture, 250 acres ; ploughing and sowing into crops, 120 acres ; scrub-cutting and clearing 450 acres ; ploughing, 300 acres ; fencing, 200 chains ; drain-cleaning, 180 chains ; tree-planting, 4,000 trees. In addition to the above development work, general farm work has been carried out on all unit properties.

The general health of Maoris in this district has been very good and there has been no outbreak of disease. It is pleasing to observe the steady progress that is now being made on this scheme.

Whakatohea.

This scheme, which derives its name from the local tribe, comprises a total area of 2,446 acres, of which it is proposed to develop an area of 2,000 acres. There are now forty settlers within the scheme. Of this number, thirty-four are milking and supplying the dairy factory, one will commence milking next season, and the remainder will be in a position to commence dairying the following year. The total number of persons dependent upon the settlers is fifty-two adults and forty-eight minors.

The area in pasture is 1,442 acres, in rough feed 100 acres, and the area sown down during the month of March was 234 acres. Pasture lands on this scheme comprise good river-flats, marine flats of fair quality, and terrace lands mostly of good quality. The balance of the area extends back to fairly steep country of poor quality.

The following is the position of the live-stock on the scheme as at the 31st March, 1937 : Bulls, 45 ; cows, 730 ; heifers, (two to three year), 160 ; weaner heifers, 131 ; working-horses, 48.

The following are details of the butterfat supplied for the year ending the 31st March, 1937, together with a comparative table for the preceding four years :—

Year.	Butterfat supplied.	Total Value.	Number of Cows milked.	Average Yield per Cow.	Average Value per Cow.
	lb.	£		lb.	£
1936-37	105,547	5,163	571	185	9.0
1935-36	80,079	3,131	487	165	6.4
1934-35*	61,060	2,481	341	176	7.2
1933-34	77,717	2,880	419	185	6.8
1932-33	61,869	2,658	330	181.4	8.0

* For a period of ten months only.

The housing on this scheme remains, in some cases, only fair. During the year ten cottages and nine cow-sheds were erected, and with the completion of the recently approved building programme the majority of the settlers will have comfortable living quarters and adequate milking facilities.

The work carried out during the past year is as follows : Fencing, 925 chains of new fencing and heavy repair work was completed ; 4,930 posts and 12,450 battens were split and packed out ; 150 chains of new drains were opened and 143 chains cleaned and deepened ; 354 acres of scrub and light bush were cut and 27 acres of stumping done (of this area, 61 acres were sown in temporary pasture and the balance sown in permanent grasses) ; 179 acres were ploughed, of which small areas were cropped. Of the balance, 130 acres were sown in permanent pasture and the cropped areas will be similarly treated this autumn.

The general standard of energy displayed by the settlers is improving, although increased effort is necessary and a number still require strict supervision and instruction. A few of the settlers are becoming efficient farmers.

Whakatohea-Wainui.

This scheme, comprising Section 313, Parish of Waimana, situated near Opotiki, contains 600 acres, and was gazetted in January, 1931. The land is vested in trustees for the Ringatu Church, and prior to 1931, after setting aside 8½ acres for church reserves, the trustees subdivided the balance into five sections and allotted them to five Maori farmers.

Three of these Maoris are now units in the scheme, farming an area of 307 acres and milking 95 cows. Two are progressing satisfactorily, but the other, mainly through the smallness of his holding (32 acres) and the effects of a motor-car accident, is indifferent and only sufficient expenditure is being authorized to maintain the Department's security. The number dependent on these three farms comprises seven adults and fifteen children.

Arrangements are in hand whereby the units will be given a form of lease.

Whangaparaoa.

The Whangaparaoa scheme is located to the south-east of Cape Runaway, beyond the Orete scheme, and comprises a total area of 3,748 acres, of which 1,551 acres are under development. There are now fifteen settlers on the scheme, fourteen of whom are dairying, while another settler will shortly be established. Dependant on the settlers are sixteen adults and seventy minors. The usual periodical visits of inspection and instruction were made during the year.

The areas in permanent and temporary pasture are 799 acres and 726 acres respectively, the area in crops or fallow being 36 acres. The grass harrows have been much employed during the year, with satisfactory results. Although favourable climatic conditions for pasture-growth have prevailed during the year throughout the Bay of Plenty, harvesting was hampered by rain. Sufficient supplies of hay and ensilage have, however, been saved by the settlers for winter fodder.

Live-stock on the scheme as at the 31st March, 1937, comprised 16 bulls, 538 cows, 6 steers, 18 working bullocks, 70 heifers (two to three years), 61 heifer calves, 275 breeding ewes, 180 M.S. lambs, 40 two-toothed wethers, and 13 working horses. This represents an increase of 111 milking cows over the number shown last season. The health and condition of the scheme stock have been uniformly good during the year, and settlers are giving more attention to care and treatment of their stock. Dairy herds were heavily culled during last year.

Despite difficulties of transport occasioned by floods, the grading of cream supplied has been satisfactory, indicating the observance of a high standard of cleanliness of sheds and utensils. The following is a summary of butterfat produced during the year and a comparative table for the previous season :—

Year.	Total Butterfat and Value.		Number of Cows milked.	Average per Cow.	
	lb.	£		lb.	£
1936-37	65,520	3,096	422	155·2	7·3
1935-36	56,260	1,897	362	155·0	5·2

A water-supply operated on the small reservoir and ram principle is giving good service. A major scheme to supply adequately the greater number of settlers is now in the course of construction, and it is hoped to have this supply completed before the next milking season.

During the year two cottages and three cow-sheds have been erected for settlers. Timber has been ordered for a further two cottages and three milking-sheds, and work is proceeding as the timber comes to hand.

Work done during the past year is as follows : 303 chains of new boundary and subdivisional fencing erected and a further 60 chains repaired ; 77 chains of new drains opened and 29 chains of existing drains cleaned ; 35 acres of stumping and 38 acres of rushes, toetoe, and second growth cleared—these areas are mainly in temporary pasture awaiting cultivation for permanent grasses ; 28 acres of manuka cut and burnt and the area sown in temporary pasture ; 44 acres ploughed, cultivated, and sown down in permanent pasture ; and 18 acres ploughed for crops and green feed.

Settlers on this scheme have had a satisfactory year, and it is pleasing to observe their willingness to co-operate with the departmental Supervisor. The industry and keenness displayed is commendable, and the settlers give every promise of becoming successful farmers.

HOROHORO.

	Arawa.	Brents Farm.	Kapenga I.	Kapenga II.	N'Tuara.	Rongomaipapa.	Tuhourangi.	Turanganui.	Waikaukau.
1. Date first gazetted/acquired	July, 1936	Dec., 1930	June, 1931	June, 1931	Dec., 1929	Dec., 1929	Jan., 1931	June, 1931	Dec., 1929
2. Number of schemes
3. Area—
Gazetted to date	252	335	1,000	400	2,125	1,209	1,007	640	1,193
Developed to date	20	335	206	400	1,420	960	938	260	680
Ultimately to be developed	250	335	1,000	400	1,700	960	938	600	1,000
4. Units—
Definite tenure
Tenure not settled
Additional labourers	..	8	30	6	9	12	5	1	5
Other dependants (wives and children)	..	7	55	20	108	39	32	5	35
Total dependants	..	15	85	26	136	51	43	6	47
5. Unemployment labourers included in above	..	6	30	6	9	..	6	1	7
6. Live-stock tallies
Cows, dairy
Other dairy stock
Run cattle
Sheep—
Rams	..	31	..	..	17	9	..	..	..
Other	..	1,085	..	..	550	200	300	..	..
Horses	..	7	..	..	6	15	7	..	7
Bulls	..	22	..	..	25	21	9	..	6
Pigs
7. Receipts—
Butterfat
Total poundage	74,294	62,639	12,738	..	17,902
Department's proportion	4,185	3,557	751	..	978
Wool—
Weight	..	13,380	..	..	..	..	..	..	..
Department's proportion	..	805	..	..	..	..	..	..	..
Sheep sales	..	2,834	..	..	..	..	..	..	..
Cattle	..	60	..	..	84	70	11	..	26
Crops and sundries	..	266	..	..	66	35	10	14	12
Bulk
Total cash to Department	3	3,965	6	16	4,335	3,662	772	14	1,016
8. Year's activities—
Bushfelling and clearing	603	..	80	32	16	25	74
Fencing—	20	140	315	..	500	44	362	..	111
New	200	..	..	..	..
Repairs
Draining—	40	..	..	..	..	..	134
New
Cleaning, &c.
Grassing for year	206	..	35	35	26	..	176
Other cultivation	20	..	..	..	24	10	91	25	316
Roading and repairs	26	..	..	..	..	100	..
Splitting—
Posts
Battens
Strainers
Cottages erected during year
Cow-sheds erected during year	1	..	3	..	3
Implement and manure sheds erected during year	1	..	3	..	1
Wool-sheds erected during year
Sheep dip and yards erected during year

STATISTICAL DATA ON WAIARIKI DISTRICT SCHEMES (SCHEME AND UNIT)—continued.

	Horohoro- Haparangi Plantation.	Korohe.	Maketu Farm.	Maketu Pukaingataru.	Maketu Te Puke.	Maketu- Motiti Island.	Matakana Island.	Ngatimanawa.	Okataina Bush.
1. Date first gazetted/acquired	June, 1931	Sept., 1937	Dec., 1930	June, 1931	July, 1931	Jan., 1931	Nov., 1936	Jan., 1937	May, 1933
2. Number of schemes
3. Area—									
Gazetted to date	833	1,658	1,277	211	422	852	112	6,264	Post- splitting only.
Developed to date	500	100	900	200	420	852	100	229	
Ultimately to be developed	500	600	1,000	200	420	852	100	4,000	
4. Units—									
Definite tenure
Tenure not settled	2	5	2	..	15	2	42	..
Additional labourers	4	30	N/A	6	N/A	28	12	5
Other dependants (wives and children)	13	72	N/A	22	..	82	80	12
Total dependants	19	107	2	28	15	112	134	17
5. Unemployment labourers included in above	20	..	6	..	28	36	..
6. Live-stock tallies
Cows, dairy	469	90	106	..	..	..	..
Other dairy stock	190	50	5	..	..	..	..
Run cattle	203	..	20	..	..	..	..
Sheep—
Rams	15	..	5	..	..	..	..
Other	220	1,774	..	463	..	..	..	..
Horses	10	..	5	..	..	..	..
Bulls	23	4	..	..	..	..	..
Pigs	80	13	..	..	..	..	..
7. Receipts—
Butterfat—
Total poundage	74,220	12,000	7,000	..	..	..	..
Department's proportion	4,200	248	116	..	..	..	..
Wool—
Weight	7,316	..	400	..	..	..	..
Department's proportion	471	..	23	..	..	..	..
Sheep sales	867	..	241	..	..	..	..
Cattle	450	31	20	..	..	..	..
Crops and sundries	3	28	54	3	108	6	23	84
Bulk
Total cash to Department	3	6,025	333	403	108	6	23	84
8. Year's activities—									
Bushfelling and clearing	88	125	..	130	..	..	350	..
Fencing—
New	172	389	..	21	..	..	320	..
Repairs	316	..	53	..	..	..	..
Draining—
New	17	229	..	21	..	..	..	..
Cleaning, &c.	174	..	214	..	..	..	..
Grassing for year	16	..	..	..	..	..	229	..
Other cultivation
Roading and repairs	52	80	..	..	..	..	..	..
Splitting—
Posts
Battens
Strainers
Cottages erected during year	1	..	1	..	..	..	29,372
Cow-sheds erected during year	89,248
Implement and manure sheds erected during year	1	412
Wool-sheds erected during year
Sheep dip and yards erected during year

	Okere.	Oruanui Bush.	Parekarangi.	Parekarangi Extension.	Peka.	Rotoiti.	Ruatuhuna.	Taheke.	Tauranga.
1. Date first gazetted/acquired	July, 1931	..	June, 1931	Jan., 1931	June, 1931	June, 1932	Apr., 1931	Jan., 1931	Dec., 1931
2. Number of schemes	..	..	..	..	..	..	..	..	..
3. Area—	Acres	Post-splitting only:	2,868	700	1,364	4,912	12,181	9,081	774
Gazetted to date	6,054	..	1,116	120	390	1,700	3,000	2,015	640
Developed to date	1,950	State forest	1,500	700	1,200	4,400	4,000	6,000	750
Ultimately to be developed	4,500	..	..	..	..	..	..	..	..
4. Units—	..	..	..	..	..	..	..	..	..
Definite tenure	..	..	2	..	2	..	22	1	1
Tenure not settled	1	..	13	4	5	13	30	16	45
Additional labourers	29	7	69	10	15	20	150	36	68
Other dependants (wives and children)	..	..	..	..	..	..	..	..	..
Total dependants	42	10	84	14	22	33	202	53	114
5. Unemployment labourers included in above	..	..	..	..	..	..	..	..	..
6. Live-stock tallies	11	..	13	4	3	12	29	15	8
Cows, dairy	..	..	498	..	123	..	..	..	..
Other dairy stock	50	..	18	..	9	..	..	..	..
Run cattle	2	..	290	..	58	435	229	148	406
Sheep—	658	..	..	..	..	75	64	93	4
Rams	60	..	..	..	..	3,995	2,596	3,465	2,922
Other	4,019	..	..	6	..	4	..	..	5
Horses	3	..	..	..	..	..	..	..	..
Bulls	..	..	..	..	..	..	..	..	..
Pigs	..	..	..	..	..	..	..	..	..
7. Receipts—	..	..	..	..	..	..	..	..	..
Butterfat—	..	..	..	..	..	..	..	..	..
Total poundage	..	..	10,543	..	4,871	..	..	..	..
Department's proportion	..	..	579	..	289	..	..	..	..
8. Year's activities—	..	..	..	..	..	..	..	..	..
Bushfelling and clearing	..	..	..	..	..	..	..	..	..
Fencing—	396	..	150	370	40	84	500	616	244
New	400	..	389	..	121	237	1,200	350	397
Repairs	188	..	..	..	..	391	..	..	87
Drainage—	..	..	484	..	12	..	..	6	308
New	..	..	..	..	285	..	..	..	167
Cleaning, &c.	..	..	..	..	..	..	..	..	..
Grass for year	192	..	..	120	23	..	500	290	..
Other cultivation	252	..	..	..	8	..	..	91	..
Roading and repairs	162	..	3	..	..	..	..	34	..
Splitting—	..	..	..	..	..	..	..	..	..
Posts	..	12,850	..	..	..	50,000	..	..	..
Battens	12,500	600	..	..	..	..	..	..	..
Strainers	..	117	..	..	1	1	..	3	..
Cottages erected during year	..	..	3	..	..	..	..	..	..
Cow-sheds erected during year	..	..	3	..	..	..	..	..	..
Implement and manure sheds erected during year	..	..	1	..	..	..	1	..	..
Wool-sheds erected during year	1	..	..	..	..	..	1	..	..
Sheep dip and yards erected during year	..	..	..	..	..	..	..	..	..
Total cash to Department	2,164	..	3,090	..	379	5,389	1,106	2,512	1,795

STATISTICAL DATA ON WAIARIKI DISTRICT SCHEME (SCHEME AND UNIT)—continued.

		Ruatoki (Waiohau).	Torere.	Waimui.	Whakatohea.	Whangaparaoa.	Totals.
1. Date first gazetted/acquired	..	May, 1933	April, 1931	January, 1931	December, 1930	January, 1932	.. 51
2. Number of schemes	..	..	..	..	..	..	..
3. Area—	..	..	..	..	..	..	..
Gazetted to date	..	7,425	3,508	600	2,446	3,748	160,076
Developed to date	..	880	2,144	250	1,776	1,551	51,019
Ultimately to be developed	..	2,500	3,000	400	2,000	2,000	93,875
4. Units—	..	..	..	..	..	..	..
Definite tenure	..	7	36	3	40	15	308
Tenure not settled	..	..	..	..	..	..	166
Additional labourers	..	14	..	..	..	..	578
Other dependants (wives and children)	..	85	217	19	100	86	3,404
Total dependants	..	106	253	22	140	101	4,456
5. Unemployment labourers included in above	..	..	..	..	..	..	..
6. Live-stock tallies	..	14	..	..	..	..	479
Cows, dairy	..	165	836	95	730	538	10,431
Other dairy stock	..	105	309	38	291	134	3,858
Run cattle	..	..	38	..	..	24	4,832
Sheep—	..	..	..	..	..	..	..
Rams	..	..	..	..	..	8	751
Other	..	1,762	..	..	..	495	43,352
Horses	..	..	54	..	48	13	550
Bulls	..	6	33	5	45	16	488
Pigs	..	..	..	3	..	..	115
7. Receipts—	..	..	..	..	..	..	..
Butterfat—	..	..	..	..	..	..	..
Total poundage	..	26,603	129,718	14,418	105,547	65,520	1,427,360
Department's proportion	..	451	2,732	303	1,948	1,185	40,378
Wool—	..	..	..	..	..	..	..
Weight	..	..	..	..	..	..	..
Department's proportion	..	..	..	..	..	..	..
Sheep sales	..	542	..	..	..	..	249,307
Cattle	..	37	33	5	63	36	14,605
Crops and sundries	..	65	52	1	19	311	18,924
Bulk	..	..	..	..	..	..	2,971
Total cash to Department	..	1,094	2,817	309	2,030	1,632	2,900
	..	..	..	..	..	..	1,952
	..	..	..	..	..	..	81,730

8. Year's activities—									
Bushfelling and clearing									
Fencing—	..	Acres	450	176	35	381	73	9,453	
New	..	Chains	200	580	40	925	303	11,251	
Repairs	..	Chains	..	..	..	..	60	5,426	
Drainage—	..	..	..	..	..	..	..	..
New	..	Chains	..	26	..	150	77	3,170	
Cleaning, &c.	..	Chains	180	63	55	143	29	4,886	
Grassing for year	..	Chains	250	132	30	484	72	5,963	
Other cultivation	..	Acres	670	111	..	49	18	3,369	
Roading and repairs	..	Chains	34	..	..	25	..	1,804	
Splitting—	..	..	..	..	..	..	..	..
Posts	..	..	..	2,550	400	4,930	..	57,043	
Battens	..	..	..	8,100	1,000	12,450	..	197,548	
Strainers	..	..	..	..	..	..	..	569	
Cottages erected during year	..	..	3	6	1	10	2	91	
Cow-sheds erected during year	..	..	6	4	2	9	3	64	
Implement and manure sheds erected during year	..	..	1	..	..	..	..	6	
Wool-sheds erected during year	..	..	..	..	..	..	..	3	
Sheep dip and yards erected during year	..	..	..	..	..	..	..	1	

WAIARIKI DISTRICT.

SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Receipts.										Net Liability as at 31st March, 1937.			
	Receipts, excluding Unemployment Grants to 31st March, 1936.		Unemployment Subsidies.		Cash Collections, Scheme Produce, 1936-37.		Sales to other Schemes.		Total Receipts, including Unemployment, to 31st March, 1937.					
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.				
Arava ..	1,627	15 4	1,229	2 0	1,276	7 9	3 7 0	25,570	3 4	1,279	14 9	1,502	16 11	
Brent's Farm ..	8	8 4	228	18 11	337	7 3	3,964	12 2	4,641	14 8	32,729	0 2	15,726	11 4
Horocho—														
General	740	2 1	1,646	14 11	54	11 5	..	..	..	..	4,879	1 11	1,330	0 2
Haparangi Plantation ..	8	11 7	110	9 1	1,460	18 8	..	..	..	..	2,441	8 5	2,083	10 2
Kapenga 1 ..	..	..	1,431	15 7	47	10 0	16 7 6	..	..	..	1,585	10 10	1,456	3 6
Kapenga 2 ..	6,623	0 8	1,181	4 10	409	12 2	3,661	11 2	195	1 3	1,495	13 1	4,687	10 9
Rongomaipapa ..	7,421	13 3	1,577	16 5	1,144	9 4	4,334	14 4	82	2 2	12,070	10 1	34,514	5 6
Ngati-Tuara ..	751	2 10	2,203	17 3	757	0 3	772	2 8	..	..	14,560	15 6	35,825	2 4
Tuhourangi ..	23	10 10	1,183	5 8	222	19 0	14 3 3	..	970	0 0	4,484	3 0	17,804	17 0
Turanganui ..	419	6 3	1,941	12 6	880	1 6	1,015	11 2	318	8 7	2,413	18 9	3,805	7 5
Waikaukau ..	1,704	0 6	1,603	5 9	1,777	15 3	1,511	14 7	..	..	4,548	0 0	14,597	8 4
Te Kaha—														
Proper	789	15 9	1,229	19 2	630	2 6	550	2 3	..	..	6,596	16 1	7,766	3 9
Marauenui ..	1,375	3 2	1,762	13 2	1,386	7 6	1,210	8 7	62	15 2	3,204	16 6	2,012	19 10
Omaio ..	3,137	12 5	1,088	12 10	591	14 6	2,657	4 5	10	17 0	5,797	7 7	9,910	0 0
Orete ..	4,171	5 7	..	..	..	..	..	..	..	..	7,486	1 2	7,984	5 2
Orete 2 ..	33	8 4	3,103	7 4	2,296	19 6	892	3 10	27	12 6	4,171	5 7	Cr. 386	12 3
Te Piki ..	1,878	14 8	2,118	9 1	539	19 11	1,532	8 7	..	..	6,380	11 6	6,263	13 9
Whangaparaoa ..	..	..	322	11 6	888	4 9	3 5 0	..	..	..	6,069	12 3	11,734	16 10
Korohe ..	24,319	12 2	2,490	0 2	4,102	4 6	6,025	4 2 7	..	..	1,214	1 3	588	19 6
Maketu Farm ..	1,262	5 9	..	..	..	..	108	2 7	..	..	36,937	1 0	1,721	14 9
Motiti Island ..	849	7 9	..	..	180	0 3	333	9 9	..	..	1,370	8 4	660	0 0
Pukaingataru ..	66	4 8	1,369	2 8	1,037	9 6	402	10 7	101	15 0	1,362	17 9	1,671	12 9
Te Puke ..	..	..	..	..	650	10 3	6 4 6	..	..	..	2,977	2 5	4,982	0 5
Matakana Island ..	..	..	..	..	93	19 1	..	..	..	..	656	14 9	503	8 9
Waewaetutuki ..	..	..	..	..	93	19 1	..	..	..	..	93	19 1	80	2 10
Matata...	3,524	10 11	4,240	11 11	1,551	6 3	116	4 6	..	..	1,667	10 9	1,344	3 0
Ngatiawa ..	..	..	..	..	1,970	16 2	2,745	8 1	204	0 1	12,685	7 2	32,897	14 10
Ngatimanawa ..	5,435	6 11	4,144	19 11	1,803	13 9	23	1 2	..	..	1,826	14 11	996	19 5
Okataina Bush ..	51	9 1	3,267	10 4	1,419	1 4	84	3 0	2,314	18 11	13,398	10 1	Cr. 3,634	19 2
Okere ..	4,569	3 11	508	12 5	1,772	4 10	2,164	6 6	5,500	0 0	12,755	10 9	16,286	7 1
Opape Farm ..	..	..	205	14 6	855	10 0	1,547	12 7	50	0 9	7,530	18 11	4,317	9 3
Oruanui Bush ..	1,039	18 7	4,193	16 11	987	9 4	3,090	3 4	319	3 9	524	18 3	Cr. 79	11 1
Parekarangi ..	473	6 8	795	4 7	437	13 0	378	10 5	743	0 0	10,054	8 2	24,462	15 8
Parekarangi Extension ..	..	..	1,238	8 1	517	2 11	..	..	..	..	1,232	17 7	1,566	7 4
Peka ..	..	..	..	..	232	1 7	..	..	2,282	13 1	4,890	1 2	9,943	6 8
Pukawa Bush ..	..	..	..	..	..	..	..	..	77	3 9	309	5 4	Cr. 9	0 3

