25 C.—1.

50 acres of this area had been sown in grass and treated with lime and manure at the end of March, 1936, whilst the balance of 214 acres will be sown early in April. Plans have been prepared for a gravitation water-supply for the block from the Mangatea Stream, and the summer stream-flow data has been recorded.

A contract was let for the crection of six cottages, and the contractor is making good progress. Blackshaw's Small-farm Settlement (250 acres).—The autumn of 1936, like that of the previous year, has been quite unsuitable for burning the surface peat to the depth necessary to destroy the roots and seeds of the gorse and blackberry that originally covered an area of about 100 acres of swamp. Forty-five acres of the swamp margin has been grubbed, stumped, and levelled, and 40 acres of this area has been ploughed and worked intermittently throughout the summer and sown with grass or other crop. Several attempts made to burn the peat and ground timber in an area of about 55 acres in the centre of the swamp have been unsuccessful owing to the saturated condition of the peat, and the second growth of blackberry and gorse on this area must be cut next spring before it seeds. With suitable weather, the whole surface can be burnt to a depth of 2 ft. to 3 ft., which will destroy the gorse seed and roots. The work carried out also includes cleaning 360 chains and widening and deepening 93 chains of drains, erecting 85 chains of fencing, and cutting gorse on roadsides for a distance of 100 chains. The number of men employed on the work has varied between eighteen and four. For some considerable time difficulty has been experienced in obtaining efficient labour for this work.

Henderson's Small-farm Settlement.—A camp to accommodate twenty-four men was erected on the above block near Otorohanga, in January 1936, but only two men were employed attending to stock prior to the middle of March, 1936, when three more men were engaged by the unemployment-relief agencies. The work carried out comprised repairs to fences and buildings and mowing ragwort.

It is anticipated that further men will be made available at an early date, when better progress will be made.

Wharere Small-farm Settlement (930 acres).—Development was proceeded with on this area throughout the year, and despite the heavy amount of work entailed with this class of country good progress was made. The general practice followed has been to fall the heavy scrub, burn, and surface sow. A small area was ploughed and grassed and a further area sown in maize. Generally, excellent results have been obtained. A considerable expenditure is entailed in drain-construction, it being necessary to construct these at intervals of not more than 10 chains and securely fence against stock.

To date an area of 550 acres has been grassed and is being stocked with bullocks and dairy stock. Three farms were equipped, and dairying was commenced at the beginning of last season, the returns to date being 10,568 lb. of butterfat from seventy first-calvers.

A further four farms are being equipped in readiness for next dairying season.

The stock on the area comprises 212 cows and heifers, 16 calves, 216 bullocks, 10 bulls, 7 horses, 197 ewes, 6 rams, and 19 pigs. During the year 20 bullocks, 93 ewes, 78 lambs, and 21 pigs were sold at satisfactory prices.

This heavily scrubbed swamp land required a large number of men for developmental work, but, unfortunately, the camp has not been kept full, and as a result the programme laid down for the year has not been completed. It is hoped, however, that more men will be made available this year so that better progress can be made.

The following is a summary of work carried out during the year, and also the total to date:-

				Year.	Total.
				Ch. C. Yd.	Ch. C. Y d.
New drains				409 10,657	1,076 31,292
				Chains.	Chains.
Clearing drain-lines				55	287
Cleaning drains				1,010	1,305
Fences erected				1,695	2,545
Road-formation				• •	301
				Acres.	Acres.
Clearing scrub				344	684
Grassing				148	550
Stumping				138	138
Grass harrowing				50	50
Ploughing and cultivation				60	60
Maize				44	44
				Number.	Number.
Flood-gates				• •	2
Bridges erected				8	21
Cottages				5	5
Cow-sheds				$\ddot{3}$	$\ddot{3}$
Farms equipped				3	$\overset{\circ}{3}$
raims edmbbed	• •		• •	9	9

Tarawera Small-farm Settlement (900 acres).—Excellent pasture establishment is being obtained throughout this area, and there is no doubt as to the successful outcome of development operations. This also applies to the areas harrowed and grassed straight from the fern. Six dairy-farms were equipped, and dairying results obtained have been quite satisfactory, despite the newness of the pastures. An additional four sections are being prepared for the coming dairy season.

The butterfat produced up to the end of the year amounted to 30,790 lb., this return being from 127 cows, most of which were first-calvers. The stock on the property now is as follows: 198 cows and heifers, 31 calves, 12 bulls, 1 bullock, 8 horses, and 62 pigs.