Loan Account.

1914—31st March. To Balance	£ s. d. 134,741 10 3	1913—1st April. By Balance due to Loans to Local Bodies' Account (on original loan of £31,000)	£ s. d. 36,118 4 10
		1914—31st March. By Year's interest at 4 per cent. per annum Advances made by the New Zealand State-guaranteed Advances Office— No. 1 loan—Balance No. 2 ,, ,, No. 3 ,, ,, No. 4 ,, ,,	1,444 14 7 4,746 5 0 4,746 5 0 4,784 7 6 9,568 15 0
		No. 5 ,, ,, No. 6 ,, ,, No. 7 ,, ,, No. 8 ,, ,, No. 9 ,, ,, No. 10 ,, ,, No. 11 ,, ,, Debentures issued under New Zealand Loans Act, 1908	24,109' 7 6 9,717 10 0 9,801 5 0 9,801 5 0 4,934 7 6 4,969 3 4 5,000 0 0
	£134,741 10 3	£	134,741 10 3

REPORT BY LAND DRAINAGE ENGINEER.

I have the honour, in accordance with the provisions of the Hauraki Plains Act, 1908, to report upon the various operations carried out during the year ending on the 31st March, 1914.

As in past years, the development and maintenance of the land-drainage system has been actively carried on, and existing drainage and road-formation improved as much as possible.

As no county rates are payable upon Hauraki Plains lands, and no special maintenance levy has as yet been made, the upkeep of roads and drains, &c., has so far been a charge upon special grants and the Hauraki Plains Settlement Account.

During the past year a further area of 2,392 acres was made available for selection and is now in occupation. To date the total area reclaimed and settled is 32,402 acres, and this area is occupied by some 227 settlers.

This transformation of previously useless swamp into drained farms will result in a

valuable addition to the dairying land of the province.

The settlers are making great improvements in every direction, and the whole area of the swamp is very rapidly changing into good dairy farms. Naturally it is a big fight for new settlers, but they are very energetic and progressive, and the Department strives to assist them in every reasonable way.

In each particular work dealt with hereafter, totals are given showing the position the various works have reached as at the 31st March, 1914, and details of all classes of work executed

during the financial year are shown separately under the heading of "Works performed."

It will be neither possible nor economical in the future to bring in large areas for settlement yearly, as this would prove costly. A large portion of the swamp will gradually improve itself by reason of existing drains, and this is preferable to going in for a "forcing" policy. The result will be the same in the end, but at less cost.

PRIESTMAN DREDGERS.

During the past year two Priestman dredgers have been engaged in completing the widening of the Piako River between the Waikaka Canal and Kerepeehi. This work was commenced during 1912, and during March, 1914, the widening of this stretch, a distance of very nearly 5 miles, was completed, the river for this distance now averaging 66 ft., whereas formerly it was in places not more than 30 ft. wide.

The effect of this work is especially noticeable at the Narrows, just above the Puhanga Canal, where the flood-waters always were congested, whereas now the water is not retarded to nearly the same extent, and an even flow is assured. During the fresh of December, 1913, this result was particularly emphasized, for, although the river was very high at Tahuna, the water round Kerepeehi did not rise within several feet of its former height. After the fresh began to subside the water fell remarkably quickly, instead of remaining at the same level for weeks, as was formerly the case.

All the spoil excavated was deposited on the banks of the river, and will provide material for a good road-formation and stop-banks at a later date. The stop-bank from Kerepeehi to the south end of the Puhanga Canal was strengthened considerably by the spoil being shifted back against the existing bank, and when this work is completed this portion, which formerly had to withstand the biggest strains in flood-time, will be rendered absolutely safe.

The amount of spoil removed for the year was 147,740 cubic yards, costing 3.2d. per cubic yard. This cost covers all charges, including wages, supplies, repairs, idle time, and

holidays.

Owing to the strike curtailing the supply of coal, both dredgers were idle for some weeks, and advantage was taken of this opportunity to completely overhaul No. 2 dredge. This dredge was dismantled with the exception of the chutes, and all worn parts were renewed. The heaviest work was the placing in position of a new wheel-race, which weighed over a ton, the original one being worn through in several places. All the lifting of machinery was accomplished by