WAIARIKI DISTRICT—continued.
SUMMARISED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Expenditure, plus Interest, to 31st March, 1936.				Cash Expenditure, 1936-37.				Purchases from Bulk and other Schemes.				Net Interest, 1936-37.				Total Expenditure, plus Interest, to 31st March, 1937.			
	£	s.	d.		£	s.	d.		£	s.	d.		£	s.	d.		£	s.	d.	
Arawa	10,431	19	10		1,650	3	10		1,108	12	4		23	15	6		2,782	11	8	
Brent's Farm .. .. .	..	..	..		20,550	12	9		16,866	11	11		606	7	0		48,455	11	6	
Horohoro .. .. .	..	..	..		..	..	..		..	..	..		..	..	..		..	..	..
General	6,141	13	0		1	1	0		0	12	6		65	15	7		6,209	2	1	
Haparangi Plantation	4,233	1	7		59	5	8		138	10	1		94	1	3		4,524	18	7	
Kapenga 1	3,137	0	2		1,587	16	11		1,277	9	1		39	8	2		3,041	14	4	
Kapenga 2	3,878	6	4		1,593	9	11		528	18	10		182	8	9		6,183	3	10	
Rongomaipapa	37,580	18	0		1,939	0	8		5,632	3	7		1,432	13	4		46,584	15	7	
Ngati-Tuara	38,527	11	0		3,724	16	7		6,620	19	2		1,512	11	1		50,385	17	10	
Tuhourangi	15,900	17	9		1,420	8	3		4,241	12	4		726	1	8		22,289	0	0	
Turangarui	4,607	0	11		291	12	9		1,141	11	11		179	0	7		6,219	6	2	
Waikaukau	14,435	15	6		2,130	13	9		1,951	1	6		654	17	7		19,172	8	4	
Te Kaha .. .. .	..	..	..		..	..	..		..	..	..		..	..	..		..	..	..
Proper	10,062	16	4		3,385	14	8		550	2	5		364	6	5		14,362	19	10	
Maraenui	3,647	4	5		1,367	7	3		118	2	11		85	1	9		5,217	16	4	
Omaio	12,464	17	4		2,445	8	0		302	9	9		494	12	6		15,707	7	7	
Orete	12,298	15	10		2,554	19	9		189	10	11		426	19	10		15,470	6	4	
Orete 2	2,734	10	2		1,086	18	0		8	0	0		44	14	10		3,784	13	4	
Te Piki	8,229	13	1		3,238	9	9		878	13	8		270	8	9		12,617	5	3	
Whangaparaoa	14,411	16	9		2,294	3	9		534	13	6		563	15	1		17,804	9	1	
Korohe	429	17	0		967	2	7		387	8	9		18	12	5		1,803	0	9	
Maketu Farm	26,618	4	8		9,922	15	2		2,077	8	0		40	7	11		38,658	15	9	
Motiti Island	1,963	0	11		29	12	11		..	..	..		37	14	6		2,030	8	4	
Pukaingataru	2,398	13	6		446	15	3		99	12	2		89	9	7		3,034	10	6	
Te Puke	5,594	10	10		1,263	18	9		888	6	9		212	6	6		7,959	2	10	
Matakana Island .. .. .	..	..	..		982	18	0		163	16	0		13	9	6		1,160	3	6	
Waewaetutuki .. .. .	..	..	..		122	15	7		49	3	5		2	2	11		174	1	11	
Matata .. .. .	..	..	..		2,363	13	1		612	1	3		35	19	5		3,011	13	9	
Ngatiawa	40,149	5	7		3,798	4	0		95	19	0		1,539	13	5		45,583	2	0	
Ngatimanawa .. .. .	..	..	..		2,026	10	6		770	10	4		26	13	6		2,823	14	4	
Okatama Bush	6,807	11	6		2,632	4	7		490	9	6		166	14	8		9,763	10	11	
Okere	12,245	2	3		4,107	2	9		12,085	0	7		604	12	3		29,041	17	10	
Opape Farm	9,418	2	0		1,879	1	11		319	10	6		231	13	9		11,848	8	2	
Oruanui Bush .. .. .	..	..	..		436	16	8		10	12	10		2	2	4		445	7	2	
Parekarangi	23,862	9	4		1,829	2	4		7,796	2	11		1,029	9	3		34,517	3	10	
Parekarangi Extension	1,392	8	10		467	6	5		884	10	9		54	18	11		2,799	4	11	
Peka	10,400	11	1		1,545	10	8		2,456	4	11		431	1	2		14,833	7	10	
Pukawa Bush .. .. .	..	..	..		300	10	1		..	..	..		0	5	0		300	5	1	

TAIRAWHITI MAORI LAND DISTRICT.

The English translation of the word Tairawhiti—"all the land that slopes towards the Eastern Sea"—perhaps describes the situation and general aspect of the district's area better than the recitation of a detailed technical description of boundaries. Embracing all the country east of a line drawn roughly from Hicks Bay (near East Cape) along the Raukumara, Motu, and Huiarau Ranges, including Lake Waikaremoana, and then following the course of the Mohaka River to the Pacific Ocean, the district may be aptly named the "sunny province," or, as Maori dwellers so picturesquely described on the occasion of a recent visit of the Governor-General to the district to present the Ahuwhenua Trophy, "Morning dawns on the British Empire here in the lands you see before you. The sun sheds its freshest energy and glory on Tairawhiti, before departing to the lesser blessed lands to the West."

The Tairawhiti district, embracing the tribal territories of the Ngati-Porou, Te Aitanga-a-Hauiti, Te Aitanga-a-Mahaki, Rongowhakaata, and a section of the Ngati-Kahungunu peoples, may be regarded as the birthplace of the present policy of developing and settling the lands of the Natives and assisting them in their farming operations, a policy which has for its ultimate object the settlement of the Maori himself as a self-supporting member of the community.

The vesting of Native blocks in the East Coast Trust, the Native Trustee, and certain special trusts, created for the purpose of liquidating the affairs of Maori estates, led to the preservation and gradual development of certain of these areas in the Gisborne district. Prior to 1925 the incorporation of owners and consolidation of interests enabled large tracts of country to be brought into cultivation, and with limited assistance from State Departments and lending institutions sheep farming was engaged in by the Natives. The year 1925 marked a forward move when dairying operations were commenced in the Waiapu district with the establishment of a dairy factory at Ruatoria, but with the passing of development legislation in 1929 there still remained scattered but extensive interests of virgin or partially cultivated Native lands occupied by the owners.

The settlement of these Native lands by means of State development schemes was commenced in the East Coast district in January, 1930, when an area of 13,762 acres was gazetted as being subject to the development provisions of the Act of 1929, and the Mohaka scheme was undertaken. Following this scheme, other blocks were brought under development, and to-day there are eight of these schemes in operation for the settlement of lands owned by the Maoris, comprising a total area of 60,801 acres, a greater part of which is actually in the process of cultivation.

The returns for the past season have been excellent, both as regards cash receipts and volume of production, and show the healthy state of development in the district. The figures are:—

	£
Wool (for season)	13,229 (232,220 lb.).
Butterfat (Department's proportion)	5,536 (365,684 lb. gross).
Cattle (surplus sales)	1,645
Sheep	11,135
Sundries	2,413
Total	£33,958

This total, when compared with last year's figure of £23,610, shows an increase of £10,348, representing a 43 per centum rise. An analysis of the figures shows that wool proceeds have advanced by more than 300 per centum, and although the high prices realized last season admittedly account for a portion of this increase, the clip of 232,220 lb. was in excess of that produced in the previous season.

Housing receives more and more attention as time progresses, and this year sixteen new dwellings have been erected, whilst repairs and additions have been made to a number of existing homes. The policy view is that sufficient and healthy accommodation is one of the first steps required for building up a more virile and happier race, and a farmer provided with pleasant living conditions is at least started on the road towards becoming an asset to the community.

The character of the Maori farmer and his lack of training in modern farming methods make it more necessary as time goes on for the Department to exercise even closer supervision than has been carried out in the past. Instruction in the proper care of dairy herds, systematic culling of inferior stock, sanitary cow-shed operation, the judicious use of fertilizers, and general farm work is desirable to enable the Maori to become a qualified, self-reliant, and successful farmer.

Much of the labour cost of developmental work has been financed from Employment Funds, with the twofold result of keeping all available unemployed Maori labour in productive occupation and of helping the struggling farmer settler. For the year ended 31st March, 1937, funds expended from this source on development schemes amounted to £12,080, whilst 688 private contracts for work on other Native lands were subsidized by the Board of Native Affairs to the extent of £21,549.

As a result of the good season and the generally sound condition of settlers' accounts, rates amounting to nearly £1,000 were paid during the year. These payments have resulted in a better spirit of co-operation with the local bodies concerned, who have thus directly benefited. Appreciation has been expressed by the Wairoa, Waiapu, and Matakaoa Counties, and it is a definite move towards the easing of their vexed Native rating problem. The amount paid included Rabbit Board rates, which action represents a prudent policy, as all the schemes are in the rabbit-free area.

A pleasing result of the past season's activities was the award to Henry Dewes—one of the district development units—of the Bledisloe Cup, or Ahuwhenua Trophy, which was donated by Viscount Bledisloe for annual competition amongst all Maori farmers on the Department's development schemes throughout the Dominion. The cup was presented to Dewes by His Excellency the Governor-General at Tikitiki in March last, and the winning of this trophy by a member of the Ngati-Porou tribe has proved a great incentive to the Tairawhiti Maoris to become keen and industrious farmers.

Kahungunu.

Three miles to the west of the Mohaka Viaduct, on the Napier-Wairoa Railway, is situated the Kahungunu scheme, which comprises the balance of the Crown land portion of the Mohaka block handed over by the Lands Department in January, 1933, for development purposes. It was the original intention to have this land developed by and for the benefit of unemployed members of the Kahungunu tribe living in the Wairoa and Mahia districts, but a portion was reserved for settlers of the Ngati-Pahauwera hapu. While the total area gazetted under the scheme is 8,230 acres, it is estimated that only 5,000 acres are suitable for development, and towards this end 1,400 acres have been brought into permanent pasture.

The establishment of five new settlers during the past year brings the total number of assisted farmers up to nine, with fifty-seven dependants.

An increase in the butterfat return has been achieved, while the wool-clip, the proceeds for which were received after March, reached a figure more than 200 per centum in excess of that of the previous season. A marked improvement both in the carrying-capacity of the land and the industry of the units is reflected in the increase of sales of sheep.

That the light pumice land of which the scheme consists can be profitably developed is apparent from the excellent returns, but, nevertheless, the principles of heavy stocking and the generous use of fertilizer must be pursued if the improvement is to be made permanent and the units become self-supporting farmers. The extensive use of shelter-belts of *Pinus radiata* has ensured protection for live-stock and crops.

With the completion of the East Coast Main Trunk Railway, this isolated scheme will benefit in a similar manner to its parent scheme, Mohaka.

The year's operations include 292 acres of bush-felling, 100 acres of grassing, 5½ miles of new fencing, 78 acres of general cultivation, and 60 chains of road formation. Cow-sheds and dwellings are being erected as the settlers are established on a definite tenure. As at 31st March the area was carrying 87 cows, 12 other dairy stock, and 294 sheep.

Mahia.

Consequent upon the representations of the Natives of the Mahia Peninsula for assistance to develop and farm the fairly large tract of their land situated on the sunny sheltered side of this beautiful peninsula, an area of 2,771 acres was gazetted under the Native land development legislation on 25th February, 1937. No work had been commenced at the date of this report, and it is first intended to undertake a topographical survey in order to better plan the system and budget the costs of development. The area will be classified as a "unit" scheme from inception, and it is estimated that it will ultimately subdivide into twelve holdings.

The headquarters of the block will be located approximately five miles from the port of Waikokopu, which will shortly be linked up with the East Coast Main Trunk Railway. The scheme will benefit considerably by these increased facilities for the handling of live-stock and produce.

The land is suitable for dairying, the Whangawehi block containing good quality sandy loam through which run two streams, while the Kaiwaitau block, although badly infested with blackberry and menaced with encroaching and shifting sand, is of sufficiently good quality to subdivide ultimately into successful farms. Across the river from the former area is the Mahanga block consisting of a sandy river silt soil which will grow good maize crops and should, judged by adjoining farms, be turned into first class pasture land. Marram grass is to be planted on sea-coast sections on these blocks.

There is a bright prospective future for this scheme, which, when developed, will provide a home and occupation for a large number of Natives who are at present having an uphill struggle to maintain reasonable living conditions.

Mohaka.

On the 15th January, 1930, this scheme—the first in the Tairāwhiti Māori Land District under the Native land development legislation of 1929—was authorized. The consolidation of the interests acquired by the Crown in the Mohaka blocks and the definition of awards of land to the Crown and to the Natives, who had not sold, were advanced sufficiently under the Mohaka consolidation scheme to enable the Department to provide assistance for improving the Native holdings.

The Mohaka blocks presented many difficulties in development. They were many years ago leased to Europeans, who grazed sheep and cattle. Whatever clearing and grassing had been done by the lessees had reverted to fern, manuka, and tauhinu, while blackberry had taken possession of the land on either side of the main road, more particularly on the Waipapa block, on which the Mohaka Village is situated. Pumice predominated on the flats and terraces and easy hill lands, while papa outcrops were in evidence on all steep country. The hill country was riven in places by gullies, which were an obstacle to connected improvement and economical subdivision. The lands suitable for dairying were strung along the main road in such fashion as to create allotments of peculiar shapes and sizes.

The Mohaka Natives had commenced dairying in a small way before the scheme was launched, and were anxious to obtain assistance under the Act of 1929. The unusual combination of pumice and papa soils on the scheme necessitated special treatment and methods. It was necessary to plough and cultivate intensively all low-lying lands, for the control of blackberry and for cropping preparatory to sowing in permanent pasture, and to make liberal use of manures and of heavy stock for consolidating the pastures.

The scheme now comprises an area of 19,709 acres on which fifty-four settlers with 293 dependants are engaged, principally in dairying.

The completion of the railway from Napier to Wairoa by the building of the Mohaka Viaduct has already been of considerable benefit to this scheme. Savings are being effected in transportation costs, and, due to the fact that the line actually passes through the scheme, it can be readily understood that the greater facilities for handling of live-stock and produce must be reflected in the general well-being and progress of the Native settlers. The block continues to show improvement, and the results of last year's operations are quite apparent. The majority of the Maori units are keenly interested in their holdings and show promise of becoming successful farmers. Up to the present the policy has been mainly to bring the land into a reasonable state of pasture. Although there still remains a lot to be done in this connection, the Department is now expending much energy on the production side.

A number of the units' herds were tested this year, and a systematic method of culling the dairying stock is in operation. The Native farmers are being encouraged to take more interest in their herds, and a programme of growing winter feed, together with the making of hay and ensilage, is being prosecuted. This education cannot be brought to a successful issue in one year, but from the interest shown to date one can reasonably look forward to better butterfat returns in the future.

The question of water-supplies is a big one on the whole of the Mohaka block, but by using windmills and wells, and by the harnessing of creeks, the position is being gradually improved. The construction of a water-supply which, with the aid of two hydraulic rams, will supply five farms, has been commenced.

The housing problem is very acute, but the most urgent cases are being dealt with, and five cottages were erected during the year. The old temporary cow-sheds are gradually being replaced by more modern buildings.

A good deal of work was done during the year, consisting of nearly fifteen miles of new fencing, 353 chains of repairs, 958 acres of clearing of bush and scrub, 454 acres of ploughing, 266 acres of stumping, 66 chains of draining, and 145 chains of road formation and the grassing of 970 acres. The tallies of live-stock as at 31st March, 1937, were 1,216 cows, 108 other dairy stock, 4,237 sheep, 820 goats, and 61 horses. The Department's proportion of the butterfat proceeds was £1,722 from a total poundage of 92,419 lb., and the wool cheque for the season realized £1,091 from 17,888 lb.

The scheme can be looked upon as a success, and it is very apparent that the health and well-being of the Natives are much improved, being very noticeable in the happy and healthy children.

Poroporo.

In the heart of the "development" country of the East Coast, between the Mangaoporo and Poroporo Rivers and eight miles to the north of Ruatoria, is situated 2,604 acres of fertile land known as the Poroporo scheme, which was one of the first to be inaugurated in the Tairāwhiti district. In 1930, when it was taken under development, it consisted for the most part of bush lands, with several slopes covered in fern and manuka. In the course of the subsequent two years the bush was felled, the land being grassed, subdivided, and fully stocked.

To-day the scheme contains ten progressive dairy units and the Uruahi Station, comprising good hill country and covering areas of 654 acres and 1,950 acres respectively. The dairy sections are situated on the fertile Whenuakura flats, and a total of seventy-six Natives are obtaining a living from the land upon which are running 222 cows and 50 other dairy stock, and from which a total butterfat return of 26,509 lb. was obtained.

Uruahi Station carries 4,176 sheep and 481 cattle on its 1,950 acres of pasture. Protective work against slips to which the area is subject is being carried out, and it is hoped that the present programme of tree planting will eliminate this trouble within the next two or three years. Not only did the total wool-clip of 32,444 lb. average a fraction over 15d. per pound for the last season, but the actual wool receipts for the clip, amounting to £2,073, showed a large increase on the sum realized for the previous season.

Developmental work on the unit dairy farms has proceeded apace in that 260 chains of new fencing have been erected, with 80 chains of repairs; 62 chains of new drains; and 35 chains of repairs, while 25 acres of grass were sown. Dwellings and cow-sheds have also been erected for several of the settlers.

Takatahu.

"Takatahu" is the local name of the Whetumatarau No. 6 block which, with the adjoining subdivision No. 5, comprises an area of 418 acres near Te Araroa, consisting of three parts flat and one part of steep hillsides. Prior to coming under the development provisions of the Native Land Act, the lands were included in an order of incorporation under Part XVII of the Act, but were not utilized to any extent, and all but 100 acres were in standing bush.

The property has been fully cleared and grassed, and to-day is in good pastures subdivided into twelve main paddocks and a few small ones. The main fences erected are on the section survey lines, so that at any time the property can be run as three separate farms, which is the ultimate goal.

Favourably located on fertile river-flats, the scheme continues to be one of the most successful dairy ventures undertaken by the Department, and after allowing heavy depreciation charges on buildings, fences, and general farm equipment, a net profit of £481 was made for the year ended 31st March, 1937.

Herd-testing has been carried out for the past two seasons, and the herds have been culled systematically, with the result that a good type of beast is retained for use. This fact is borne out by the excellent butterfat returns for the season of 21,693 lb., which realized £1,086. This figure is an increase of 50 per centum on the previous season's return.

Further developmental work undertaken comprised an area of 60 acres, which was logged and chipped, while drains and fencing were maintained and 60 chains of new fencing were erected. Measures are also being taken for protection against river-erosion, to which the block is subject. The live-stock at 31st March consisted of 6 bulls (including 2 pedigree animals), 102 cows, 40 springing heifers, 35 calves, and 17 pigs, which gives the carrying-capacity of the block as 1 cow to 3 acres.

The farm is run very efficiently by a Maori manager who has three helpers, one of whom is gaining experience and should eventually be established on a portion of the block as a separate unit farmer.

Tuparoa.

Taking its name from a village on the coast east of Ruatoria, this scheme covers an area of 10,211 acres, and comes under the category of a "blanket" scheme. Geographically it is located for the most part between the Tuparoa Village and the northern boundary of the Akuaku block, and between Whareponga Village on the sea side and the main highway.

The Tuparoa consolidation scheme was applied for in 1922, but as a result of unavoidable delays in determining the interests in the block, it was 1929 before the Native Land Court finalized the titles of the land. Within the triangle denoted by Whareponga, Tuparoa, and Ruatoria a large area went to the Crown and a number of titles went to the Native owners. The whole of the coastal area of this triangle was unfenced and covered with tauhinu and manuka, while neighbouring stock overran the land. There were some small areas partly farmed, but not to any degree of efficiency. The first step towards the development of these blocks was taken in the winter of 1931. As part of an old sheep-station all these lands carried fair sheep pasture, and being of papa formation were eminently suitable for sheep and cattle. The development of the Whareponga blocks, between June, 1931, and April, 1932, to the point of carrying over eight thousand sheep and a large number of cattle was a record for the Native land development schemes of the Dominion in scope, speed to production point, efficiency, and economy.

It has been recognized that the ultimate subdivision of this area depended on road access. In the past, access to the Whareponga block was almost non-existent, wool having to be taken by surf-boat from the beach to coastal vessels. But with the completion of eight miles of road, connecting the scheme with the main highway at Hiruharama, and formed by unemployed Natives, a further milestone in the progress of the district was established when the road was officially opened by the Acting Native Minister the Hon. Mr. F. Langstone, on 19th March, 1937.

Whareponga sheep station, commonly called Repo Station, comprising over 5,376 acres of reasonably good coastal country, is the main farm in the scheme. It is eight miles in a coastal direction from the main East Coast Highway and five miles southwards from Ruatoria. At present it is carrying 6,000 sheep and 826 cattle, while the receipts for the past season totalled £6,415, the wool cheque producing £4,976 from 65,477 lb.

To a great number of the Ngatiporou people Whareponga has been the real manifestation of developmental activities on the coast, as the blocks comprise the main holdings of a large proportion of the members of the tribe. The fact that considerable profits have been made in the past few years and that these profits will revert to themselves is taken by them as proof that Native land development is carried on for the benefit of the Maori and not for the State. A general meeting of the owners was held recently and a copy of the annual accounts was presented to the committee, who expressed gratification and approval of the manner in which the station is being run. It has been left to the owners to decide whether they will take the property over and subdivide it, or leave the management in the hands of the Department.

The other sheep station, Akuaku A 124, covers an area of 563 acres. In addition to the two sheep stations, there are 7 unit farmers who, together with 21 additional labourers and 95 dependants, bring the total number supported by the scheme to 123 persons.

Waiapu-Matakaoa.

