The following stock was carried: 483 dairy cows, 18 bulls, 72 eighteen-month heifers, 89 heifer calves, 28 working-horses, and 21 working-bullocks. During the flush months of the dairying season the average number of cows milked was 379.

Blackberry control still occupies a large portion of the settlers working-time, but with improving pastures and closer subdivision this weed is not now so troublesome. It is not proposed to bring in any new areas until the part developed is fully improved and consolidated. The settlers in this scheme are showing a degree of keenness, and are becoming good farmers.

Haparapara.

This property comprises 4,101 acres. An area of 2,787 acres (being an abandoned sheep-station) was gazetted in November, 1937, the remaining portion of 1,314 acres (Awanui-Haparapara 4B) having been gazetted in January, 1932.

The property is situated on the Opotiki-East Coast Road, and the homestead and buildings are all on the road frontage. The existing buildings consist of a small cottage formerly used as men's quarters, wool-shed, and shearers' cookhouse and shed. The original homestead was destroyed by fire some time ago.

The station is subdivided into fourteen main paddocks. The only flat land—about 15 acres—is on the road frontage where all the buildings are situated, the balance being steep hills of fair-quality clay and rubble formation. Approximately 4,000 acres have been cleared, and of this about 2,000 acres are fairly clean country—chiefly danthonia and Native grasses. It is estimated that when cleaned up the property will carry 1,000 ewes, 1,000 wethers, and 500 head of cattle. A manager has been appointed to take charge of this station in conjunction with Maungaroa station, and a stockman has also been engaged.

The men's cottage has been improved and renovated and is now occupied by the manager; the cookhouse has been renovated, and sleeping-quarters provided for the shearers. Necessary implements and equipment have been provided, and a water-pump and engine available from another scheme were installed. A shearing plant was on order at the close of the year.

On 31st March, 1938, the station was carrying 367 head of run cattle.

Maungaroa.

The lease of this property was surrendeered in June, 1937, and as no suitable lessee could be found, the owners asked the Department to bring the land under the development legislation, in order to protect the improvements already made and to bring the land to a stage of full productivity. An area of 22,576 acres was accordingly gazetted by the Board of Native Affairs in July, 1937.

The access is by the Kereru River bed for about eight miles from the Opotiki-East Coast Road and is a fairly difficult track. The land comprises mostly steep hill faces rising from the river-bed on both sides, with several scattered areas of flat land of approximately 400 acres. It is estimated that about 5,000 acres of the hill country have been felled and grassed, approximately 1,200 acres being fairly clean country, and the balance being badly affected with soft fern and second growth. The existing pasture of the hill country is chiefly danthonia, but on the flats where the soil is good there is a fair covering of English grasses. The station is subdivided into twenty-four paddocks and the existing fences are in good order. The buildings are exceptionally good, and consist of a six-roomed concrete dwelling with washhouse and dairy, concrete store-room and loft, cookhouse and men's quarters, wool-shed, smithy, slaughterhouse, and cow-bail.

The necessary tools and equipment have been purchased to enable work to proceed on the station, and essential stock to hold the property has been provided. Since the station was taken over, 328 acres have been cleared, 350 chains of fencing renovated, 89 chains of tracks made or repaired, and 600 battens split. The station is managed in conjunction with Haparapara station and employs a full-time stockman. In addition, eight men were employed on various activities during the period. The live-stock carried on the station at 31st March, 1938, comprised 485 run cattle, 2,314 wethers, and 8 horses.

Te Kaha.

Located on the eastern end of the Bay of Plenty district, this scheme comprises a total area of 2,963 acres, of which area 2,400 acres are suitable for development. The land consists of a good-quality loam on a porous clay, and although badly cropped out before the inception of the scheme, it is now responding excellently to treatment. The area comprises approximately 1,500 acres in terraced flats, 500 acres of easy undulating land, 400 acres of ploughable hill, and the balance consists of steep hills covered in manuka and bush.

The number of established settlers is thirty-four, and their farms support 78 adults and 109 children. The general standard of health is good; most of the settlers have good living-quarters, and the completion of the building programme now in hand will ensure that all the farmers have comfortable homes.

There are 1,549 acres in permanent and approximately 400 acres in good temporary pasture, the balance of the area for development being in poor-quality grass and manuka. There has been a plentiful supply of feed throughout the year; the stock is in good condition; and sufficient hay and ensilage have been saved for winter requirements. The stock carried on this scheme comprised 31 bulls, 673 cows, 109 eighteen-month heifers, 126 heifer calves, 38 working-horses, and 48 working-bullocks. The average number of cows milked during the flush months of the season was 514.

A good gravity water-supply is still adequate for the shed and stock requirements of the settlers, and the length of piping is being increased yearly to meet the general farming demands. Ragwort in this scheme has been very troublesome from its inception, but continued diligence in the matter of treatment is keeping the weed in check, and in places is resulting in complete eradication. The settlers in this area are gradually becoming efficient, but the improvement is not so marked as it is in nearby schemes. The stationing here of an employment overseer during the year to oversee the work on Te Kaha and contiguous schemes should have the effect of assisting and hastening progress.