

*Elms.* This block is situated three miles from Kaikoura, on the Main South Road between the Kowhai and Kahutara Rivers. It comprises an area of 2,050 acres and was previously held by the New Zealand Farmers Co-operative Association, Ltd. The services of the Manager were retained and the Department has farmed it as a sheep and cropping area. As it is hoped to subdivide it into two dairying units and one sheep-farm, the development has been planned with this end in view. Considerable attention has been paid to the pastures, and more permanent pasture suitable for dairying is in process of being laid down. Additional water-supplies are in hand, and it is hoped to have tenders soon arranged for the new buildings required. Some difficulty in raising lambs on this block is being experienced, and expert advice is being obtained to remedy the trouble, which may possibly be some form of mineral deficiency. In this connection Lincoln College experts who were visiting Marlborough were consulted. Until the trouble is overcome it is not advisable to offer the sheep-grazing area for ballot. From the cropping areas over 3,000 bales of hay have been cut and stored for winter use.

*Greenhills.* The block comprises some 4,909 acres on the Kaikoura-Waiapu Road about 20 miles from Kaikoura. The area was in a somewhat neglected state when taken over, and as it is to be used for the settlement of ex-servicemen for sheep-farming the Department has an extensive seasonal and development programme in hand, with particular attention to the repair and improvement of existing fences, new fences, permanent and temporary pastures, growing of supplementary feed, crops, and general improvement of existing pastures. In the early stages progress was hampered by lack of labour, but this has been remedied now. Two future ex-servicemen settlers have been selected by ballot on a wage basis. The Housing Department had difficulty in getting any one to tender for the new dwelling and outbuildings needed, but a tender has since been accepted and the buildings will be soon started. Gorse is still bad on the property, but the new caterpillar tractor recently purchased for the block should enable an early start to be made to tackle this problem. It is too soon yet to say when this area will be finally allotted on lease, and the Crown still has a large programme of development in hand.

*Puhi Puhi.* To the original area of 834 acres previously called "Thacker's Block" was added the adjoining property of Mr. George Hamilton of 471 acres, both situated in the Puhi Puhi Valley near Kaikoura. The two areas were subdivided into two excellent sheep-farms and balloted for early in the year. During the year the Department ran Thacker's under a Manager and the property and stock were in great heart when balloted for, little improvement being needed except for new cattle-yards and fencing repairs.

*Sedgemere.* The essential development work on this area of 1,237 acres three miles and a half south of Seddon was completed last year and the three settlers are now farming on their own: charges having been fixed and leases granted. The two new dwellings necessary were completed during the year, water laid on, and provision made for electric-light power, which is available. As a fat-lamb and cropping area with an estimated capacity of about 2,300 ewes, it has every prospect of success.

*Speeds.* This property consists of 797 acres in Speeds Valley, Koromiko, on the main road to Picton, sixteen miles from Blenheim. Two ex-servicemen are engaged on a wage basis pending the completion of the extensive development programme, and additional labour is employed as required. The main problem has been the opening and clearing of an extensive drainage system, the property being nearly all flat valley land lying between hills on each side. One main stream traverses the property from end to end, and this has been cleared of logs, stumps, and trees blocking or impeding the flow of the water. A drag-line is about to be engaged to further clean and deepen the watercourse. A considerable length of old fencing has been made temporarily stockproof pending re-erection. Some fences have been dismantled and re-erected. A tender has been accepted for one new dwelling and a cow-shed, but it is hoped to have both the new dwellings and cow-sheds put in hand. Machinery has been