Up to the year 1925 sheep farming was the only real agricultural pursuit that the Maoris of the Waiapu and Matakaoa Counties engaged in. In 1925 a dairy factory was established at Ruatoria, having been made possible by reason of the fact that the titles to much of the land suitable for dairying had been adjusted and settled under consolidation schemes. The new industry had taken a firm hold and was expanding rapidly, but much remained to be done to improve the farms and herds. At the beginning of 1930 it was estimated that less than one-third of the area suitable for dairying was devoted to that purpose.

It is probable that but for the depression, which began to be seriously felt in sheep farming districts early in 1930 and was already causing unemployment, the provisions of the Act of 1929 would not have been applied to lands in the Waiapu and Matakaoa Counties. The droughts of the 1930-31 and 1931-32 seasons, with the failure of the potato crops, added to the drop in the price of farm products, and increasing unemployment compelled Maori landowners to apply for assistance under the new scheme.

This "blanket" scheme consists of a number of small blocks in nowise connected except that, for convenience of accounting, they are grouped into one control account. Ruatoria, Tikitiki, and Te Araroa are the three centres from which the sections radiate. The scheme covers many classes of country, from the fertile Tikitiki dairy flats to the steep country in the Matakaoa area. Every hapu of the Ngati-Porou tribe has sections under development.

Activities during the year have produced the following figures, which show the very considerable amount of work that has been done: 1,054 acres have been felled and cleared; nearly 27 miles of new fencing have been erected, while repairs to fences cover another 16½ miles; 177 chains of new

drains have been made; 961 acres of new grass have been laid down; 80 chains of road have also been formed; and the erection of 5 cottages and 14 cow-sheds comprise the building operations.

Live-stock figures have increased considerably since the previous year, tallies now being 1,583 cows, 425 other dairy stock, 564 run cattle, 8,400 sheep, 194 horses, 75 bulls, and 135 pigs. The butterfat production was 200,040 lb. and the wool-clip totalled 49,631 lb. Cattle receipts were £632, sheep realized £2,658, and sundries produced another £653. During the year twenty-three herds were placed under test with the Poverty Bay Herd-testing Association, the average return of butterfat for the 555 cows tested being 159 lb. in 194 days.

Brief reports on three of the larger single areas are as follows:—

Toetoe Station.—The Ahuwhenua (Son-of-the-Soil) Trophy presented by Viscount Bledisloe for general excellence in farming by Maoris under the Native land development legislation, in consideration of “good farming husbandry, economy of management with a view to a commercial profit, the cleanliness and neatness of the holding, and the progress made by the farmer in the development of the holding, having regard to its conditions when he first occupied it and the advantages he has enjoyed,” was awarded to the occupier of this section, Henry Dewes. This adjudication is sufficient indication of the sound manner in which the station is farmed. The country has been further improved and sheep-yards and a sheep-dip are at present being erected.

Kaiwaru Station.—On this comparatively new country the occupiers have felled and grassed 230 acres and erected two miles of boundary fences. Live-stock comprised 94 cattle and 1,350 sheep.

Marangairoa 1A, 2, 3, and 4.—The 500 acres of this property are worked as a sheep-station under a Native manager. Stock carried comprised 878 sheep and 162 cattle.

The balance of the Waiapu-Matakaoa area is divided into 80 unit holdings, which are grouped as follows:—

Herupara.—Situated in a southerly direction about a mile and a half from Tikitiki and overlooking the Waiapu River with Waiomatatini in the distance, this one section block of the above scheme comprises some 368 acres, of which 189 acres are old pasture, 15 acres reserves, and 164 acres new bush burn. During last winter 160 acres of bush were felled, burned, and sown, and fencing was commenced preparatory to stocking with lambs. Dairying is carried on on the old pasture, which is all flat and of good quality.

Mangaoporo.—Lying in a westerly direction some ten miles from Tikitiki this block extends over an area of 1,567 acres. It is very isolated, the only access being by the unmetalled Poroporo River Valley Road. Work during the year included bush-felling, burning, and sowing 266 acres, the erection of 235 chains of new fencing, and 225 chains of fencing repairs. The stock at present carried on the sections with the bush burn still unstocked comprises 2,500 sheep and 150 head of cattle.

Tikitiki.—This area comprises 2,115 acres and takes in most of the land from the mouth of the Poroporo Stream to the banks of the Waiapu River as far as Tikitiki. At present there is only a portion of these areas under development, the balance being let to Tikitiki Station for grazing. Two new cottages and seven cow-sheds were erected during the year; 400 chains of new subdivisional fencing were erected; 55 chains of draining were undertaken; and 30 acres of new pastures laid down.

Hinetiraha.—Adjoining Pohooterangi, this block comprises some of the best country in the Waiapu Valley. Situated midway between Tikitiki and Rangitukia, this settlement has nine units farming an area of 329 acres. They milked 153 cows during the past season. The work performed includes the clearing and stumping of 55 acres; 250 chains of new fencing, with 150 chains of fencing repairs; regrassing of 40 acres; and the erection of two buildings (one cottage and one cow-shed).

Hahau.—Distinguished as being the most easterly piece of land under development, and taking in all the remaining land from the Waiapu River to the Maraehara Stream and from the edge of the Hinetiraha block down to the Pacific Ocean, this area of 782 acres is worked by fifteen units. It is a most progressive area, for although two years ago practically all the land was covered in gorse, it has now been nearly all eradicated and sown in good pasture. Further progress is shown in the completion of 590 chains of new fencing, 460 chains of repairs, and 30 chains of drain excavation, while two new cottages and four new cow-sheds have also been erected.

Tikapa and Herenga.—These blocks are situated on the south-eastern side of the Waiapu River from Tikitiki, the former extending from the river to the Port Awanui Beach, and the latter southwards from the Port Awanui Road parallel with the beach. On the Tikapa sections there are twelve units, but as their boundaries are not yet finalized development has not been able to assist them to a great extent. However, those who have definite areas allocated to them are making a start, and at the present time some 155 cows are being milked and general development work is being diligently pursued. The Herenga sections comprise 126 acres, half of which is new bush burn, and on this area ewes are being carried, as the land is too steep for dairying.

Waihua.

Formerly designated Ngamahanga, this area of Crown land was handed over for development in 1933. It is situated twenty miles on the Napier side of Wairoa, and five miles inland from the Napier-Wairoa Railway, and contains 4,300 acres, of which all but 200 acres are farmed as a sheep station. The soil is a light pumice formation. The station is at present running 8,443 sheep, 502 cattle, and 244 goats, the latter being necessary to keep the blackberry in check.

During the season 4,144 wethers were sold for £6,032, while the wool-clip realized £3,000. That the station is being farmed in an efficient and capable manner is demonstrated by the fact that a pen of fat wethers from the station won the first prize for the export-wether class at the Wairoa Agricultural and Pastoral Show, notwithstanding strong competition.

Developmental work for the past year consisted of 200 acres which were felled, cleared, and grassed, 93 chains of new fencing, and 76 chains of roading. A wool-shed, with shearers' accommodation and dining-room, and a sheep-dip were erected in time for the shearing season, thus surmounting the previous difficulty of having to drive the sheep some seven miles to the nearest shearing-shed.

STATISTICAL DATA ON TAIRAWHITI SCHEMES (SCHEME AND UNIT).

Subject.	Kahungunu.	Mahia.	Mohaka.	Poroporo.	Takakaunu.	Tuparua.	Waipatu-Matakaoa.	Waihua.	Total.
1. Date first gazetted	Sept., 1933	Feb., 1937.	Jan., 1930	Jan., 1930	May, 1930	March, 1931	June, 1931	Sept., 1933	.. 8
2. Number of schemes	8,230	2,771	19,709	2,604	418	10,211	12,558	4,300	60,801
3. Area gazetted to date	1,400	..	10,198	2,450	418	7,929	9,800	4,100	36,295
Area developed to date	5,000	2,500	17,000	2,513	418	9,000	10,400	4,300	51,131
4. Units—									
Definite tenure	9	..	54	..	..	5	30	..	98
Tenure not settled .. .. .	..	..	..	10	..	2	53	..	65
Additional labourers	8	..	24	18	8	21	145	3	227
Other dependants (wives and children)	57	..	293	63	10	95	382	1	901
Total dependants	74	..	371	91	18	123	610	4	1,291
5. Unemployed labourers (included above)	19	..	79	12	4	6	138	..	258
6. Live-stock tallies—									
Cows	87	..	1,216	222	102	177	1,583	..	3,387
Cows in milk at flush season ..	30	..	1,050	226	102	177	1,583	..	3,168
Other dairy stock	12	..	108	50	75	89	425	..	759
Run cattle .. .. .	..	..	70	481	..	939	564	502	2,556
Sheep—									
Rams	10	..	82	95	..	202	128	50	567
Other	784	..	4,155	4,081	..	6,424	8,400	8,393	32,237
Horses	5	..	61	27	1	4	194	7	299
Bulls	7	..	44	6	6	14	75	..	152
Pigs .. .. .	..	..	..	12	17	..	135	..	164
Goats .. .. .	..	..	820	..	..	..	..	244	1,064
7. Carrying-capacity (estimate)—									
Cattle	1/2	..	1/2	..	1/3	1/2	1/2	1/10	..
Sheep	4/1	..	4/1	..	..	2-2 1/1	2-2 1/1	1 1/1	..
8. Receipts to 31st March, 1937—									
Butterfat—									
Total poundage	4,442	..	92,419	26,509	21,693	20,581	200,040	..	365,684
Department's proportion ..	45	..	1,722	293	1,086	423	1,968	..	5,537
Wool—									
Total weight (not full season)	..	..	6,200	19,160	..	88,820	43,570	60,850	218,600
Proceeds to Department ..	..	..	378	1,225	..	4,976	2,593	3,095	12,267
Sheep sales	1,108	..	311	1,578	..	2,264	2,658	3,216	11,135
Cattle sales .. .. .	..	..	38	458	134	375	632	8	1,645
Crops and sundries	10	..	365	13	..	266	654	94	1,402
(Bulk sundries) .. .. .	..	..	..	..	..	..	..	..	1,013
Total cash to Department ..	1,163	..	2,814	3,567	1,220	8,304	8,505	6,413	31,986

TAIRAWHITI DISTRICT.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Receipts.														
	Receipts, excluding Unemployment Grants to 31st March, 1936.	Unemployment Subsidies.				Cash Collections, Scheme Produce, 1936-37.	Sales to other Schemes.	Total Receipts, including Unemployment.	Net Liability as at 31st March, 1937.						
		Total to 31st March, 1936.	1936-37.												
			£	s.	d.										
Kahungunu	6,825	4	1	777	17	10	£	s.	d.	£	s.	d.			
Mahia	1,162	14	6	530	7	3	11,174	11	10
Mohaka	3	5	5
Poroporo ..	19,194	1	1	2,394	14	0	3,696	4	0	640	3	10	40,836	3	5
Putorino Nursery ..	13,599	15	7	333	14	7	527	14	7	2,579	2	9	8,572	6	3
Takatahu ..	1,090	11	8	79	2	6	..	..	..	..	..	..	2,173	8	3
Tuparoa ..	2,272	7	6	95	14	0	..	..	..	..	..	..	3,914	13	9
Waiaapu-Matakaoa ..	19,642	18	6	617	8	9	1,219	13	9	30	5	6	7,966	5	11
Waihua ..	25,806	15	2	3,637	19	6	8,304	5	2	4,886	18	8	31,312	9	0
Bulk stock, &c. ..	22,884	6	2	309	5	8	8,505	14	8	2,325	18	7	16,055	7	7
	28,397	4	4	423	2	0	6,412	15	4	95	10	8	Cr. 2,625	17	0
Totals ..	139,713	4	1	7,738	18	10	1,143	14	4	41,671	3	11	119,382	14	5
	11,982	5	11	33,144	15	5	52,759	11	2	245,338	15	5

AOTEA MAORI LAND DISTRICT.

The boundaries of Aotea commence in the north from White Cliffs, south of Mokau on the North Taranaki Bight, across country bordering on the thermal regions and beyond the volcanic peak of Ngauruhoe, through the inland sea of Taupo to Tarawera, and thence to the south and west by an uneven diagonal line following the Ruahine Range and the Rangitikei River to the sea. Thus practically the whole of Taranaki and a large slice of the Wellington Province lies within the district, the headquarters of which is Wanganui, and dotted about this compact area are the remaining ancestral lands of the Ngati-Hau people—the Tuwharetoa, whose paramount chief in 1887 gifted the sacred mountains which crown the Tongariro National Park; the Whanganui tribe, which under Te Kepa (Major Kemp) and other friendly leaders distinguished themselves against the frenzied Hau-Hau raids; the Ngarauru, Ngati-Ruanui, Taranaki, Ati-Awa, and Ngati-Tama, whose ancestors, according to tradition, sailed from Hawaiki in the Aotea canoe.

Described by Governor Hobson as "The Garden of New Zealand," the Taranaki Province is now well known for its fertility, particularly the Waimate Plains, once the scene of many battles and now the richest of dairying lands. Confiscations and sales have reduced considerably the holdings of the Natives, and what land still remains under its native title is either leased to pakeha farmers or is being farmed by the owners themselves. A considerable proportion of the mortgage investments of the Native Trustee has been made to Maori settlers in this district, and the need for assistance from Native land development funds is not so pressing as in other parts of the country. Presumably arising out of previous confiscations, the Natives of Taranaki have for the past seven years adopted an attitude of aloofness to the new policy of Government assistance in the development of their lands, both from Employment and other State funds, but a noticeable quickening of interest in this direction has of late been apparent. Although there is not the scope for the promotion of extensive development, it has been possible during the past year to commence operations on a small scale.

That portion of the Aotea district outside of the Taranaki Province is less closely settled, and for the most part the land remaining to the Natives is more suitable for sheep-farming than dairying. Embracing as it does the full length of three large rivers—Wanganui, Wangaehu, and Rangitikei—this district contains many areas, mostly river-flats, capable of development into first class dairy farms, and the prospects of further intensive settlement are encouraging. By an increase in the field staff it has been possible to investigate many new proposals, and it is pleasing to note the enthusiasm displayed by all concerned.

Development is in hand both on the lands bordering the beautiful Wanganui River and on those previously neglected pumice belts on the south shores of Lake Taupo and reaching to the foot of Ruapehu. Development on a large scale is possible only in the West Taupo area. A number of these blocks have been offered to the Department for settlement, and during the coming year it is anticipated that an area of 21,000 acres, to be known as the Manunui scheme, will be brought under the provisions of Part I of the Native Land Amendment Act, 1936, and will be the means of providing useful work for a large number of unemployed Maoris.

Ohinepuhiawe.

The scheme, comprising an area of 96 acres and supporting two units, is situated half a mile from Bulls Township and the local dairy factory. Both units are young and energetic, and are making rapid progress. The whole area is flat, and, when cleared of gorse, will make into very good holdings. The work undertaken during the 1936-37 season comprised 42 acres of gorse-grubbing, 132 chains of new fencing and 25 chains of repairs, 23 acres of grassing, and the erection of 1 cow-shed. The pastures are now in particularly good condition, and, with ordinary care and diligence, the returns should be greatly increased during the coming season.

In addition to the 2 units there are 10 unemployed workmen and 22 women and children dependent on the scheme.

The butterfat proceeds from 29 cows amounted to 4,093 lb., from the proceeds of which the Department retained £43. The carrying-capacity is 1 cow to 2 acres.

Ranana.

Comprising a total area of 4,516 acres, of which 2,991 acres are actually being farmed, this scheme is located forty-four miles up the Wanganui River, and surrounds the Native settlements of Hiruharama (Jerusalem) and Ranana, and is owned by the Ngati-Ruaka and Ngati-Hau hapus of the Whanganui tribe. The area, which for the most part consists of easy hills, was formerly portion of Morikau Station, but was revested in the beneficial owners in 1925. With assistance from two dairy companies, these Natives commenced dairying operations, but high costs, insufficient equipment, and lack of supervision handicapped them from the outset, with the result that by 1930, when the area was handed over to the Department for development, ragwort and other noxious weeds had obtained a firm hold and were spreading rapidly, while the dairy herds were of poor quality, and the people themselves were living in poverty in most unhealthy surroundings. In some cases, in addition, the debts due to the dairy companies had grown to such an extent that the suppliers' equity had almost, if not completely, disappeared.

In the early stages of development, therefore, expenditure was necessarily heavy, many of the liabilities to the dairy companies being taken over by the Department, while heavy purchases of dairy stock, building and fencing materials, manures, grass-seed, implements, and equipment of all descriptions were required.

The uplift in the morale and general outlook of the people was immediate, and this improvement still continues. They have always manifested a keen interest in the progress of the scheme and are most anxious to make it a success.

The plan of work laid down for the year 1936-37 was proceeded with satisfactorily, with the exception that, owing to the great difficulty in obtaining supplies of posts and strainers, the fencing programme had to be curtailed. However, arrangements have since been made to manufacture concrete posts on the scheme, and this will greatly relieve the position in the future. During the year 153 acres of gorse and 110 acres of blackberry were cleared, 58 acres were grassed, 71 acres of turnips sown, 109 chains of roads repaired, 185 chains of new fencing erected and 279 chains repaired, and 2 cottages and 1 cow-shed were erected.

It is essential on this scheme to carry sheep for the purpose of checking the growth of ragwort. The sheep on hand as at 1st April, 1936, totalled 921, and 2,462 were purchased during the year. A number of units were also supplied with sheep and, with the high prices ruling, these farmers had a successful season.

As the result of culling the dairy herds, the total butterfat produced showed a decline compared with the previous season, the quantity for 1936-37 season being 54,631 lb., compared with 59,128 lb. for 1935-36. However, the gradings showed a distinct improvement, as the following schedule shows:—

				1936-37. Per Cent.	1935-36. Per Cent.
Finest grade	..	..	..	13·66	11·25
First grade	..	..	..	63·54	48·55
Second grade	..	..	..	22·80	40·20

The live-stock tally at 31st March, 1937, was 655 cows, 276 other dairy stock, 2,000 sheep, 48 horses, 40 bulls, and 84 pigs. The cash receipts for the past year comprised: Butterfat (Department's proportion one-third), £1,088; wool, £755 from a clip of 10,087 lb.; cattle sales, £128, and sheep sales, £1,667; and sundries, £289.

There are 25 units established on definite holdings, and the additional number of men now working on the scheme is 151, which, together with the 286 women and children, gives a total of 462 persons dependent on the scheme.

Once again the river road was impassable for almost the whole of the milking season, and this had its effect on the gradings, as only three collections per week were possible.

The prospects for the 1937-38 season appear very bright, and it is confidently expected that, with the closer supervision now possible, this scheme will show improved returns.

Whangaehu.

There is at present only one unit on this scheme, occupying an area of 77 acres situated in the Whangaehu Valley, about one mile from the Whangaehu Railway-station and half a mile from the local dairy factory. Although negotiations to obtain the consent of the owner of this section and the nomination of a unit were finalized prior to the close of the year under review, the scheme was not actually gazetted as subject to development legislation until 9th April, 1937.

The land comprises rich alluvial flats, which in the past have been subject to flooding. However a large drain now in course of construction will in future carry away all flood-waters and thus greatly increase the carrying-capacity of the land. Work on this drain did not commence until March, 1937, and, apart from this, no development has yet been commenced. There are great possibilities in this area, and the unit and her husband are most anxious to make a success of this scheme, which is the first in this locality.

STATISTICAL DATA ON AOTEA SCHEMES (SCHEME AND UNIT).

Subject.	Ohinepuhiawe.	Ranana.	Whangaehu.	Totals.
1. Date first gazetted	Oct., 1933	April, 1930	April, 1937	..
2. Number of schemes .. .. .	..	..	..	3
3. Area gazetted to date Acres	96	4,516	77	4,689
Area developed to date Acres	96	2,991	7	3,094
Area ultimately to be developed .. Acres	96	4,516	77	4,689
4. Units—				
Definite tenure	2	25	..	27
Tenure not settled .. .. .	..	..	1	1
Additional labourers	10	151	..	161
Other dependants (wives and children) ..	22	286	1	309
Total dependants	34	462	2	498
5. Unemployed labourers (included above) ..	10	165	..	175
6. Live-stock tallies—				
Cows	29	655	..	684
Cows in milk at flush season	29	428	..	457
Other dairy stock .. .. .	..	276	..	276
Sheep—				
Rams .. .. .	..	41	..	41
Other .. .. .	..	1,963	..	1,963
Horses	2	48	..	50
Bulls	2	40	..	42
Pigs .. .. .	..	84	..	84
7. Carrying-capacity (estimate)—				
Cattle Acres	1/2	1/3	..	..
Sheep Acres	..	1/1	..	..
8. Receipts—				
Butterfat—				
Total poundage lb.	4,093	54,631	..	58,724
Department's proportion £	43	1,088	..	1,131
Department's percentage (gross) Per cent.	33 $\frac{1}{3}$	33 $\frac{1}{3}$	..	33 $\frac{1}{3}$
Wool—				
Weight lb.	..	14,475	..	14,475
Total proceeds £	..	756	..	756
Sheep sales £	..	1,667	..	1,667
Cattle sales £	4	129	..	133
Crops and sundries £	13	288	..	301
Total cash to Department £	60	3,928	..	3,988
9. Year's activities—				
Bush felling and clearing : Year. Acres	42	263	..	305
Fencing—				
New Chains	132	185	..	317
Repairs Chains	25	279	..	304
Draining : New Chains	..	74	16	90
Grassing—				
Year Acres	23	58	..	81
To date Acres	23	440	..	463
Other cultivation—				
New Acres	..	71	..	71
To date Acres	18	106	..	124
Roading repairs Chains	..	109	..	109
Cottages erected				
Year .. .. .	..	2	..	2
To date	1	18	..	19
Cow-sheds erected—				
Year	1	1	..	2
To date	2	1	..	3

AOTEA DISTRICT.
 SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Receipts.						
	Receipts, excluding Unemployment Grants to 31st March, 1936.	Unemployment Subsidies.		Cash Collections, Scheme Produce, 1936-37.	Sales to other Schemes.	Total Receipts, including Unemployment.	Net Liability as at 31st March, 1937.
		Total to 31st March, 1936.	1936-37.				
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Ohinepuhiawe ..	19 3 10	121 14 6	581 15 1	60 14 3	7 10 0	790 17 8	587 4 5
Ranana ..	8,917 18 6	2,056 1 0	2,892 17 4	3,830 12 3	2 3 9	17,699 12 10	20,731 17 0
Whangaeahu ..	..	..	33 5 8	..	..	33 5 8	..
Totals ..	8,937 2 4	2,177 15 6	3,507 18 1	3,891 6 6	9 13 9	18,523 16 2	21,319 1 5

Schemes.	Payments.				
	Expenditure, plus Interest, to 31st March, 1936.	Cash Expenditure, 1936-37.	Purchases from Bulk and other Schemes.	Net Interest, 1936-37.	Total Expenditure, plus Interest, to 31st March, 1937.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Ohinepuhiawe ..	379 4 0	971 16 3	2 3 9	24 18 1	1,378 2 1
Ranana ..	28,442 0 4	8,939 13 8	53 3 0	996 12 10	38,431 9 10
Whangaeahu ..	..	33 5 8	..	..	33 5 8
Totals ..	28,821 4 4	9,944 15 7	55 6 9	1,021 10 11	39,842 17 7

IKAROA AND SOUTH ISLAND MAORI LAND DISTRICTS.

