Material shortages retarded the planned programme, but during the year under review forty-seven ex-servicemen were established. In addition, the major portion of the work necessary for the settlement of another fifty-seven settlers early in the coming year was completed, while it is expected that at least sixty-one sections will be ready early in 1947.

The lack of fertilizer prevented material progress being made in the settlement programme for purely development areas, but it is hoped that an early start can be made with the preparation for settlement of the five hundred to six hundred sections planned in these areas.

Production in the early part of the year was good, but a prolonged dry summer seriously affected the output from most of the farm lands in this district.

Billings (Part Wharere Block).—Approximately 154 acres of this block remain to be developed, and this will be undertaken when fertilizer is available. Owing to deterioration of pastures, it may be necessary to crop and resow a further 250 acres before a satisfactory sward is obtained. The grown sheep have done fairly well, but the lambs were not up to the usual standard owing to the dry nature of the feed, which reduced the ewe's milk-supply. Both cattle and sheep had to be grazed temporarily on Hereford Park.

Edgecumbe (Locality: Edgecumbe).—Deterioration of pastures on this block continued owing to drought conditions and shortage of manure. The hay crop was a failure, but a fair crop of swedes was obtained. Dairy heifers purchased as weaners were grazed and run with bulls after a fairly heavy culling. The culls were disposed of, and a very satisfactory line of in-calf heifers is available for distribution to ex-servicemen. Owing to feed shortage there has been a greater measure of fern control, and paspalum will be sown in the spring on the hilly country. It is hoped that this will assist in preventing erosion on this loose type of soil. Orini has been used in conjunction with Edgecumbe and has proved valuable for fattening bullocks and cull female cattle. This block suffered from excessive flooding in the autumn of 1943, but has recovered and benefited from the recent dry season.

Fairview (Locality: Taneatua).—This block was acquired during the year and a dairy herd has been milked on shares on the front portion of the property with satisfactory returns for the season. The remainder consists of hilly country which has badly deteriorated, and a considerable amount of crushing has been done with steers and wethers. This practice will be continued, and with a sufficient manure supply and oversowing it is expected that the hills will be satisfactorily regrassed.

Jensens (Part Wharere Block).—This block has suffered very severely from the drought and practically all stock was removed. Last year's turnip area was sown down and another area is now in swedes, but owing to the poor crop, part had to be resown. A small area has been fenced and sown down for a holding paddock. Water has been laid on to two paddocks and the establishment of lucerne will be undertaken.

Mihi (Locality: Reporoa).—These areas also suffered from the drought. Owing to the newness of the pastures and lack of sufficient fertilizer, recovery has not been good, and some harrowing and oversowing will be necessary. Last year's swede area was sown down, and as an experiment approximately 100 acres of this new grass is being reserved for grazing by cattle only. Additional fencing has been erected. The National Service Department, by means of defaulter labour, again erected further fences, formed roads, dug drains, and provided most of the labour for general farm work. This source of labour has now ceased and outside labour is being engaged. Some damage was caused by fire on the Mihi and Paeroa Sub-blocks, but fortunately it was not serious. Investigations to eliminate unthriftiness experienced in young stock are being carried out under the direction of the Scientific and Industrial Research Department.

Butchers (Part Mihi Block).—This area, which was acquired during the year, is situated between the Mihi and Paeroa Blocks and will be developed in conjunction with them.