From the Capital City—the Whanganui-a-Tara of early Maoridom, so named after Tara, the eponymous ancestor of the Ngai-Tara tribe that formerly owned Port Nicholson—the Ikaroa district extends up the west coast to the mouth of the Rangitikei River, thence the boundary follows approximately a north-easterly direction touching the Ruahines and crossing the Ahimanawa Range, whence the line turns east and follows the Mohaka River to the sea. Thus the district comprises Manawatu, the greater part of Hawke's Bay, and the Wairarapa, the ancient domains of the Ngati-Apa, Rangitane, Muaupoko, and Kahungunu tribes, afterwards dispossessed of much of their land by the invading Ngati-Toa and their allies led by Te Rauparaha, and now well settled farming localities with very little Native lands available for development.

The whole of the South Island is included in the one Maori Land District, which, although larger in area than the North Island, contains the small Native population of 3,262 persons, according to the last census returns, together with a certain number possessing some degree of Maori blood who have interests in Native lands and grants to landless Natives. From the shadowy legends which have been handed down there is sufficient evidence to show that the Island of Wai-Pounamu was once a thickly populated country. Tradition tells that the Waitaha, one of the earliest tribes, once "covered the land like ants," until they were destroyed or absorbed by the Ngatimamoe, who in turn were subdued and finally exterminated by the more warlike Ngai-Tahu. These people to-day occupy a greater part of the remaining lands with the exception of the Nelson and Marlborough districts, where Ngati-Toa, Ngati-Koata, Ngati-Rarua, Ngati-Tama, and Te Ati-Awa have predominated since the internecine wars of a century ago.

During the year under review development work, under the control of the Ikaroa and South Island Maori Land Boards, has proceeded satisfactorily, and the majority of the farmers have made reasonable progress with their holdings.

The two schemes in the Ikaroa district are concerned only with the provision of assistance to individual Maori settlers with the exception of the Matakara block at Foxton, which for developmental purposes is included in the Manawatu scheme. This block, which is being developed from the flax swamp and can be made into a highly productive farm, is at present being farmed by two share-milkers. Unfortunately the further development of this area has been hampered by the dearth of Maori labour in the locality.

All the settlers assisted under both schemes have reduced their indebtedness considerably during the year and are reaching the stage when no further financial assistance should be necessary.

In the South Island there are three schemes, two of which are separate by almost the entire length of the Island—the Wairau scheme at Blenheim and the Oraka and Kawhakuputaputa schemes at Colac Bay, near Invercargill. With the headquarters of this Maori Land Board district situated at Wellington the difficulty of adequate supervision presented itself, but was overcome by utilizing the services of Lands Department officers at Blenheim and Invercargill. The Kaiwhare scheme, which is situated in the vicinity of Kaikoura, is being supervised by an enthusiastic and altruistic nearby farmer in an honorary capacity, who, with the assistance of a Maori foreman, is doing good work in preparing this land for settlement.

The problem of finding work for unemployed Maoris is becoming more difficult of solution by reason of the fact that in the Ikaroa district there is practically no undeveloped accessible land, and the only work offering is on lands leased to Europeans. This difficulty is particularly acute in the vicinity of Hastings, where there are a considerable number of Natives unemployed and where all the land is highly developed. The work undertaken with assistance from the Employment Promotion Fund is carried out under the contract system and represents good value for money expended.

The difficulty experienced in supervising unemployment contracts in the South Island is considerable, as Native interests are scattered over the whole of the Island, and while developmental work can be found on the schemes it is almost impossible to provide it elsewhere.

As a result of representations by the Natives living on Rangitoto (D'Urville Island) and in the vicinity of the French Pass it was ascertained that in some cases they had been reduced to living on primitive foods, and it became imperative to provide for them by means of unemployment contracts. This was arranged with the aid of a local resident acting in an honorary capacity.

The total number of unemployed Maoris in both districts assisted by the Department during the year was 441; the amount expended being £16,684, of which £12,085 was spent on contracts on private Native lands, while the balance was expended on the schemes.

The extent of the work on the five schemes, each with individual characteristics and separate problems, comprises 985 acres of bushfelling and clearing; 988 chains of new fencing, with 756 chains of fencing repairs; 342 chains of new drains, with 1,341 chains of drain cleaning; 122 acres of grassing; 215 chains of roading; and the erection of three cottages. On the 31st March, 1937, the live-stock tallies included 741 cows, 162 other dairy stock, 90 run cattle, 452 sheep, and 39 horses. The settlers established number 40, the additional labourers on schemes 38, the wives, children, and other dependants 245, thus giving a total of 323 persons.

IKAROA DISTRICT.

An account of the two schemes, the management of which is delegated to the Ikaroa District Maori Land Board, is as follows:—

Heretaunga.

Designated a "blanket" scheme and embracing an area of 2,000 acres which supports seventeen assisted Maori farmers with seventy-eight dependants, the farms embraced herein are situated over a wide area in Hawke's Bay, the greatest number being in the vicinity of Hastings. The settlers comprised in this scheme were originally Maori farmers who had been more or less established for a number of years, but who, during the recent economic depression, suffered through lack of finance. The Natives of this locality have had considerable experience in agricultural and pastoral pursuits, and consequently there is little work of a developmental nature necessary, the main requirements being manure, fencing materials, and extra stock.

The indebtedness of this undertaking is being rapidly liquidated, and it will not be long before these farmers will be entirely self-supporting.

It is interesting to compare the figures representing the advances since the inception of the scheme in August, 1931, with the total indebtedness as at the 31st March, 1937. The advances reached their highest peak in the year 1934-35, when they stood at £2,232. Advances for the years 1935-36 and 1936-37 totalled £867, making a total advance at 31st March, 1937, of £3,099, while the amount actually owing at that date was £1,475, revealing a repayment of £1,624 in two years.

In the case of seven units there has been practically no expenditure during the year, and their debts have been substantially reduced with the proceeds of milk cheques. One unit has a credit balance, and four unit accounts have been closed, but as there is a possibility of further advances being required no action has been taken relative to excluding these five units from the provisions of Part I of Native Land Amendment Act, 1936.

The live-stock on the scheme at 31st March last was 196 cows, 13 bulls, and 15 horses. The Department's portion of the cream cheque (one-third) was £579 from a total butterfat poundage of 32,510 lb., while £237 sundry receipts were credited to the scheme, of which £120 was obtained from the cropping and sale of rye-grass.

An improvement is noticeable in the attention being taken in the farming of these areas, and with the increasing inquiries it is expected that, as areas now leased become available again to the owners, no difficulty should be experienced in placing more Maoris back on the land.

The record of work to date shows that eight cow-sheds and four cottages have been erected.

Manawatu.

Taking its name from the rich farming district in which it is situated, this scheme covers an area of 809 acres, of which 617 acres are under development. There are five unit holdings, which support 44 dependants. One of these settlers liquidated his indebtedness during the year, but nevertheless further development for a year or two is necessary before the farm will be self-supporting.

The live-stock tally for the whole of the scheme is shown in a following table, the units' tally being 88 cows and 14 heifers and weaners. The total butterfat-production was 27,369 lb., from which the Department retained its proportion of £770.

Included in the scheme is the Matarapa block of 368 acres located at Foxton, which area was brought under development in 1931 for the purpose of giving relief work to unemployed Maoris in that district. To-day the block is no longer required for this purpose as the revival of the flax industry and the Whirokino Road deviation have provided avenues of employment for the majority of the physically fit men. An area of approximately 20 acres was sown in marram grass to check sand-drifts and 6 acres of lucerne were established. Other works undertaken were of a maintenance nature—repairing stop banks, rush-grubbing, and checking the spread of noxious weeds (goat's rue and gorse), and also draining and rabbit-poisoning, while 30 chains of new drains were dug. There are 6 houses and 4 cow-sheds built to date, 3 cottages having been built during the year under review.

The season, as far as the Matarapa section was concerned, was a bad one; the fertile portion of the block is low-lying, and parts of it were affected by the wet season.

Access to Matarapa at present is best obtained by means of a boat from Foxton Wharf. The land varies in quality from rich alluvial to a sandy loam. The river-flat has been stop-banked, but goat's rue is growing strongly on this area. This noxious weed, together with the gorse on the sandy loam, will require constant attention.

With further improvements and the planting of shelter-trees and barberry hedges the whole block should ultimately be sufficient to provide a living for five families.

SOUTH ISLAND DISTRICT.

The headquarters of this Maori Land Board, to which is delegated the management of the three South Island schemes, is in Wellington, and, in view of the distances involved, the necessary supervision has, as previously mentioned been undertaken by local officers of the Lands and Survey Department.

The schemes in operation are widely diverse in character, two schemes being at the northern end and one at the extreme south. One of the most interesting ventures is that at Wairau, near Blenheim.

Kaiwhare.

The above scheme, situated ten miles from Kaikoura and about eighty miles from Blenheim, is quite a recent venture under the Native land development policy. The area is comparatively small, consisting of 514 acres of easy hill country mainly suitable for grazing purposes, although a small portion of the hills is arable land. The soil for the most part is good and capable of holding English grasses. The climate is equable and the rainfall is adequate and well spread over the year.

This section was acquired by the Natives in exchange for small and valuable areas in Kaikoura Township, some ten miles south. In its native state, covered with fine mixed bush of pines, totara, kowhai, and the smaller native trees, it was leased by the Maoris to a European settler. Later, due to the improvements not being maintained, the property reverted rapidly to manuka scrub and ngaio bush, and came back to the Natives.

Approximately 300 acres of the block are now cleared; four new subdivisional fences totalling 118 chains have been erected, and 186 chains of boundary fencing have been re-erected and in places made rabbit-proof; and the Puhi Road fence was in course of construction at 31st March last. The stock now comprises 60 head of young cattle and 103 sheep.

One of the brightest features is the loyal way in which the Natives have worked on their scheme and the willingness shown when alongside of them construction work on the South Island Main Trunk Railway was readily available. This speaks well for the excellent control exercised by the Native foreman and also for the men themselves, who have proved to be a very fine type of worker.

Southland (Oraka and Kawhakuputaputa).

Comprising the Oraka and Kawhakuputaputa blocks, collectively known as the Southland scheme, this area extends over 2,500 acres, of which 1,600 acres are under development. It is situated at Colac Bay within easy reach of the Tuatapere-Riverton Railway and accessible by good roads from Invercargill.

There are 18 settlers established, while 13 additional labourers were engaged last year, the total other dependants numbering 63, thus making the total number of Natives under the scheme 94 persons. Many of the Maoris at the southern extremity of the Island had been accustomed to depend mainly on fishing and mutton-birds for a livelihood.

The Oraka block is within easy distance of the local railway-station and school, while the cheese-factory is only four miles distant. From the highest point, 300 ft. above sea-level, the country slopes gradually towards Colac Bay on the east, where the land is sheltered, and towards Kawhakuputaputa Bay on the west, where it is exposed to the south. The Kawhakuputaputa block comprises land of similar quality to Oraka.

When first brought under development in July, 1930, the land was mostly covered with heavy bush.

There are still some sections unoccupied owing to difficulty of access.

With the assistance of unemployment contracts the work accomplished was 15 acres of stumping, 200 acres of logging, 70 acres of scrub-cutting, 77 chains of fencing, and 78 chains of draining.

The live-stock tally at 31st March last was 355 cows, 115 other dairy stock, 30 run cattle, and 349 sheep. The butterfat production was 37,222 lb., from the proceeds of which the Department retained 25 per centum (£518), the other receipts being from sheep sales, £491; cattle sales, £137; and wool, £34 from 596 lb.

The success of the scheme is now almost entirely dependent upon the diligence and application of the settlers, and with the present prices for butterfat and wool their prospects are hopeful for the ensuing season. The satisfactory field supervision of the scheme is supplied by local officers of the Lands and Survey Department at Invercargill.

Wairau.

In view of the very different nature of this undertaking, a synopsis of its birth and development is presented.

In January of the year 1930 a plan and a report of the Wairau Native Reserve, comprising an area of approximately 960 acres of low-lying rich land on the banks of the Wairau River, distant approximately seven miles from Blenheim, was prepared. Apart from 95 acres of commonages and reserves, the whole area was then being farmed by individual Maori farmers belonging mainly to the Ngati-Rarua and Rangitane tribes, or else was leased to Europeans, but due to periodical floods in the Pukaka Stream and the low-lying nature of the land the area which could be handled to its full economic possibilities was very limited. It was obvious that if the natural richness of this land was to be made available, protection from floods followed by an adequate system of drainage was a *sine qua non*. Some stop-banking had already been carried out by one or other of the River or Drainage Boards then in existence, and the necessary protective works entailed a linking up with these existing banks and the main bank traversing the Wairau River, so that the whole area would be "ring-fenced" with stop-banks or high land.

In the summer of 1933 concerted action was commenced by assisting unemployed Natives in that locality, and the work was pushed ahead, with the result that by the autumn of 1935, 235 chains of stop-banks 7 ft. in height had been completed, and at the same time a system of internal drainage inaugurated. This drainage presented some difficulties, as the area comprised in the scheme is practically dead level and little more than 1 ft. above sea-level, but by a system of lateral drains connected to two main arterial drains leading to two electrically operated pumps, each capable of handling 100,000 gallons per hour, the area has been reasonably effectively drained. The pumps are not required to cope with the water continuously, as flood-gates have been installed at various outlets, and with a normal flow in the Wairau River the drains are emptied by gravitation. To date the drainage system has entailed the construction of nine miles of open ditches, while, in addition to this, 40 chains of an existing ditch on a European freehold, which is wedged into the scheme, was improved to permit of an additional main outlet. Together with 64 chains of lateral drains constructed in this same area, the land actually benefiting is approximately 850 acres.

Development of the areas made available was dealt with by breaking up the raupo and rush covered land on those portions which were not subject to leases to Europeans or retained by the Natives for the carrying of their own stock. It was hoped that by cropping these areas the Department would be reimbursed for its outlay, and, while the first season's operations were successful, it has been found that, with the return of wet seasons throughout Marlborough, cropping on such low-lying land must always be attended with a considerable risk. However, cultivation during two or three seasons has resulted in the major portion of the area handled by the Department being now in good heart for pastoral farming, and it is hoped to establish grass on approximately 150 acres during this coming season. An area of 97 acres retained by the Native owners is at present covered with heavy rushes, and it is hoped to break up and recondition this portion during the next year.

To realize the ultimate objective of the scheme and establish the Native owners as self-supporting farmers, further improvements are required by way of subdivisional fencing, grassing, and the planting of shelter-belts. The land is ideally suited, both as to quality and location for dairying, and to this end future activity will be directed.

The area under the scheme at the 31st March last was 828 acres, on which 18 men supporting 40 dependants were engaged. The receipts for the past season totalled £909. The year's activities embraced 18 chains of new fencing, with 120 chains of repairs; 94 chains of new drains, with the cleaning of 800 chains of old drains.

STATISTICAL DATA ON IKAROA AND SOUTH ISLAND SCHEMES (SCHEME AND UNIT).

Subject.	Heretaunga.	Kaiwhare.	Manawatu.	Southland.	Wairau.	Totals.
1. Date first gazetted/acquired	Aug., 1931	Dec., 1935	Aug., 1931	July, 1930	April, 1931	..
2. Number of schemes .. ..	..	..	..	..	..	5
3. Area gazetted to date Acres	2,000	514	809	2,500	828	6,651
Area developed to date Acres	2,000	300	617	1,600	280	4,797
Area ultimately to be developed .. Acres	2,000	514	809	900	480	4,703
Native area improved by flood-protection Acres	..	..	..	..	675	675
4. Units: Tenure not settled	17	..	5	18	..	40
Additional labourers .. ..	..	7	..	13	18	38
Other dependants (wives and children) ..	78	20	44	63	40	245
Total dependants	95	27	49	94	58	323
5. Unemployed labourers (included above) ..	..	7	..	..	18	25
6. Live-stock tallies—						
Cows	196	..	190	355	..	741
Cows in milk at flush season	196	..	176	355	..	727
Other dairy stock .. ..	..	..	15	115	..	130
Run cattle .. ..	..	60	..	30	..	90
Sheep—						
Rams .. ..	..	3	..	13	..	16
Other .. ..	..	100	..	336	..	436
Horses	15	..	8	16	..	39
Bulls	13	..	8	11	..	32
Pigs .. ..	..	..	51	..	..	51
7. Carrying-capacity (estimate)—						
Cattle Acres	N/A	N/A	$\frac{1}{3}$	$\frac{1}{3}$	..	..
Sheep Acres	N/A	N/A	..	N/A	..	..
8. Receipts—						
Butterfat—						
Total poundage lb.	32,510	..	27,369	37,222	..	97,101
Department's proportion £	579	..	770	518	..	1,867
Wool—						
Weight lb.	..	..	..	596	..	596
Total proceeds .. .. £	..	..	..	34	..	34
Sheep sales .. .. £	..	..	..	491	..	491
Cattle sales .. .. £	..	..	55	137	..	192
Crops and sundries £	237	22	10	16	909	1,194
Total cash to Department £	816	22	835	1,196	909	3,778
9. Year's activities—						
Bush felling and clearing: Year .. Acres	400	300	..	285	..	985
Fencing—						
New Chains	715	118	60	77	18	988
Repairs Chains	200	186	200	50	120	756
Draining—						
New Chains	140	..	30	78	94	342
Cleaning Chains	225	20	260	9	800	1,314
Grassing—						
New Acres	80	22	..	20	..	122
To date (approximate) Acres	160	22	150	308	..	640
Other cultivation—						
New Acres	40	..	20	12	..	72
To date Acres	85	..	..	37	265	387
Roading and repairs Chains	20	..	190	0.5	..	210.5
Cottages erected—						
Year .. ..	..	..	3	..	..	3
To date	4	..	6	..	..	10
Cow-sheds erected to date	8	..	4	..	..	12

IKAROA AND SOUTH ISLAND DISTRICTS.

SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1937.

Schemes.	Receipts.						
	Receipts, excluding Unemployment Grants to 31st March, 1936.	Unemployment Subsidies.		Cash Collections, Scheme Produce, 1936-37.	Sales to other Schemes.	Total Receipts, including Unemployment.	Net Liability as at 31st March, 1937.
		Total to 31st March, 1936.	1936-37.				
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Ikaroa District—							
Heretaunga ..	3,366 1 0	61 0 0	260 9 2	816 5 9	..	4,503 15 11	1,475 12 5
Manawatu ..	1,653 2 11	1,216 16 4	150 12 0	834 11 9	30 0 0	3,885 3 0	3,044 6 10
South Island District—							
Kaiwhare ..	2,117 9 8	71 0 0	987 5 6	22 5 4	..	1,080 10 10	516 19 10
Southland ..	902 17 4	1,346 16 4	993 14 10	1,195 15 1	..	5,653 15 11	13,046 15 11
Wairau ..	..	5,838 3 10	2,817 8 6	905 16 7	..	10,464 6 3	4,336 15 0
Totals ..	8,039 10 11	8,533 16 6	5,209 10 0	3,774 14 6	30 0 0	25,587 11 11	22,420 10 0
Payments.							
Schemes.	Expenditure, plus Interest, to 31st March, 1936.		Cash Expenditure, 1936-37.	Purchases from Bulk and other Schemes.		Net Interest, 1936-37.	Total Expenditure, plus Interest, to 31st March, 1937.
	£ s. d.	£ s. d.		£ s. d.	£ s. d.		
Ikaroa District—							
Heretaunga ..	5,155 5 3	737 15 0	985 0 7	..	86 8 1	5,979 8 4	6,929 9 10
Manawatu ..	5,770 13 3	1,432 18 8	2,132 0 0	..	173 16 0	1,597 10 8	18,700 11 10
South Island District—							
Kaiwhare ..	147 11 11	4,013 7 0	30 0 0	..	595 8 6	14,801 1 3	48,008 1 11
Southland ..	15,973 3 4	9,301 1 3	30 0 0	..	237 7 2	..	..
Wairau ..	10,520 7 1	..	..	..	..	..	..
Totals ..	37,567 0 10	9,301 1 3	30 0 0	..	1,109 19 10	..	..

PART II.—MAORI LAND BOARD ACTIVITIES.

Statutory provision is contained in the Native Land Act, 1931, and its amendments, empowering a Maori Land Board to make advances from its Common Fund for giving farming assistance to Maoris. A Board may advance out of its account moneys for the purpose of any agricultural or pastoral business carried on by it, and may occupy and manage as a farm any portion of lands vested in it. In addition to advancing moneys on mortgage, a Board may, out of funds at its disposal, acquire and farm lands, may guarantee the accounts of Native dairy farmers, and may provide the necessary finance for the farming, improvement, or settlement of any Native freehold land. By virtue of the Board of Native Affairs Act, 1934–35, the Board of Native Affairs now exercises a substantial measure of control over the financial operations of a Maori Land Board, and it is the duty of the first-named Board to control the expenditure on all farming operations, and over the development of any land, and the management of any scheme or undertaking in connection with which any such expenditure has been made or incurred either before or after the passing of the Act.

Since coming into operation, the policy of the Board of Native Affairs has been to exercise a general measure of control over the expenditure incurred on the schemes and farming ventures undertaken by the Maori Land Boards, and for this purpose an annual budget, or estimate of expenditure, for the ensuing year is submitted, together with the trading accounts for the past year. The direct management of these farming operations is left to the discretion of the Maori Land Board concerned, and the services of field officers attached to the Department are always available for supervision purposes. With regard to advances upon mortgage to individual Natives, the securities submitted are subject to the approval of the Board of Native Affairs, and the subsequent management of these investments is generally delegated to the particular Maori Land Board concerned.

Two sheep stations and a dairying scheme are being carried on under this heading, and the following is an account of the activities for the past year:—

Anaura Station.

This station, which is held in trust for three hundred Native beneficial owners by the Tairāwhiti District Maori Land Board, is situated on the East Coast approximately seven miles from Tolaga Bay, and comprises an area of 5,865 acres.

The property, which was acquired in 1929, had been farmed for many years by European lessees under lease carrying full compensation clauses. The Native owners were desirous of obtaining possession of their lands, but the necessity of making provision for payment of compensation was a difficult one which could not be overcome by their own efforts. At the time of the purchase by the Board there was considerable competition for improved lands in this district, and it was apparent to the Native owners that their inability to pay compensation when it became due, estimated at £28,000, would result in the lapse of considerable time before possession could be regained.

Representations were made accordingly to the Board for assistance, the suggestion being that the Board (which was the registered proprietor of the freehold under Part XV of the Native Land Act, 1931) should purchase the stock and various leasehold interests and manage the farm on behalf of the owners. As the result of favourable reports and satisfactory valuations, the Board purchased the station for the sum of £40,000, £27,000 of this price being apportioned to the leasehold interest and £13,000 to the stock and plant. An overdraft of £35,000 was arranged with the Bank of New Zealand, and the Board was in a position to provide further assistance from its own funds.

Dealing with the operations of the past year it should be mentioned that Anaura Station is chiefly hill country of a sandstone and clay formation, and although originally carrying light bush and manuka scrub it has now been cleared and sown down in pasture, with the exception of a small portion consisting of a hill-top. Wide, open valleys aggregating about 400 acres of heavy scrub-flats are in the course of being developed, and during the past twelve months much of the flat country has been systematically drained with a view to getting the land in good condition for the plough. It is hoped to commence ploughing about 40 acres or 50 acres at an early date.

Development-work on the station has been the means of providing assistance for nine unemployed Maoris, and a summary of the work undertaken during the year is as follows: 800 acres of scrub-cutting, 400 chains of fencing repairs, 200 chains of draining completed, 40 acres of rushes chipped, 100 chains of new fences, and splitting of 1,500 posts and 10,000 battens.

The fencing generally is now in good order, and the maintenance-cost should be light for the next few years. The scrub country, which requires continual watching, is in fair to good order, and its condition can be maintained with a small annual outlay. The farming operations have run along smoothly throughout the year. A good season was experienced with the cattle, and no difficulty was met in wintering the full capacity. A calving of over two hundred will give a surplus of a similar number to dispose of during the ensuing year. Both sheep and cattle slightly improved in quality, lambs were fattened as anticipated, and numbers disposed of were up to the standard. The balance of surplus stock realized full market value, cull two-toothed ewes fetching £1 11s. and surplus six-year-old ewes £1 2s. Wool-prices were exceptionally good, the main clip of 179 bales being disposed of at £4,016, an average of £22 per bale.

The net profit for the year amounted to £4,566, as compared with £3,937 for the previous year. The financial position of the station is sound; the mortgage to the Bank of New Zealand stands at £24,553, and the Tairāwhiti Board's current account at the 31st March was £6,100. Permanent improvements are valued at £27,748, live-stock at £10,012, and other assets at £1,297.

The stock tallies at the 31st March were as follows: 4,923 breeding-ewes; other sheep, 3,192; 1,008 head of run cattle; and 13 dairy cows.

Te Kao Scheme.

The Te Kao lands, vested in the Tokerau District Maori Land Board, comprise the Parengarenga and Pakohu blocks in the North Auckland district. The Native settlement of Te Kao lies on the shores of the Parengarenga Harbour, about forty-five miles to the north-west of Awanui, and some twelve miles from the nearest European settlement. The population of Te Kao consists of 330 men, women, and children, who are occupying approximately 4,325 acres of land.

The Te Kao scheme is perhaps the most ambitious farming venture in connection with Native-land settlement in New Zealand. The land, except for a small area of alluvial flats and an area of sandy loam and peat swamp at the south end, is ordinarily considered to be unsuited for dairy-farming purposes. The contour of the land varies from small alluvial flats and raupo swamps to easy undulating ploughable land, rising to easy hills. On the eastern side of the settlement practically the whole of the area comprises "keho" land. The poor land, having mainly easy access, was developed in the early stages. Very little value can be placed on these areas, as their productive capacity is low.

The scheme was started by the Tokerau District Maori Land Board for the purpose of easing the dire distress that was existent at the end of 1924, when gum-digging had ceased at Te Kao. The Native population were living in crude corrugated-iron shacks, many without flooring or lining, the families were ill nourished, and the infantile death-rate was heavy.

Work was commenced by draining the raupo swamps, which were cleared, ploughed, and grassed. On the hill-slopes pastures were established, and live-stock was supplied to the settlers.

Owing to the isolation of the area, a store was established by the Board. It was followed by a lorry service for the conveyance of cream to Awanui, some forty-five miles distant. This service will be invaluable when the new development scheme, which it is proposed to commence at Ngataki, situated between Te Kao and Awanui, is started. A hall, with dining-room and kitchen attached, has been erected to supply the needs of the people. Housing conditions have been considerably improved, and the efforts of the Tokerau Board to change a destitute group of gum-diggers into a progressive community has been reasonably successful.

At the 31st March, 1937, the settlers' indebtedness to the Tokerau Board through advances and interest outstanding was £27,027. The net profit from the store trading resulted in £303, and from the cream lorry service £84. The season has been a fairly favourable one.

Butterfat production for last season amounted to 56,579 lb. There were 52 units under the scheme, of whom 39 were supplying cream to the dairy factory.

Unemployment labour has been utilized to complete the earth-work formation for stop-banking an area of foreshore affected by high tides only.

Sale-yards have recently been erected, and the disposal of surplus stock will be made easier by this acquisition.

Two new houses and one cow-shed were erected, and in the ensuing year an extensive plan of house-building and the construction of cow-sheds has been planned.

A detailed valuation of each section was made by a select committee representing the Valuation, Lands, and Native Departments, with a view to the taking-over of this scheme by the Board of Native Affairs. The future of the scheme at Te Kao is seriously menaced by the sand encroachment from the dunes on the western side of the settlement, and the fixing of these dunes and the stopping of sand-drifts is a matter requiring immediate active attention. Unless this is attended to immediately successful drainage on some of the best areas in the scheme will be seriously affected.

A commencement has been made with this work, and about 20 acres of marram grass has been planted.

The committee in its report has arrived at valuations which will allow the units to carry on, having regard in every case to the further allowance required to complete their proper housing and establishment. A considerable writing-off will require to be made, and this question is under review.

The special committee in its report, in commenting on future operations, states as follows:—

"It became apparent to the committee in the early stages of the investigation that certain units were endeavouring to farm areas of land entirely unsuited to successful dairying. In some cases the areas were too small, having regard to the nature, contour, and quality of the land to allow a reasonable standard of living ever being enjoyed by the units. In other cases, although the areas were larger, poor quality of the land and the comparative isolation of the areas, coupled with very poor living conditions, have been restrictive factors. We consider that these particular units have lost interest, although they have, in the main, been probably good workers in the past. An important point in future development is the capitalization of the cost of fertilizers over a period of two to three years."

In commenting upon the cattle, the committee state:—

"Generally speaking, we have found the quality and type of the dairy cattle at Te Kao to be surprisingly good, and we consider this reflects to the credit of the office or officers entrusted with the selection of the foundation stock. Although the quality and type of dairy stock are as mentioned, production of butterfat per cow is low, and this we attribute to lack of sufficient fertilizer on the pasture land, overstocking, and lack of knowledge on the part of individual settlers."

The following interesting comments of the committee indicate the value of the Te Kao scheme from a national point of view:—

"The maintenance of a daily cream service is essential for the scheme. The cartage of cream between Te Kao and Waipapakauri, forty-two miles, is carried out by this service, and this has enabled settlement of a large area of Crown land adjacent to the route. This settlement of Crown land must have been considerably delayed but for this Board service."

The Royal Commission of investigation set up in 1934 to inquire into the administration of Native Affairs, stated:—

"We think that on a reasonable estimate the State has been saved to the present time a very substantial sum through expenditure of funds of the Tokerau Maori Land Board."

The live-stock tallies at the 31st March were as follows: cows, 540; other dairy stock, 440; horses, 83; and a considerable number of pigs.

Morikau Station.

This property, containing 11,806 acres, is situated on the Wanganui River, about forty-seven miles from Wanganui, and adjoins the Ranana development scheme. The lands comprising the station are vested in the Aotea Board and have been farmed by the Board since 1910.

The area under pasture is 5,890 acres, and further areas totalling 97 acres were felled during the year. The balance of the property is mostly in heavy bush. The policy of the Board is to fell a limited area each year, thus gradually increasing the carrying-capacity of the station.

The year 1936-37 was a remarkably successful one for the station, the net profit for the season reaching record figures. The overdraft with the Aotea Board has now completely disappeared, and, in addition, the mortgage to the Native Trustee was reduced to £24,000 by the payment of £8,000 out of surplus funds.

During the year the property was revalued by the Chief Property Supervisor, his valuations being as follows:—

	£
Land (unimproved value)	27,526
Permanent improvements	38,391
Capital value	<u>£65,917</u>

A complete inventory of plant, tools, furniture, and fittings was also made during the year, and at 31st March the accounts were rewritten to incorporate the new values for all assets, which total £83,727, comprising:—

	£
Capital value (as above)	65,917
Plant and equipment	583
Live-stock	15,869
Sundries	1,358
Total	<u>£83,727</u>

The live-stock as at 31st March, comprises 13,618 sheep, 1,191 cattle, and 29 horses. Stock for sale continues to be sought after by buyers, and high prices were realized, the net proceeds from the sales of 6,477 sheep and 496 cattle being £7,479 and £2,260, respectively. Only surplus stock is sold, and these prices are most satisfactory. The wool-clip totalled 343 bales, the net proceeds being £7,689, an average of £22 per bale. One line of 21 bales of lambs' wool fetched top price at the Wanganui January sale, and other smaller lines also realized top prices.

At a fleece competition held locally in February, Morikau entered three fleeces in one class, and one in another. Although there was strong competition, Morikau was awarded first, second, and third prizes in the first class, and first in the second, while the reports of the judges were most complimentary.

From the above it will be seen that the quality of the stock bred on the station has reached a high standard, and the policy of the Board is to maintain that standard and, if possible, improve it.

During the year extensive alterations and additions were made to the wool-shed, extra storage space and night-pens being provided. The night-pens will now accommodate over 2,500 sheep. A heavy programme of fencing was undertaken and this work is still proceeding.

The net trading results for the last few years are enumerated hereunder:

	Profit. £	Loss. £
Year ended 31st March, 1933 .. .. .	..	2,041
Year ended 31st March, 1934	6,369	..
Year ended 31st March, 1935	3,679	..
Year ended 31st March, 1936	5,754	..
Year ended 31st March, 1937	9,943	..
	<u>£25,745</u>	<u>£2,041</u>

MAORI LAND BOARDS.—ADVANCES TO NATIVE SETTLERS.

In addition to major undertakings of the Maori Land Boards the following table indicates the measure of assistance granted to individual Native farmers for the purpose of developing and cultivating their lands.

Board.	Total advances to Native Settlers under Mortgage at 31st March, 1937.	Number of Native Mortgagors.
	£	
Tokerau	3,685	9
Waikato-Maniapoto	8,110	29
Waiariki	12,855	32
Tairāwhiti	58,244	74
Aotea	16,882	29
Ikaroa	20,181	38
South Island	3,381	8
Totals	123,338	219

STATISTICAL DATA ON MAORI LAND BOARD SCHEMES.

Subject.	Anaaura.	Te Kao.	Morikau.	Totals.
1. Maori Land Board district	Tairawhiti	Tokerau	Aotea	..
2. Date commenced	1929	Aug., 1925	Aug., 1910	..
3. Number of schemes .. ..	..	..	..	3
4. Total area Acres	5,865	4,325	11,806	21,996
Area developed Acres	5,865	4,325	5,890	16,080
Area ultimately to be developed Acres	5,865	4,325	11,806	21,996
5. Unit settlers .. ..	..	52	..	52
Employees under schemes	16	21	8	45
Other dependants (wives and children) ..	4	94	1	99
Total dependants	20	167	9	196
6. Unemployed labourers (included above) ..	9	19	..	28
7. Live-stock tallies—				
Cows .. ..	..	540	..	540
Cows in milk at flush season .. ..	..	537	..	537
Other dairy stock	13	417	..	430
Run cattle	1,008	..	1,191	2,199
Sheep—				
Rams	124	..	295	419
Other	7,991	..	13,323	21,314
Bulls .. ..	..	23	..	23
Horses: Working	10	83	29	122
Pigs	3	117	..	120
8. Carrying-capacity—				
Sheep Acre	14/1	..	21/1	..
Cattle Acre	1/6	1/24	1/5	..
9. Receipts—				
Butterfat—				
Total poundage lb.	..	56,579	..	56,579
Board's proceeds £	..	987	..	987
Board's percentage Per cent.	..	33½	..	..
Wool—				
Weight lb.	65,714	..	127,003	192,717
Proceeds £	4,263	..	7,689	11,952
Sheep sales £	3,374	..	7,479	10,853
Cattle sales £	1,658	2	2,260	3,920
Sundries £	164	389	70	623
Total cash to Board £	9,459	1,378	17,498	28,335
10. Year's activities—				
Bush felling and clearing Acres	840	..	97	937
Fencing—				
New Chains	100	58	136	294
Repairs Chains	400	..	269	669
Draining—				
New Chains	200	172	..	372
Cleaning Chains	..	94	..	94
Grassing—				
New Acres	..	10	181	191
To date Acres	5,665	1,574	5,890	13,129
Roading and repairs Chains	..	..	183	183
Cottages erected—				
Year	1	2	..	3
To date	1	3	2	6
Cow-sheds—				
Year .. ..	..	1	..	1
To date .. ..	..	1	..	1
Wool-sheds and quarters—				
Year .. ..	..	..	..	..
To date	1	..	1	2
Sheep-dips—				
Year .. ..	..	..	..	..
To date	1	..	1	2
Splitting—				
Posts	1,500	..	..	1,500
Battens	10,000	..	..	10,000

PART III.—NATIVE TRUST STATIONS.

The Native Trustee is carrying out farming operations under the following categories :—

- (1) Section 25 of the Native Trustee Act, 1930.
- (2) As owner of farm lands which have been acquired by the Native Trustee as mortgagee.
- (3) Under pooling schemes arranged in accordance with the provisions of the legislation dealing with the relief of mortgagors and tenants.
- (4) As administrator or trustee of deceased and other estates.

The details of each station farmed under authorities Nos. (1) and (2) above are set out hereunder, but separate particulars regarding properties controlled by the Native Trustee under Nos. (3) and (4) are omitted, for the reason that private estates are involved.

The farming operations of the Native Trustee are reviewed annually by the Board of Native Affairs when the budgets are considered and expenditure proposals are approved under section 7 of the Board of Native Affairs Act, 1934–35.

The numbers of live-stock shown in the appendices to this report refer to the stations vested in the Native Trustee under section 25 of the Native Trustee Act, 1930, and to the one station acquired by him. The gross area farmed and the number of stock on the different properties are as follows :—

Area	46,424 acres.
Number of sheep	65,608
Number of cattle	6,353
Gross weight of wool	609,992 lb.
Number of bales of wool	1,719
Gross proceeds	£37,071
Average gross price per pound	14·66d.
Average gross price per bale	£21 11s. 4d.

In addition, the departmental field organization is responsible for the supervision of mortgaged lands subject to pooling schemes, the total area of which is 8,622 acres, and the number of sheep and cattle grazed thereon are 10,806 and 1,794 respectively.

The bulk of the Native Trustee's investments consist of advances to Natives secured by first mortgages over their lands. These investments are for amounts not exceeding three-fifths of the estimated value of the security according to valuations approved by the Board, and the loans are usually granted for the purpose of financing Maori farmers. At the 31st March, 1937, there were 459 of these loan accounts covering investments totalling £437,049.

Since 1934 the Native Trust Office has been amalgamated with the Native Department by virtue of section 15 of the Native Land Amendment Act, 1932.

Aohanga Station.

Situated on the East Coast in the Akitio County, and comprising three blocks of land—namely, Mataikona Nos. 1, 2, and 3—this property contains an area of 17,723 acres, of which 907 acres are reserved for occupation by the Native owners, leaving 16,816 acres to be farmed as a sheep and cattle station.

The original programme of work intended to be carried out by the Native Trust Office has, during the seven years the property has been under the control and management of the Native Trustee, been adhered to, and the clearing of the land, establishment of good pasture, erection of fencing, and stocking has been maintained; and an inspection of the station to-day would lead to favourable comment by those who were aware of its condition before the rehabilitation of the land was taken in hand by the Office.

The result of the work can best be shown by a comparison of the winter carrying-capacity during the past year and the first year of the control by the Native Trust Office as set out in the summary below.

A considerable amount of work has still to be done in the way of pulling tauhinu, cutting scrub, and the erection of internal fencing, with constant attention to the whole of the station to combat any second growth which comes away.

Like other farming propositions, it is at times difficult to obtain the labour necessary to carry on these various activities, and every use is made of any unemployed Native labour available, and during the past year the sum of £2,040 was spent on contracts let to Maoris. The work is all carried out under the contract system, and during the year the following improvements, exclusive of contracts in progress, were effected: 1,650 acres scrub-cutting and pulling; 310 chains of new fencing; construction of a new dip and alterations to yards; 250 acres of gorse-grubbing; 6,500 trees planted; 60 chains of draining; and 10 acres of ploughing. Much more could have been accomplished had suitable labour been obtainable, but the best is being done with the man-power available.

The following summary sets out the details of the increase in carrying-capacity as a result of the Native Trustee's management, the stock figures being fixed on winter carrying capacity.

	Sheep.		Cattle.		Wool.	
	Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Gross Proceeds.
1930	9,362	6,638	796	1,278	230	£ 1,983
1936–37	8,392	23,461	894	1,368	719*	15,714

* 39 still on hand.

The prices obtained for the various classes of wool sold during the season and the averages per bale are shown in the table appended at the end of Part III of this report.

During the year one of the leading owners was set up in a portion of the land which at present is excluded from the area worked as a station. The finance was provided from Native Trust Funds and the settler is under the control and supervision of the Department's Supervisor. A new home was built for him, the necessary stock purchased, and it is hoped that under the care and teaching of the Office this Native will make good progress in establishing himself as a sheep farmer. He has commenced with a flock of 500 ewes.

The wool-shed which has been on the property from the beginning has reached the stage when repair or patching up is no longer advisable or possible, and it is intended to erect a new building in time to allow of its use for shearing this coming season.

At the time the question of placing Aohanga under the control of the Native Trustee was under consideration an undertaking was given to the Maori owners that the Office would pay them in, anticipation of profits, an annual payment equivalent to what had been paid under the lease which had expired, and, despite working losses in several years, this payment has been maintained. Advantage was, however, taken of the 20 per centum reduction provided for in the National Expenditure Adjustment Act, 1932, but this deduction was restored to the owners in the payment made to them in December, 1936. The results of the running of the property have shown marked improvement, and as accumulated losses will be fully recouped from the season's returns it has been decided to increase the rental payments by 33½ per centum.

As a result of the year's working a net profit of £8,320 remains after clearing off the balance of the losses of previous years, indicating that the policy adopted by the Native Trustee for the rehabilitation of this big area of land is proving itself to be sound and satisfactory.

East Coast Maori Soldiers' Fund.

When the two stations which form the assets of the above fund were handed over to the Native Trustee in 1925, under section 23 of the Appropriation Act, 1925, it was realised that affairs were in such a state that it would be many years before the unsatisfactory position could be righted. It was essential during the earlier years of the running of the properties to advance considerable sums on mortgage or current account, and after an extensive review in 1932 it was realized that an adjustment of the finances was necessary, and it was decided to write off part of the accumulated losses and advance further funds for development purposes. The position has slowly improved, and for the year under review very satisfactory profits have been made after allowing for all working-expenses, interest and charges. The rehabilitation of the fund is somewhat complicated by the fact that both properties are leaseholds—Hoia station consists of several Native leaseholds, some of which have expired and steps have been taken to assess the compensation for improvements in terms of the leases, whilst the leases of the other blocks in the station expire at different dates, one as late as 1953. The land comprising Hereheretau Station is Crown land, and is occupied under a renewable lease, the first term of which expires in 1955.

Special valuations made in March, 1936, by the Chief Supervisor and the Farm Supervisor to the East Coast Commissioner disclose that the values of the improvements and stocks are more than sufficient to cover the liability for advances made by the Native Trustee.

The rents under the leases of the Native blocks are still the subject of litigation, but it is hoped that finality will be reached when the applications under the Mortgagors and Tenants Rehabilitation Act, 1936, have been dealt with.

Hoia Station is situated at Hicks Bay and comprises 6,514 acres. The progress that has been made under the management by the Native Trustee is indicated by the summary below showing the winter carrying-capacity for the first year and for the year under review.

			Sheep.		Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Proceeds.
1925-26	..	..	1,500	556	56	168	43	£ 584
1936-37	..	..	3,150	2,115	300	354	109	2,415

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

The progressive improvement of the property has been interrupted by the fact that the leases have expired or will do so shortly, but whenever possible unemployment-relief contracts are being arranged for the benefit of the local Maoris. During the year 50 acres were stumped; 1½ miles of access tracks were formed; 80 chains of new fencing erected; and other general improvements, such as river-protection, chipping wiwi, erection of cow shed and yards, and 280 chains of fence renewals, were effected.

The station has been farmed for many years, and there is not now the scope for the development as is the case with Hereheretau Station. However, the returns under the present market conditions are quite satisfactory.

Hereheretau Station comprises 3,838 acres and is situated eighteen miles from Wairoa. The actual access is poor for the last three miles, the road being unmetalled and in parts unformed.

The station was badly infested with blackberry, and the annual cutting represented a heavy charge. A herd of goats was purchased and the result has exceeded expectations, the blackberry being now well under control.

The carrying-capacity has been increased as follows :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Proceeds.
1925-26	..	..	991	371	70	195	25	£ 436
1936-37	..	..	3,008	4,110	244	179	146	2,560

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

Advantage was taken of unemployment contracts to effect improvements, and the following works were completed: Cutting and pulling scrub over 780 acres; bridge repairs; 130 chains of fence renewals; 101 chains of new fences; 150 acres of bushfelling; sowing a new burn of 150 acres; and regrassing 30 acres.

Hakurenga Station.

The blocks comprising the above station—viz., Waipiro A 15, A 16, A 20, and A 21, containing a total area of 2,817 acres, were vested during 1930 and 1931 under section 25 of the Native Trustee Act, 1930. The Native Trustee was previously interested in Waipiro A 20 as mortgagee, and as this land could be worked to advantage with the other blocks it was decided to farm the four sections as one station.

The lands had for many years been farmed by the Native owners, but for want of further capital the properties were slipping back, the stock was deteriorating, and the owners approached the Department with the request that the management should be taken over.

This was done, and a general rehabilitation programme was taken in hand. The following comparison between the carrying-capacity of the first year and the stock carried during the last winter shows the progress that has been made :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Proceeds.
1931-32	..	..	764	3,292	79	192	Sold prior to vesting.	£
1936-37	..	..	1,741	2,012	158	252	82	1,788

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

A fair proportion of the area is ploughable and each year ten to fifteen acres are ploughed, cropped with swedes, and regrassed.

During the year 80 chains of new fences were erected and 816 acres of scattered scrub were cleared. Other improvements consisted of the erection of a new shearers' accommodation and laying down 8 acres of new grass.

To bring the property back to full productivity will require many years of careful handling and stocking. Recurrences of heavy losses in hoggets have caused setbacks, but with the cleaning up of the scrub and the renewal of pastures with good English grasses the position is rapidly improving.

Rent is paid on portion of Waipiro A 15, but only to those owners who are not interested in the Incorporated Blocks—viz., A 15 (part) and A 21. Until the rehabilitation of the area is well in hand the question of annual payments to the owners of the Incorporated Blocks must stand in abeyance. It is considered that the first duty is to increase the carrying-capacity, and that all surplus receipts must either be reinvested in the property for this purpose or be used in reducing the overdraft.

The financial position is quite satisfactory.

Motuweka Station.

The actual Native blocks that comprise this station are set out in the G.-10 report for the year ended 31st March, 1936, and although the blocks are individually owned the Native Trustee is farming the six areas as one station under the provisions of section 25 of the Native Trustee Act, 1930. Three of the areas—Porangahau 1B 40 1A (651 acres), Porangahau 1B 40 3 and Mangamaire B 13B (931 acres), and Whawhakanga F 4 (832 acres)—are held under lease and rent is paid in accordance with the leases. The total area of Motuweka is 5,621 acres, and the lands are situated near Porangahau.

The homestead, men's quarters, wool-shed, and main yards are situated on a section owned by a deceased Native's estate, and the other blocks, whilst not contiguous to the homestead portion, are all within reasonable distance.

All the blocks, except Whawhakanga F 4, are mortgaged to the Native Trustee, and before the application of the provisions of section 25 of the Native Trustee Act, 1930, the whole area had deteriorated into scrub and second growth. It is hoped, and the progress to date indicates, that before many years the station will be freed from debt.

The land is easy rolling country with a heavy clay subsoil. Water lies badly on the surface during the wet weather and the soil is somewhat sour. Each year an area is ploughed for swedes and regrassing, but on account of the short season for ploughing—early ploughing is impossible on account of the excessive surface water, and late ploughing with horse teams after the ground has set hard is out of the question—the area that can be treated is limited. At the present stage the utilization of horse teams is considered uneconomic, and arrangements will be made for the purchase of a tractor and equipment during the ensuing year. The expenditure is justified, as the total area of the station exceeds 5,600 acres with about 2,000 acres ploughable, and the plant will be in use practically all the year round.

Also, with power available mole-draining will be undertaken. The results in improved pastures, obtained through ploughing and regrassing, have been most marked.

The extent to which the carrying-capacity of this station has been increased is indicated by the following summary :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Gross Proceeds.
1930-31	..	..	2,242	2,061	168	128	98	£ 463
1936-37	..	..	3,827	7,767	206	396	304	6,816

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

Improvements during the year were confined to scrub-cutting and fencing renewals, which were carried out by Maori relief workers.

Tawanui Station.

This area was acquired by the Native Trustee as mortgagee in 1931 and represents a Common Fund asset. To this extent it differs from the other stations controlled by the office. The land is situated at Ngapaenga, near Te Kuiti, and is a Crown leasehold (L.I.P.) containing 916 acres.

The area is "sheep-sick," but experimental work carried out with the co-operation of officers of the Department of Agriculture and the Lands Department has now demonstrated that sheep can be bred and reared on the property.

Until the current year the office has been content to maintain the property as far as possible out of revenue, and has not attempted any major capital expenditure, but it had now been decided to adopt a policy of progressive development in manuring existing pastures and stumping and ploughing further areas for grassing.

The stock carried last winter and the previous winter compared with the first year of operations was as follows :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Gross Proceeds.
1931-32	..	..	934	197	28	64	Sold by previous owners	£
1935-36	..	..	567	335	36	59		250
1936-37	..	..	702	197	45	68		578

After the first year, when it was found that sheep could not be bred and grown to maturity, the ewe flock was reduced, but this position is being slowly remedied and fat lambs and wethers were sold last year.

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

Tiratu.

This station, situated near Dannevirke and containing 734 acres, was vested in the Native Trustee under section 25 of the Act to prevent action being taken under the original mortgage to dispossess the Native owners.

Improvements have been effected during the last year with the assistance of unemployment relief labour, the following work being completed: 166 chains of new fences and renewals, 30 acres of stumping and sowing, and 50 chains of drain.

The latest valuation made in March, 1936, shows a satisfactory financial position. The woolshed destroyed by fire has been replaced. The increased carrying-capacity of this land after being

stumped, ploughed, and regrassed is so marked that it is a pressing necessity to treat the whole area on these lines as early as possible. When control was assumed by the office in 1930 it was not possible to fatten lambs on account of the deteriorated state of the pastures, but last season over 1,300 lambs were sold as fats.

The actual progress that has been made can be gauged from the following stock returns.

	Sheep.		Run Cattle.		Wool.	
	Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Gross Proceeds.
1930-31	998	302	..	114	15	£ 63
1936-37	1,949	133	117	90	53	1,251

The prices obtained for the variation classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

NATIVE TRUST STATIONS.

SUMMARY OF WOOL PROCEEDS FOR YEAR 1936-37, SHOWING AVERAGE PRICE PER POUND.

Class of Wool.	Aohanga.	East Coast Maori Soldiers' Fund.		Hakurenga.	Motuweka.	Tawanui.	Tiratu.
		Hoiā.	Hereheretau.				
	d.	d.	d.	d.	d.	d.	d.
Ewes	12·87	16·38	14·25	17·28	15·5	15·5	17·23
Wethers	15·5	..	14·4	16·93	16·0	..	..
Hoggets	18·3	16·72	14·2	17·8	17·9	15·25	17·6
Lambs .. ..	..	12·12	11·5	..	14·8	13·75	17·3
Rams	14·0	..	14·2	..	16·3	..	..
Necks, bellies, and pieces ..	13·3	12·76	12·5	13·65	11·2	11·75	13·6
Crutchings	9·4	8·75	9·2	10·78	10·0	12·0	9·75
Average price per pound for clip	14·4	15·33	13·25	15·66	14·5	15·5	15·9
Average price per bale ..	£21 14s. 8d.	£23 1s. 3d.	£17 15s. 7d.	£21 16s. 1d.	£22 8s. 5d.	£20 13s. 2d.	£24 1s. 4d.

STATISTICAL DATA REGARDING STATIONS OWNED BY THE NATIVE TRUSTEE OR VESTED IN THE NATIVE TRUSTEE IN TERMS OF SECTION 25 OF THE NATIVE TRUSTEE ACT, 1930.

	Aohanga.	East Coast Maori Soldiers' Fund.		Hakurenga.	Motuweka.	Tawanui.	Tiratu.	Totals.
		Hereheretau.	Hoia.					
		1925	1925					
Date commenced	Dec., 1930			March, 1931	July, 1930	Sept., 1931	Sept., 1930	.. 7
Number of stations	17,723	3,838	6,514	2,817	5,621	916	733	38,162
Total area	Acres	4	7	5	5	2	3	37
Employees under schemes	11	6	7	6	15	5	5	64
Unemployed labourers	20							
Live-stock tallies—								
Sheep—								
Breeding-ewes	8,392	3,008	3,150	1,741	3,827	702	1,949	22,769
Rams	251	94	102	55	103	26	62	693
Wethers	16,349	2,330	190	772	5,470	56	..	25,167
Others	6,861	1,686	1,823	1,185	2,194	115	71	13,935
Cattle—								
Breeding-cows	894	244	300	158	206	45	117	1,964
Bulls	33	8	6	5	7	2	3	64
Others	1,335	171	348	247	389	66	87	2,643
Horses	45	9	16	10	15	6	10	111
Receipts—								
Wool—								
Weight	262,552	46,409	39,303	27,392	112,441	9,532	18,687	516,316
Proceeds	£ 15,134	£ 2,466	£ 2,289	£ 1,679	£ 6,524	£ 561	£ 1,182	£ 29,835
Sheep	£ 10,821	£ 2,466	£ 2,051	£ 1,317	£ 4,735	£ 789	£ 2,261	£ 24,440
Cattle	£ 6,831	£ 1,552	£ 964	£ 240	£ 189	..	224	£ 10,000
Sundries	£ 118	58	..	35	..	..	..	£ 211
Total	£ 32,904	£ 6,542	£ 5,304	£ 3,271	£ 11,448	£ 1,350	£ 3,667	£ 64,486
Year's activities—								
Bushfelling and clearing	Acres	150	..	..	..	..	..	150
Scrub-cutting, &c.	Acres	780	50	816	..	26	..	3,572
Fencing—								
New	Chains	101	80	80	..	..	6	577
Repairs	Chains	130	280	190	160	32	160	1,012
Draining—								
New	Chains	..	12	16	..	..	50	78
Cleaned	Chains	..	94	..	..	..	..	94
Grassing: New	Acres	180	35	37	140	..	30	422
Trackmaking	Chains	10	120	..	..	..	..	130
Buildings erected	..	..	Cow-shed	Shearers' quarters	Stables	..	Wool-shed	..
Stockyards, &c.	..	1 dip and docking-yards	..	..	..	..	..	..

PART IV.—EAST COAST NATIVE TRUST LANDS.

By virtue of section 7 of the Board of Native Affairs Act, 1934–35, the East Coast Native Trust lands and the Mangatu Trust were brought under the control of the Board in so far as the operations of the trusts relate to the expenditure or investment of any moneys or to the giving of mortgages over any property vested in the East Coast Commissioner. The Commissioner is a trustee appointed by the Governor-General by Order in Council in accordance with the provisions of Part IV of the Native Purposes Act, 1931, and is charged with the management and control of certain lands in the interests of the beneficial owners thereof, all of whom are aboriginal Natives of New Zealand. The present holder of the office is a member of the Board of Native Affairs.

The trust vested in the Commissioner is an extensive one, and comprises a total area of 223,063 acres. It is divided into two portions—the East Coast Native Trust lands, which comprise 114,402 acres, and the Mangatu No. 1 Trust, which comprises 108,661 acres. These lands are scattered from Tolaga Bay in the north to Wairoa in the south, and extend from the extreme point of the Mahia Peninsula on the east to over a hundred miles inland. In the Wairoa district several large areas lie at the headwaters of the Ruakituri and Hangaroa Rivers.

The Government value of the lands is £1,114,995, which is subject to mortgages of £224,437, but against this a reserve in Government stocks of £20,000, and sheep and cattle valued at £120,000, are held. Under the main trust and the Mangatu No. 1 Trust are 5,011 and 745 beneficial owners, to whom distributions of rent and profits were made during the year under review to the extent of £12,757 and £12,667 respectively.

Of the total area, 102,476 acres, comprising nineteen farms and stations, are farmed by the Commissioner, the remainder being let in thirty-two farms and stations, principally to Europeans on leases terminating in the majority of instances, in from five to eight years, although in some cases the leases extend up to seventeen years. The number of permanent employees on these stations totals one hundred.

The tally of stock on the stations farmed by the Commissioner as at the 30th June, 1937, was 100,549 sheep and 12,510 cattle. The number of stock carried has increased during the past three years by 17,256 sheep and 2,688 cattle, which increase includes 7,378 sheep and 1,393 cattle purchased or transferred for the purpose of stocking up three properties, the leases of which were terminated.

During the last three years an active policy of improvement has been carried out on all the stations, involving the following work: 20,005 acres of bush felling and clearing, 4,963 chains of fencing, 846 chains of drain construction, splitting of 78,670 posts and 173,350 battens, 880 chains of roads and tracks were constructed, while £15,000 worth of seed was sown on new country.

The result of these improvements is naturally shown in an increased carrying-capacity, although the full results will not be apparent for one or two years yet. As an illustration Onenui Station, situated on the extreme point of the Mahia Peninsula in an isolated position only reached by packhorse or by surf-boat through the rocks, was carrying, in 1934, 4,497 sheep and 684 head of cattle. Owing to the expense of working this place little or no profit had been obtained. With considerable difficulty implements were landed in surf-boats and ploughing was commenced, with the result that this property is now carrying 7,966 sheep and 1,040 head of cattle, and is producing some of the best early lambs in the Wairoa district. Moreover, these figures are taken at the 30th June, when the tally of stock is lowest. It is anticipated that the carrying-capacity will gradually increase to 10,000 sheep, and naturally at present the property is giving good returns.

An active policy of afforestation has been inaugurated, 250,000 trees having been planted mainly on properties farmed by the Commissioner, but some 50,000 were last year, by consent of the lessees, planted on lands under lease.

The land directly under the control of the trusts contains several large areas of native bush, and in the past various areas have been worked by sawmillers on a royalty basis. Investigations during the last two years have shown that these arrangements were very far from satisfactory, and from a financial point of view the results did not compensate for the unnecessary destruction of bush. Every area of bush has now been carefully surveyed and several of the blocks appraised by the Forestry Department. The present policy is to reserve all areas except such as are ready for milling.

In view of the Government policy in connection with the proper housing of the Maori race it is intended to establish a sawmill in a block of bush which has been appraised by the Forestry Department for the specific purpose of providing timber for the erection of Maori houses. It is confidently anticipated that such timber can be produced at a much lower rate than it can be purchased, after allowing full royalty to the block from which the timber is taken. A road is now being constructed into the area where the mill will be erected.

A table is appended to show the stock carried and the cash collections on each station.

SUMMARIZED DATA ON EAST COAST TRUST STATIONS.

Number of stations	..	..	..	..	..	..	..	..	19
Number of farms on leased land	..	..	..	..	..	..	..	..	32
Area—									
Stations (acres)	..	..	..	..	..	..	..	102,476	
Leased (acres)	..	..	..	..	..	..	..	93,278	
Undeveloped (acres)	..	..	..	..	..	..	..	27,309	
									223,063
Number of employees : Stations	..	..	..	..	..	..	..	..	100
Other dependants : Wives and children (approximate)	..	..	..	..	..	..	..	..	300
Total dependants (approximate)	..	..	..	..	..	..	..	..	400
Unemployed labourers engaged	..	..	..	..	..	..	..	..	302
Developmental activities (1934 to 1937)—									
Bush felling and clearing (acres)	..	..	..	..	..	..	..	..	20,005
Fencing (chains)	..	..	..	..	..	..	..	..	4,963
Draining (chains)	..	..	..	..	..	..	..	..	846
Roading (chains)	..	..	..	..	..	..	..	..	880
Splitting posts	..	..	..	..	..	..	..	..	78,670
Splitting battens	..	..	..	..	..	..	..	..	173,350
Number of beneficial owners 31st March, 1937—									
East Coast Trust	..	..	..	..	..	..	..	..	5,011
Mangatu No. 1 Trust	..	..	..	..	..	..	..	..	745
									5,756

STATISTICAL DATA ON EAST COAST TRUST STATIONS.

Station.	Cash Collections.					Weight of Wool.	Number of Live-stock.			Area.
	Cattle Sales.	Sheep Sales.	Wool Sales.	Horse Sales.	Total.		Sheep.	Run Cattle.	Horses.	
	£	£	£	£	£	lb.				Acres.
Kokomoko ..	3,087	2,529	53	..	5,669	1,117	2,644	711	18	2,495
Mangatahu ..	982	3,777	3,557	..	8,316	56,992	7,150	863	12	4,019
Okaihau ..	..	2,441	1,384	..	3,825	24,693	3,278	277	8	3,230
Pukutarewa ..	2,449	4,007	3,334	287	10,077	54,609	6,530	957	99	6,437
Tarndale ..	27	255	112	..	394	2,415	4,734	682	13	5,729
Waitangirua ..	..	857	1,776	..	2,633	30,285	4,144	586	12	7,938
Wairere ..	2,298	6,788	6,498	..	15,584	118,004	12,577	1,833	47	9,880
Iwinui ..	988	4,362	900	10	6,260	16,333	2,226	495	15	1,224
Kopua ..	942	1,941	1,824	..	4,707	32,097	3,946	635	6	3,459
Mahurangi ..	1,120	3,393	2,767	..	7,280	50,031	6,742	858	11	4,638
Mangaotane ..	1,156	1,937	2,867	..	5,960	49,676	6,648	511	12	13,608
Onenui ..	1,223	4,511	5,065	..	10,799	76,248	7,766	1,040	38	4,780
Patemaru ..	1,077	3,132	1,991	1	6,201	35,378	3,613	533	11	2,003
Papuni ..	1,083	1,449	3,474	24	6,030	61,432	9,158	749	24	9,208
Pakowhai ..	1,760	3,398	249	..	5,407	4,505	676	33	3	377
Pohaturoa ..	853	4,962	2,929	..	8,744	54,362	7,302	619	14	7,354
Paroa ..	630	6,617	2,234	40	9,521	41,572	6,323	539	37	3,341
Waimaha ..	573	1,457	2,275	..	4,305	33,694	4,906	586	18	11,657
Willows ..	144	590	94	..	828	1,539	186	3	..	58
Additional areas : Year	..	..	..	..	..	..	..	..	..	1,041
Totals ..	20,392	58,403	43,383	362	122,540	744,972	100,549	12,510	398	102,476

TABLE 1.—TOTAL SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31st MARCH, 1937.

Districts.	Receipts.																	
	Receipts, excluding Unemployment Grants to 31st March, 1936.	Unemployment Subsidies.				Cash Collections, Scheme Produce, 1936-37.		Sales to other Schemes.	Total Receipts, including Unemployment, to 31st March, 1937.	Net Liability as at 31st March, 1937.								
		1936-37.																
		Total to 31st March, 1936.	£	s.	d.	£	s.				d.							
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.						
Tokerau ..	93,269	2	0	29,353	15	7	29,186	11	8	231,096	1	3	139,831	1	3			
Waikato-Maniapoto ..	40,880	18	2	7,746	1	4	17,635	1	11	73,762	13	4	108,769	6	10			
Waiairiki ..	238,187	15	6	63,422	12	0	81,730	2	11	593,784	0	8	464,969	11	7			
Tairāwhiti ..	139,713	4	1	7,738	18	10	33,144	15	5	245,338	15	5	119,382	14	5			
Aotea ..	8,937	2	4	3,507	18	1	3,891	6	6	18,523	16	2	21,319	1	5			
Ikaroa ..	5,019	3	11	411	1	2	1,650	17	6	388	18	11	4,519	19	3			
South Island ..	3,020	7	0	1,277	16	4	2,123	17	0	30	0	0	17,900	10	9			
Head Office (unallocated) ..	27,201	19	2	4,798	8	10	227	3	10	27,429	3	0	..	..	..
Totals ..	556,229	12	2	121,222	2	11	169,589	16	9	203,667	11	6	1,215,522	1	9	876,692	5	6

Districts.	Payments.										Total Expenditure, plus Interest, to 31st March, 1937.				
	Expenditure, plus Interest, to 31st March, 1936.	Cash Expenditure, 1936-37.		Purchases from Bulk and other Schemes.	Net Interest, 1936-37.										
		1936-37.													
		Total to 31st March, 1936.	£		s.	d.	£	s.	d.						
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.			
Tokerau ..	284,474	18	7	58,635	14	7	20,288	12	0	7,527	17	4	370,927	2	6
Waikato-Maniapoto ..	130,334	17	6	41,886	15	6	5,330	5	1	4,980	2	1	182,532	0	2
Waiairiki ..	699,979	2	2	202,522	3	3	135,761	11	6	20,490	15	4	1,058,753	12	3
Tairāwhiti ..	258,028	11	8	50,859	5	4	50,695	13	3	5,137	19	7	364,721	9	10
Aotea ..	28,821	4	4	9,944	15	7	55	6	9	1,021	10	11	39,842	17	7
Ikaroa ..	10,925	18	6	1,722	15	7	..	0	0	260	4	1	12,908	18	2
South Island ..	26,641	2	4	7,578	5	8	30	0	0	849	15	9	35,099	3	9
Head Office (unallocated) ..	27,201	19	2	..	..	..	227	3	10	..	..	..	27,429	3	0
Totals ..	1,466,407	14	3	373,149	15	6	212,388	12	5	40,268	5	1	2,092,214	7	3

TABLE 4.—STATEMENT SHOWING LIVE-STOCK RETURNS AT 31st MARCH, 1937.

	Dairy Stock.				Run Cattle.	Sheep.				Working-horses.
	Tallies at 31st March, 1937.		Butterfat Poundage for Year.	Tallies at 31st March, 1937.		Wool.		Bales.		
	Cows.	Other Stock.				Poundage for Year.	Proceeds.			
I. Districts—							£			
Tokerau ..	10,064	6,807	1,108,700	919	5,740	52,850	2,863	143	796	
Waikato-Maniapoto ..	1,954	598	316,000	1,436	8,739	51,362	2,606	139	215	
Wairariki ..	10,000	4,777	1,427,400	4,832	44,103	249,307	14,605	674	550	
Tairāwhiti ..	3,168	1,130	365,700	2,556	32,804	218,600	12,267	590	299	
Aotea ..	457	545	58,700	..	2,004	14,475	756	42	50	
Ikarua ..	372	50	59,900	60	103	..	..	..	23
South Island ..	320	161	37,200	30	349	596	34	2	16	
Sub-total ..	26,335	14,068	3,373,600	9,833	93,842	587,190	33,131	1,590	1,949	
II. Maori Land Boards ..	537	453	56,600	2,199	21,733	192,717	11,952	522	122	
III. Native Trustee ..	..	..	..	4,671	62,564	516,316	29,835	1,719	111
IV. East Coast Trusts ..	..	..	..	12,510	100,549	744,972	43,383	2,085	398
Totals ..	26,872	14,521	3,430,200	29,213	278,688	2,041,195	118,301	5,916	2,580	

TABLE 5.—ANALYSIS OF CASH RECEIPTS FOR THE YEAR 1936-37.

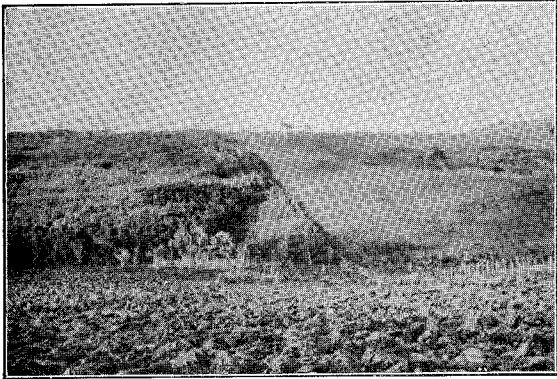
	Butterfat.	Cattle.	Wool.	Sheep.	Sundries.	Totals.
I. Districts—						
Tokerau ..	£ 20,694	£ 2,094	£ 2,863	£ 3,312	£ 223	£ 29,186
Waikato-Maniapoto ..	7,425	1,259	2,606	5,877	468	17,635
Wairiki ..	40,378	2,971	14,605	18,924	4,852	81,730
Tairāwhiti ..	5,537	1,645	12,267	11,135	2,415	32,999
Aotea ..	1,131	133	756	1,667	301	3,988
Ikaroa ..	1,349	55	..	..	247	1,651
South Island ..	518	137	34	491	947	2,127
Unallocated ..	..	..	..	..	274	274
Sub-total ..	77,032	8,294	33,131	41,406	9,727	169,590
II. Maori Land Boards ..	987	3,920	11,952	10,853	623	28,335
III. Native Trustee ..	..	10,000	29,835	24,440	211	64,486
IV. East Coast Trusts ..	..	20,392	43,383	58,403	362	122,540
Totals ..	78,019	42,606	118,301	135,102	10,923	384,951

NOTE.—Butterfat receipts for Part I State schemes denote only that proportion of cream cheques which are assigned to the Department in repayment of advances and interest due thereon. On settled schemes the policy is to accept an assignment of a percentage of the farmers' monthly milk cheque, leaving the balance for maintenance and living expenses. On those dairying schemes which have not yet been individualized, the full amount received for butterfat is retained, the workers being paid wages, but in the majority of cases a proportion only of the cream returns is actually paid to the Department.

TABLE 6.—COMPARATIVE RETURN FOR DISTRICTS OF TOTAL RECEIPTS : STATE SCHEMES.

District.	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	Totals.
Tokerau ..	£ 1,908	£ 5,312	£ 11,092	£ 12,559	£ 13,726	£ 22,070	£ 29,186	£ 95,853
Waikato-Maniapoto ..	202	316	3,180	7,301	6,871	14,348	17,635	49,853
Wairiki ..	2,667	5,578	17,246	36,318	29,472	63,585	81,730	236,596
Tairāwhiti ..	..	650	9,143	16,886	20,253	23,610	32,999	103,541
Aotea ..	413	1,070	916	1,404	2,180	2,687	3,988	12,658
Ikaroa ..	..	288	992	888	727	1,377	1,651	5,923
South Island ..	5	143	294	391	506	1,631	2,127	5,097
Head Office (unallocated)	352	72	12	..	5,480	479	274	6,669
Totals ..	5,547	13,429	42,875	75,747	79,215	129,787	169,590	516,190

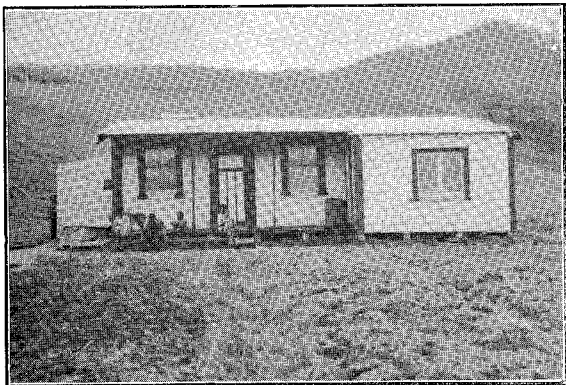
TOKERAU (NORTH AUCKLAND) DISTRICT.



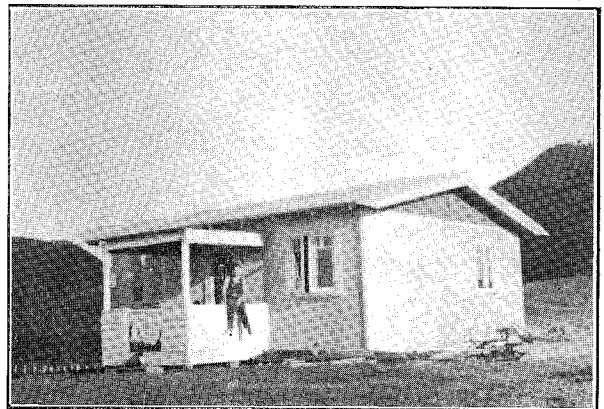
1. MANGONUI SCHEME : TYPICAL COUNTRY DEVELOPED.



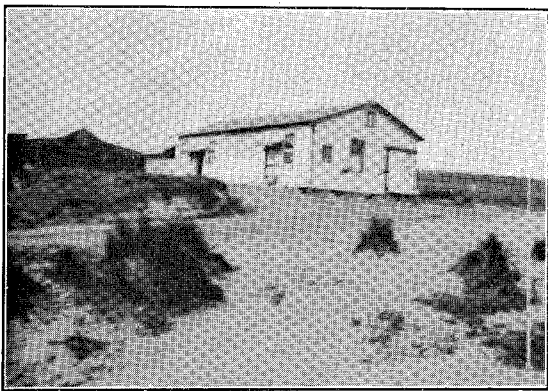
2. MANUKAU BASE FARM : PLOUGHING OPERATIONS (1934).



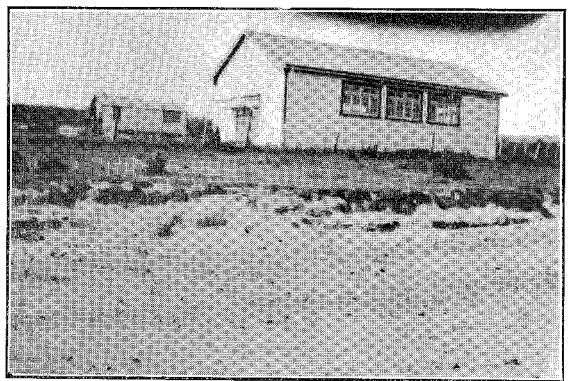
3. MANGONUI SCHEME : A SETTLER'S COTTAGE AFTER £25 IN LABOUR EXPENDED ON RENOVATIONS.



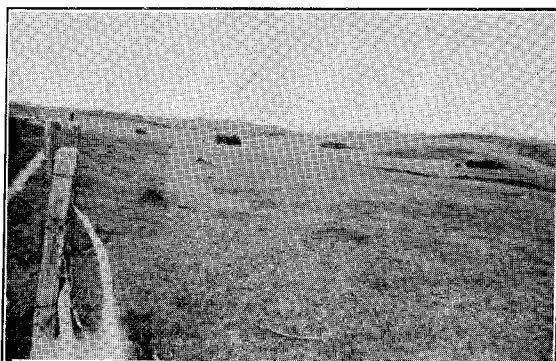
4. MANGONUI SCHEME : A DWELLING IN THE COURSE OF ERECTION FOR A SETTLER.



5. TE KAO DAIRY SCHEME : STORE, POST-OFFICE, AND TRUCK BUILDING.

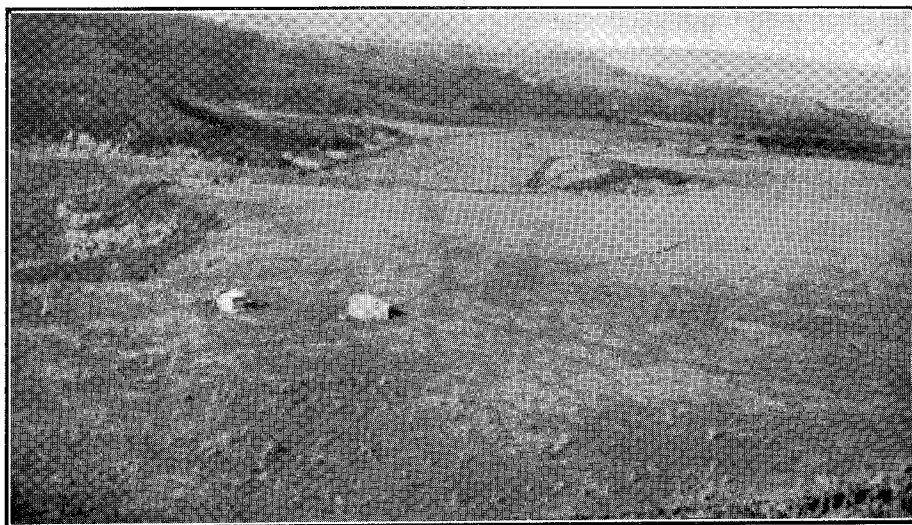


6. TE KAO DAIRY SCHEME : COMMUNITY HALL AND KITCHEN.

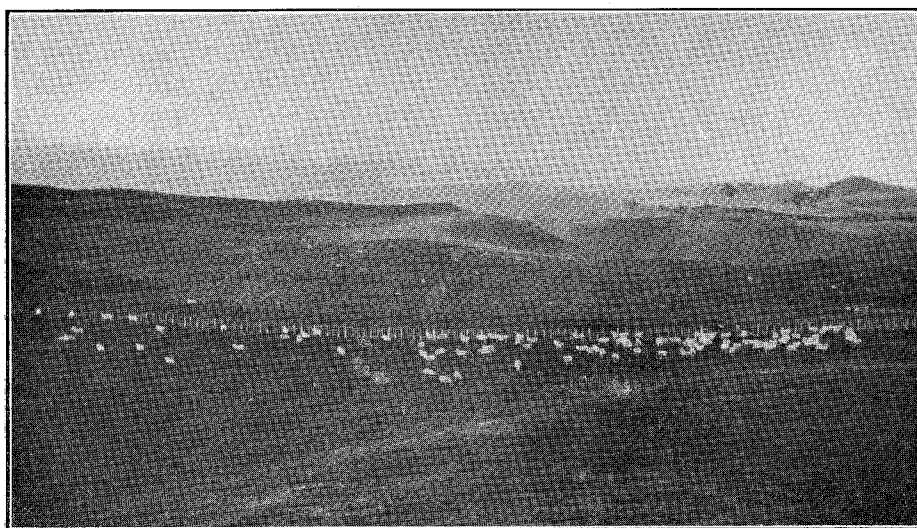


7. TE KAO DAIRY SCHEME : THE VALLEY LOOKING SOUTH.

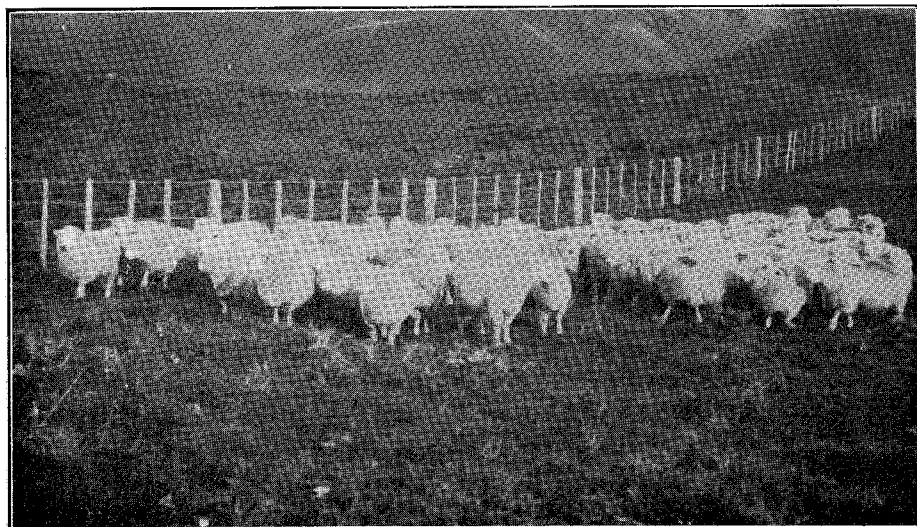
TOKERAU (NORTH AUCKLAND) DISTRICT.



8. POUTO SCHEME: SHOWING PORTION OF THE DRAINED SWAMP AND AN AREA OF THE PASTURES (1937).

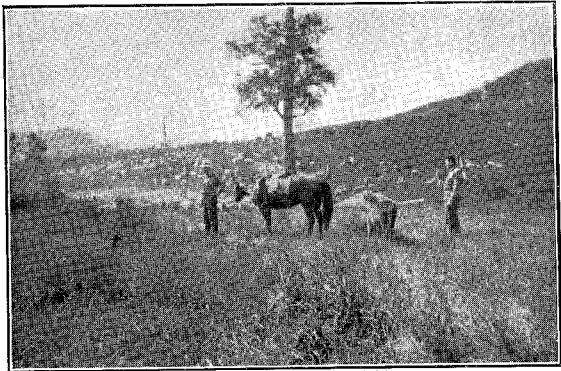


9. POUTO SCHEME: GENERAL VIEW OF A PORTION OF THE AREA.

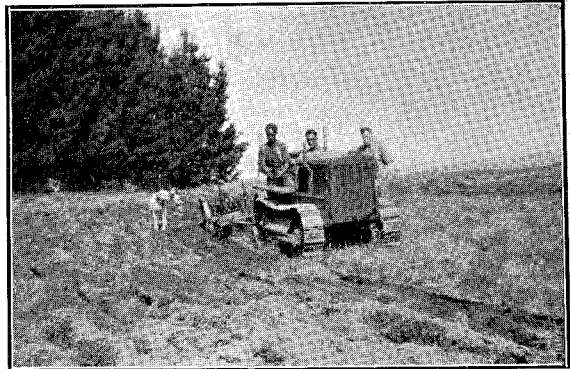


10. POUTO SCHEME: A PORTION OF THE FLOCK.

WAIKATO-MANIAPOTO (SOUTH AUCKLAND) DISTRICT.



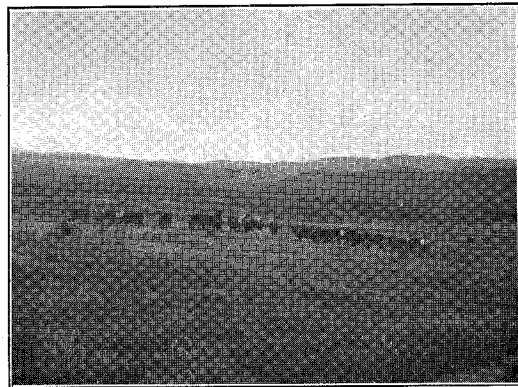
1. TE KUITI BASE FARM VIEW.



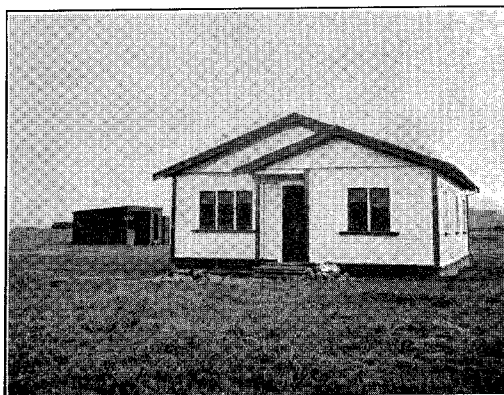
2. WAIMIHA SCHEME: TRACTOR PLOUGHING.



3. WAIMIHA SCHEME: BULLOCKS.

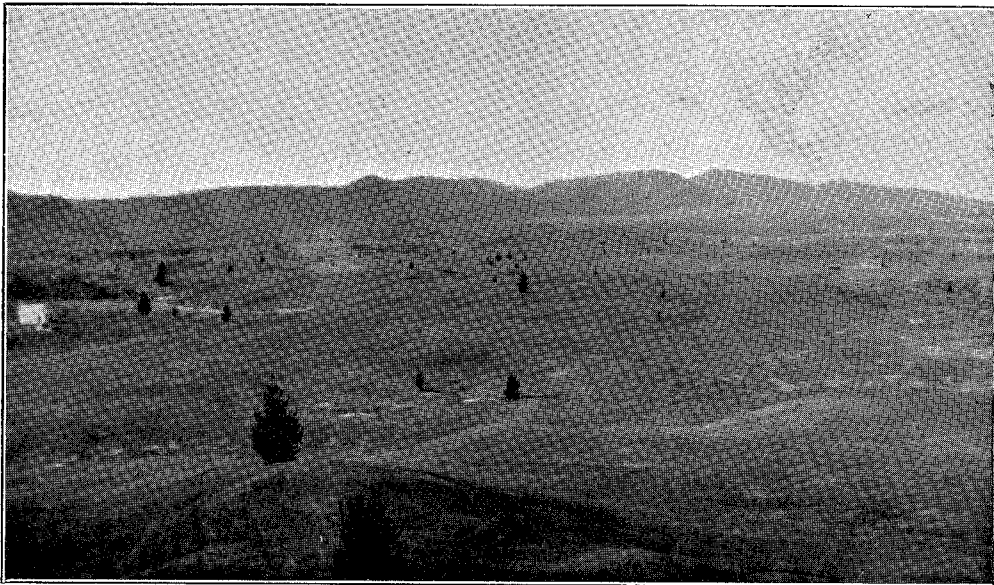


4. WAIMIHA SCHEME SHOWING THE TYPE OF COUNTRY BEING DEVELOPED.

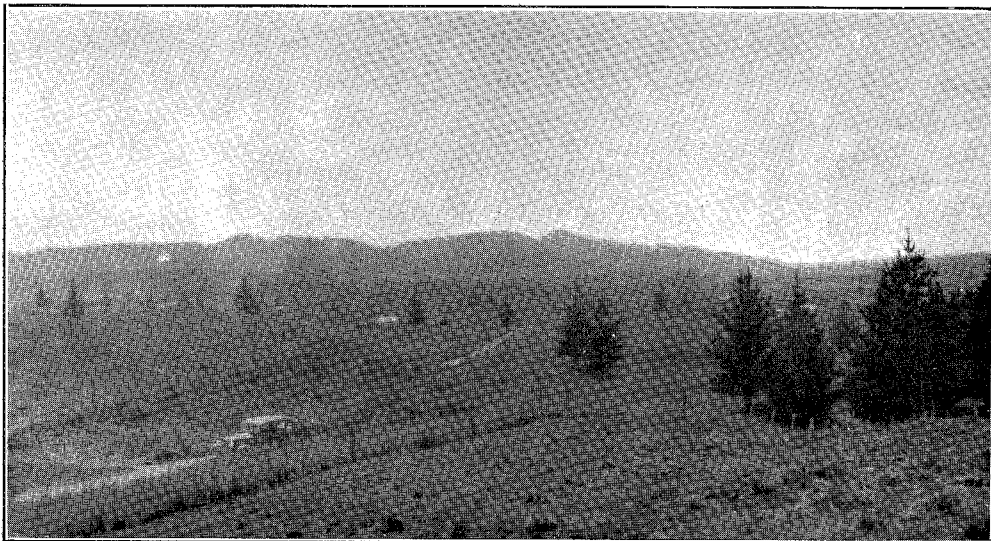


5. WAIMIHA SCHEME: TYPE OF DWELLING BEING ERECTED TO-DAY (1937).

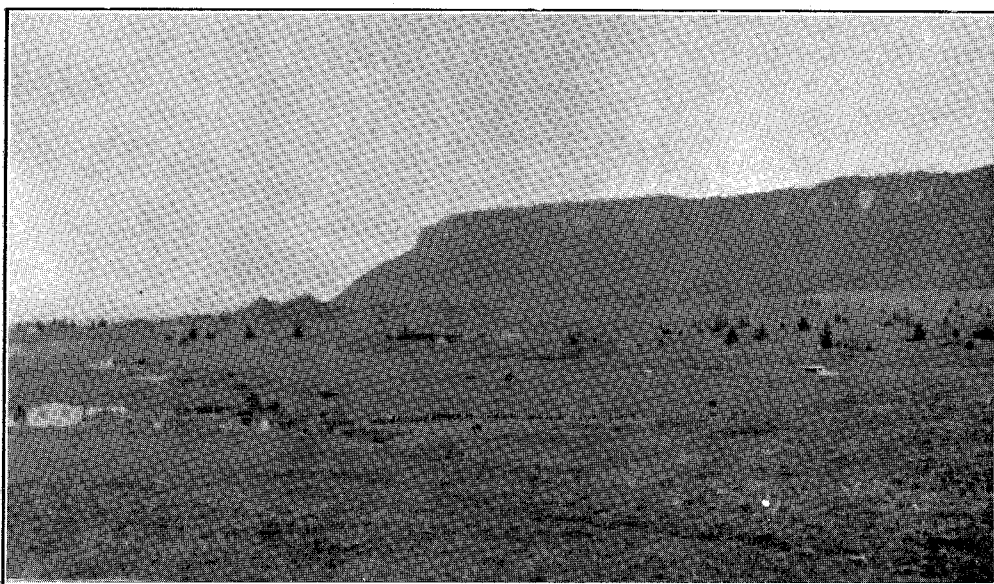
WAIARIKI (ROTORUA) DISTRICT.



1. HOROHORO SCHEME: GENERAL VIEW OF CENTRAL PORTION (1931).

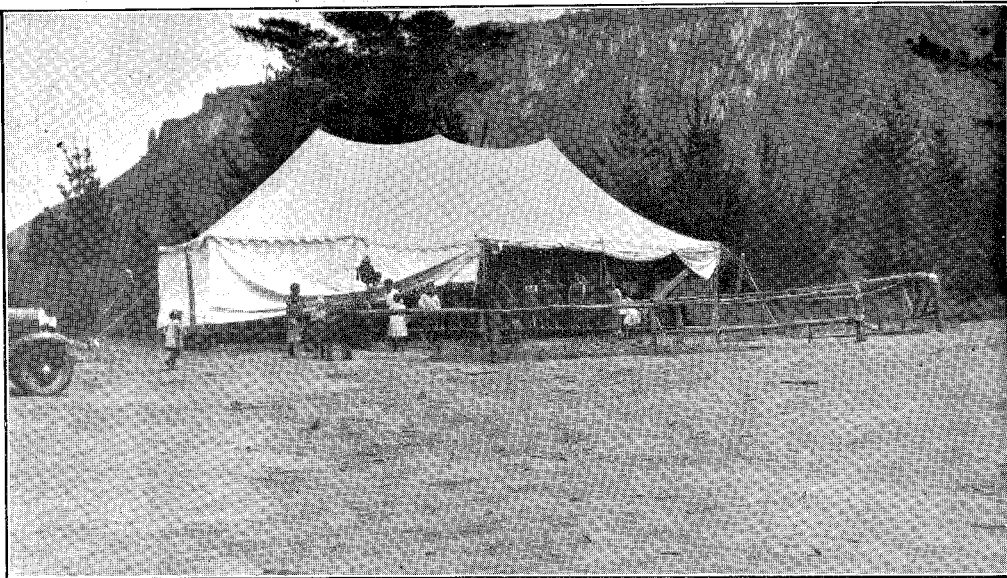


2. HOROHORO SCHEME: SAME AREA TO-DAY (1937).

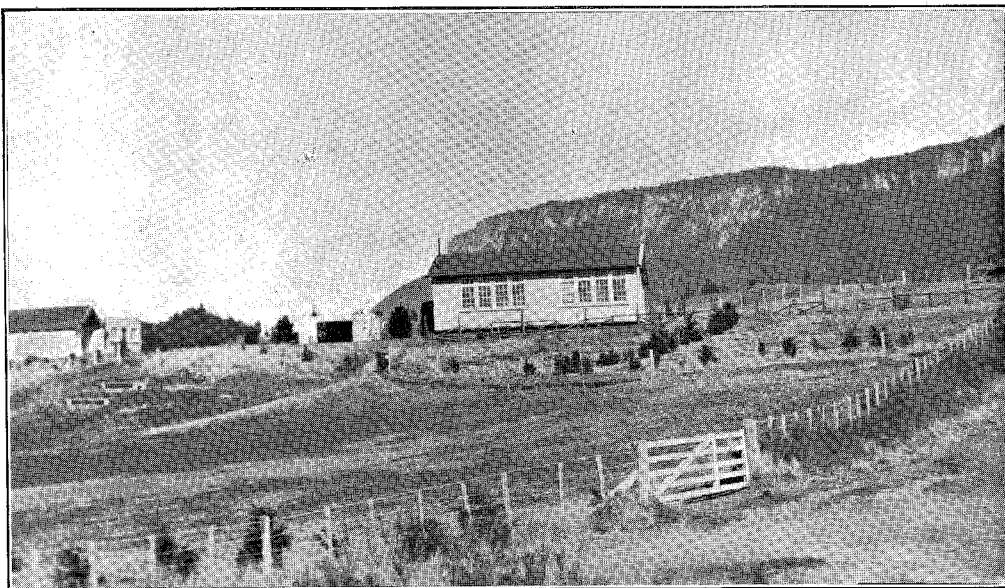


3. HOROHORO SCHEME: GENERAL VIEW OF PORTION OF THE SCHEME TO-DAY (1937).

WAIARIKI (ROTORUA) DISTRICT.



4. HOROHORO SCHEME: ORIGINAL NATIVE SCHOOL (1931).

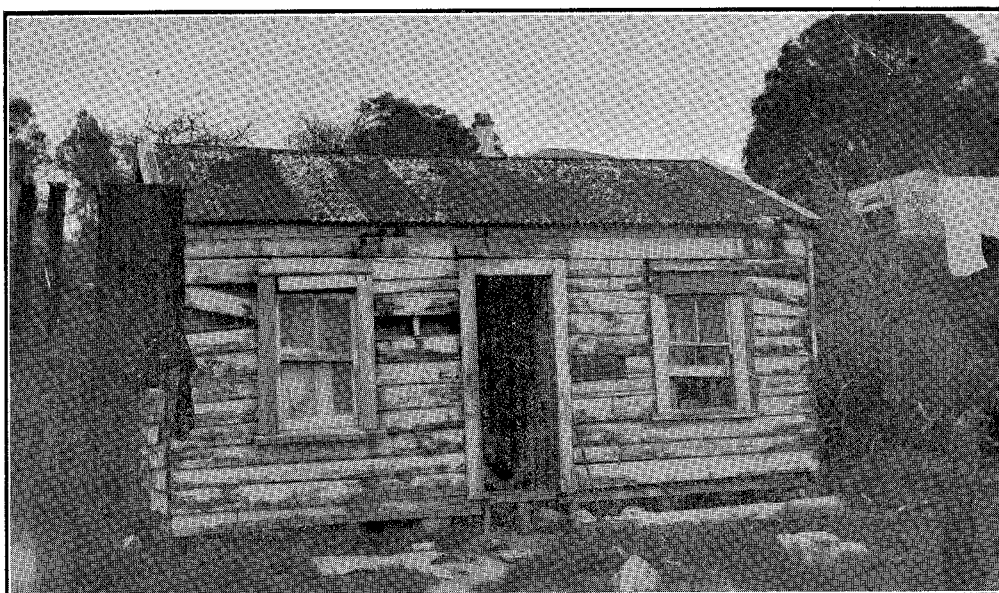


5. HOROHORO SCHEME: NATIVE SCHOOL TO-DAY (1937).

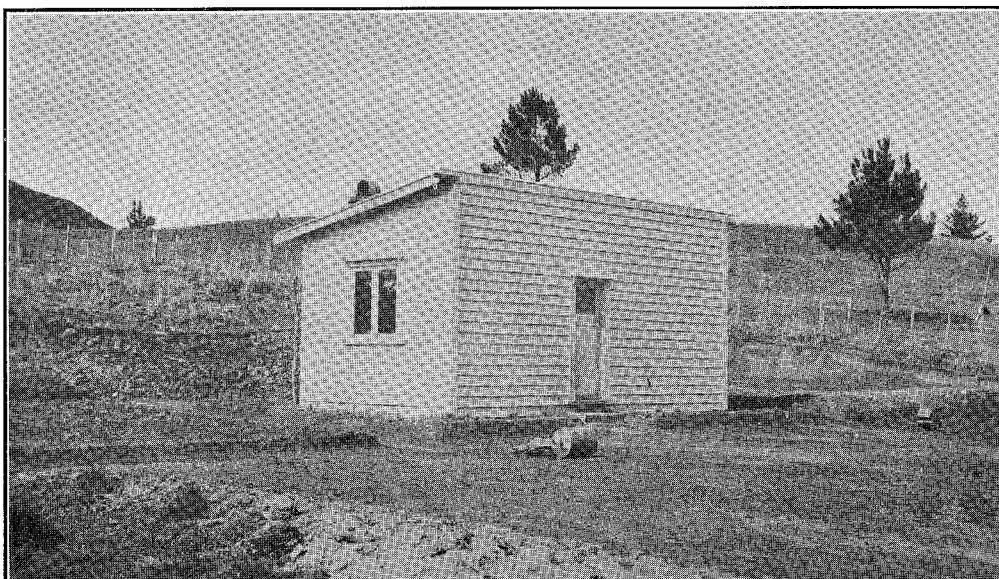


6. OLD TYPE OF NATIVE DWELLING, OMARUMUTU PA, OPOTIKI (1937).

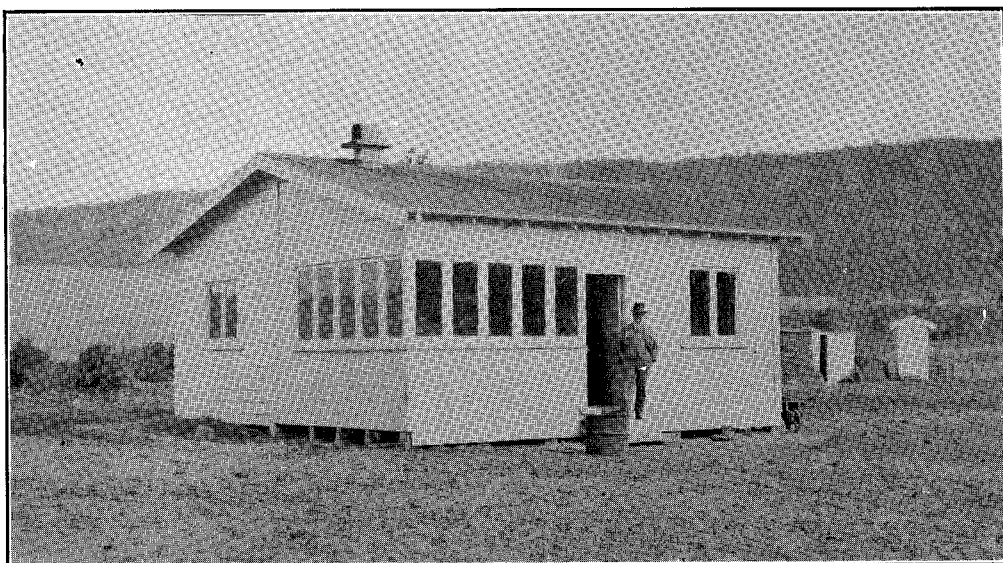
WAIARIKI (ROTORUA) DISTRICT.



7. NATIVE DWELLING, OHINEMUTU VILLAGE—CONDEMNED TO BE DEMOLISHED (1937).

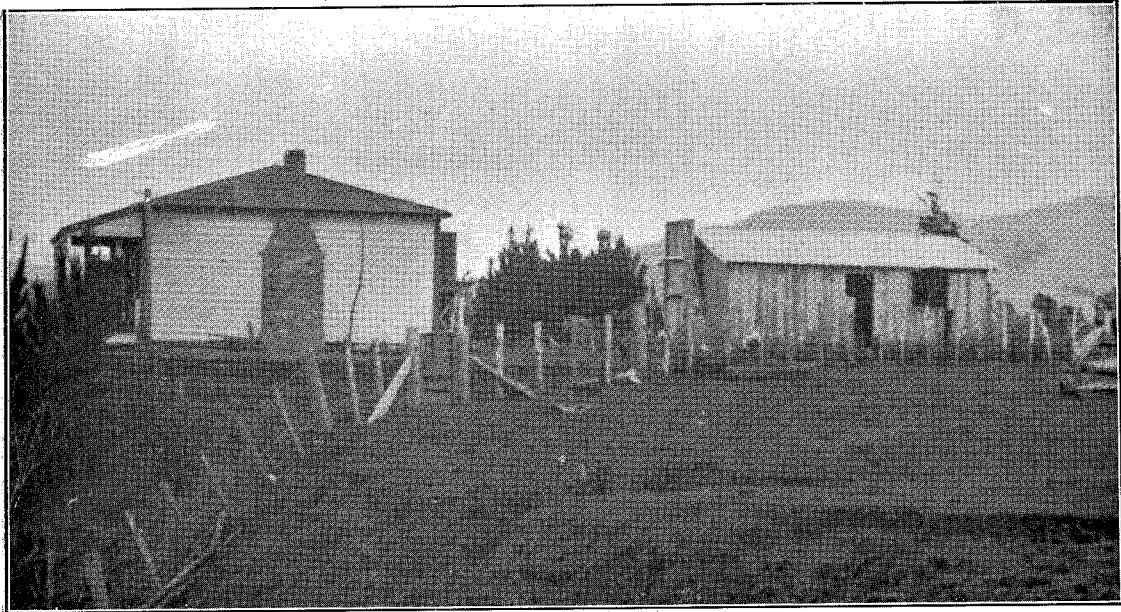


8. HOROHORO SCHEME: NEW TYPE OF LEAN-TO COTTAGE BEING ERECTED TO-DAY (1937).

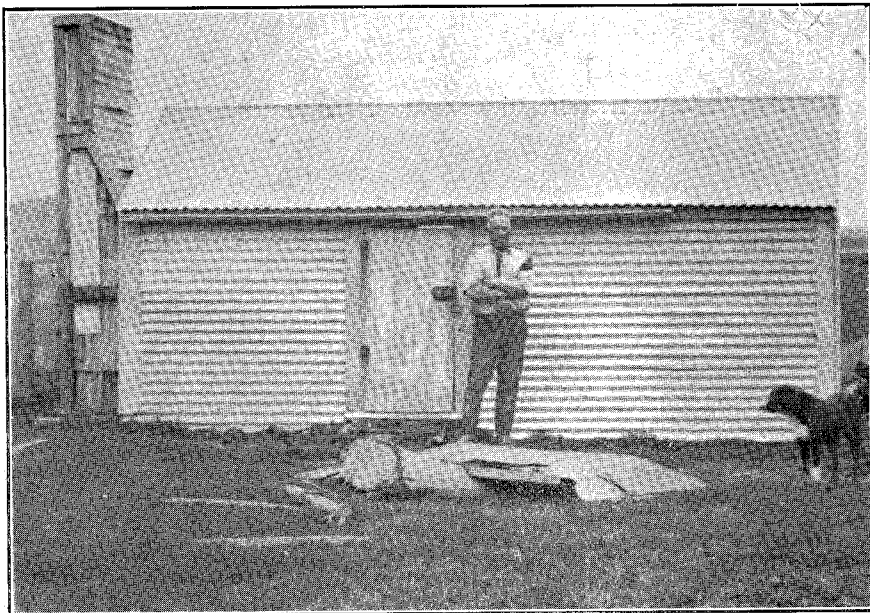


9. HOROHORO SCHEME: SAME TYPE OF DWELLING AFTER ADDITIONS MADE (1937).

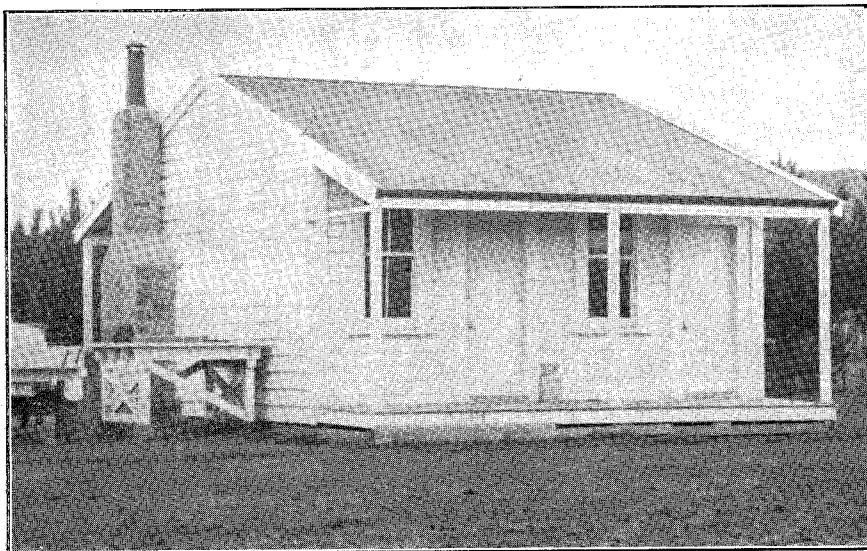
TAIRAWHITI (GISBORNE) DISTRICT.



1. WAIAPU-MATAKAOA SCHEME: OLD AND NEW HOUSES ON A SETTLER'S SECTION.

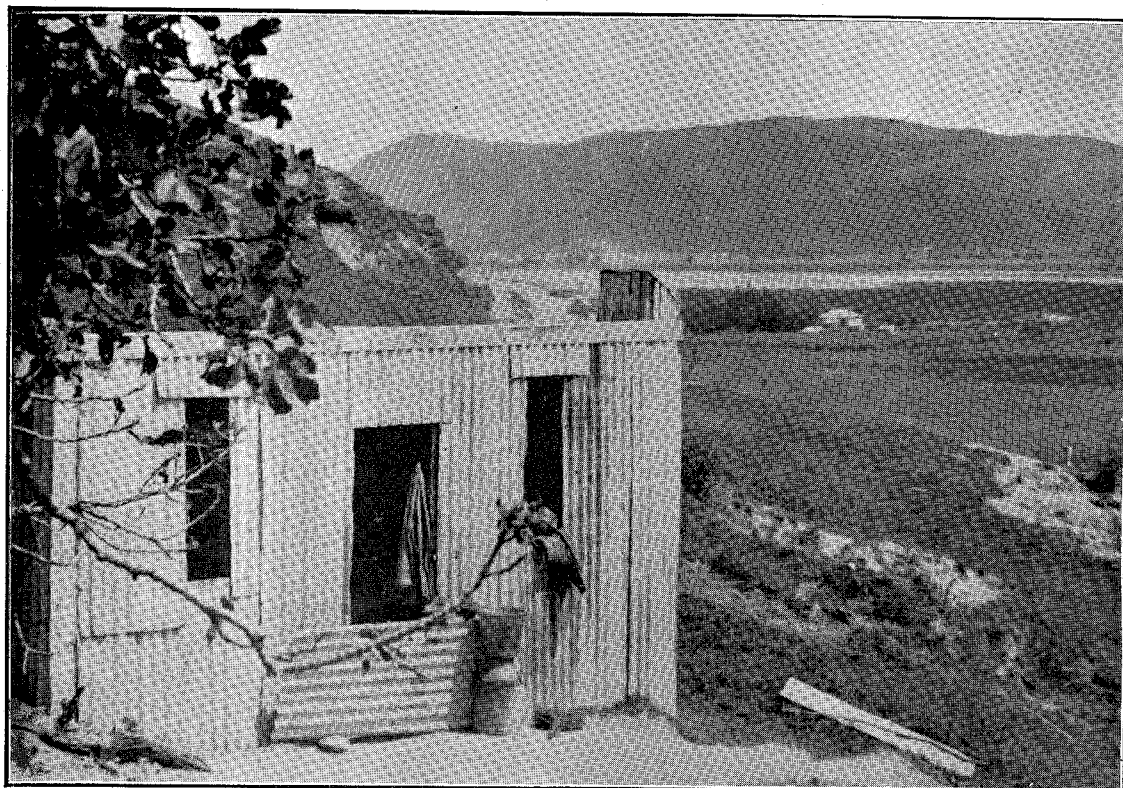


2. WAIAPU-MATAKAOA SCHEME: OLD TYPE OF DWELLING OF ONE OF THE SETTLERS.

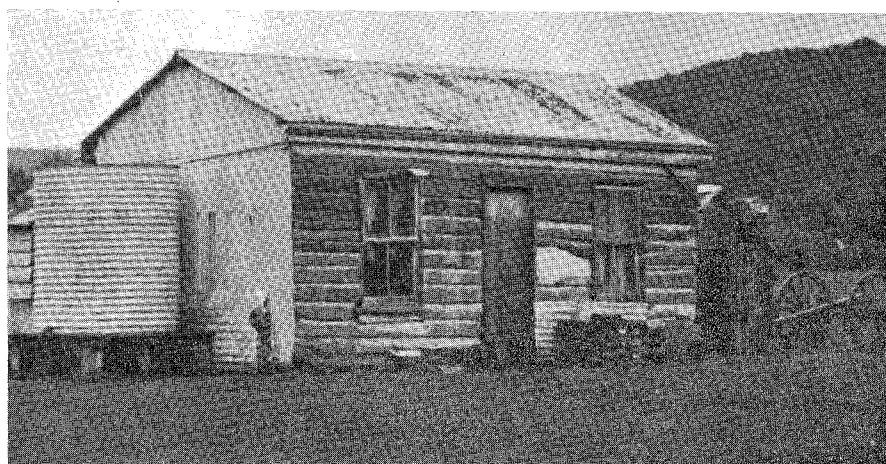


3. WAIAPU-MATAKAOA SCHEME: NEW HOUSE BUILT ON SAME SECTION AS ABOVE.

TAIRAWHITI (GISBORNE) DISTRICT.



4. NATIVE DWELLING STILL BEING USED (1937).



5. WAIAPU-MATAKAOA SCHEME: OLD TYPE OF SETTLER'S DWELLING.

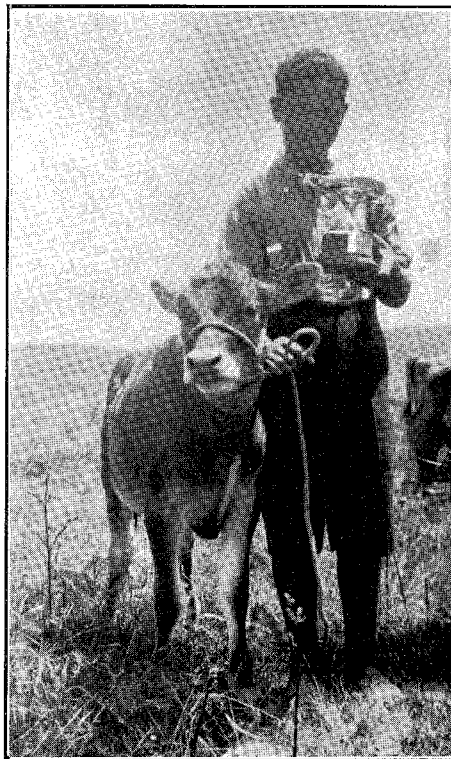


6. WAIAPU-MATAKAOA SCHEME: THE NEW DWELLING TO-DAY ON THE SAME SETTLER'S SECTION.

TAIRAWHITI (GISBORNE) DISTRICT.



7. ENTRANTS AND PRIZE-WINNERS IN THE CALF CLUB COMPETITION
HELD AMONG SCHOOLS IN THE MOHAKA DISTRICT.



8. THE WINNER OF THE CUP PRESENTED
BY JUDGE HARVEY OF NATIVE LAND
COURT.

IKAROA AND SOUTH ISLAND DISTRICTS.



1. WAIRAU SCHEME: PLOUGHING HEAVY RAUPO.



2. WAIRAU SCHEME: THE PEA CROP.

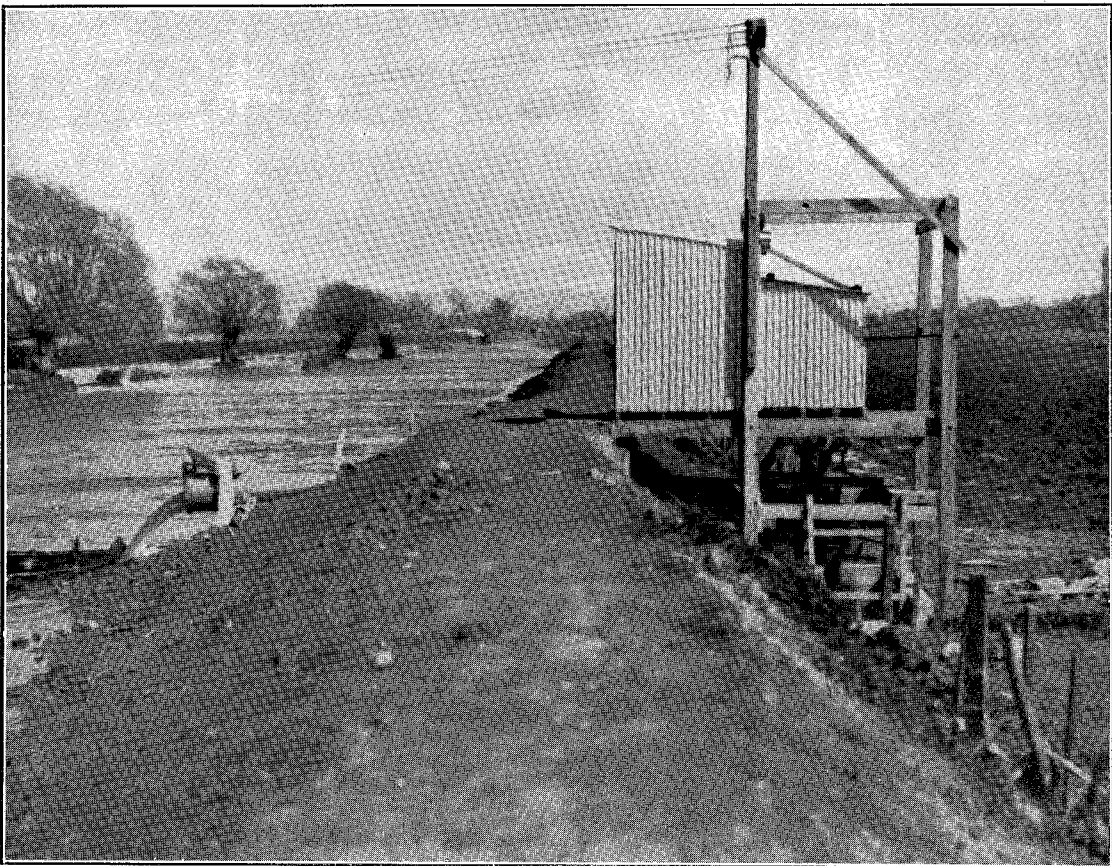


3. WAIRAU SCHEME: HARVESTING THE PEA CROP.

IKAROA AND SOUTH ISLAND DISTRICTS.



4. WAIRAU SCHEME: PLOUGHING IN PREPARATION FOR SOWING THE PEA CROP.



5. WAIRAU SCHEME: SHOWING THE STOP-BANK AND FLOOD PUMP.

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