essential for the best grading results. Since the inception of this scheme the supply of butterfat has steadily increased, as evidenced by the following table:—

Item.		1932–33.	1933–34.	1934–35.	1935–36.*
Total butterfat supplied		33,127 lb.	58,930 lb.	57,082 lb.	94,293 lb.
Average number of cows milked				483	484
Average per cow				118 lb.	194 lb
Total value of butterfat supplied		£ 976	£1,567		£3,388

* To 31st March, 1936, only.

A high-pressure pump and engine, by means of which water is pumped from the Waiokaha Stream to a reservoir and reticulated to the individual holdings, was installed in December, and one result of an adequate water-supply was an increase of 37,211 lb. in butterfat over the previous season. Since there has been a proper supply of water the improved condition of dairy sheds and utensils has been marked. In addition to ordinary farm-maintenance, new works undertaken during the year included 330 chains of new fencing, opening up 97 chains of new drains, cleaning 90 chains of existing drains, stumping 34 acres, scrubbing and clearing 124 acres, and ploughing 103 acres of which 35 acres were sown in permanent pasture. The progress achieved on this scheme is regarded as being satisfactory, the settlers are industrious, and a number of the holdings show promise of becoming first-class dairy-farms.

Note.—In previous G.-10 statements reports on this scheme appear under the heading of "Te Kaha-Orete No. 1 Section." The area shown in 1935 was 1,389 acres, but during the year under review there has been a revision of the boundaries, and Te Whaiti—previously shown as another section of Te Kaha—has been included.

Whangaparaoa.

Beyond Orete, and a few miles south-east of Cape Runaway, is situated the Whangaparaoa scheme, comprising 3,748 acres, of which 1,567 acres are under development. At present 755 acres are in permanent grass and 770 acres in temporary pastures. The scheme supports fourteen units, twenty-one adult dependants, and fifty-eight minors, and twelve settlers supply cream to the Te Kaha Dairy Factory.

Climatic conditions throughout the year were similar to those experienced on other schemes in this district, and the effect on pastures, winter feed, cream supply and grading was practically the same.

Up to the 31st March the total butterfat supplied for the past season was 56,260 lb., an increase of 16,495 lb. over the full season for 1934–35. The stock returns at 31st March, 1936, were as follows: 427 cows, 81 heifers, 42 heifer weaners, 12 bulls, 25 bullocks, 8 steers, 22 working horses, and 407 sheep. The general care and treatment of live-stock has been very fair. Owing to the Raukokore River not being bridged, there have been delays during floods in transporting cream to the factory, and the grading has consequently suffered on occasions.

The living conditions of the people are being improved by the erection of cottages under the supervision of the Public Works Department, arrangements are in train for the installation of a proper water-supply, drains are being cut and new fences erected, and the scheme is generally progressing satisfactorily. The willingness of the majority of the units to co-operate with the field officers is a pleasing feature, and with close supervision they show promise of becoming successful farmers.

 ${\color{blue} Note.-Previous reports on this scheme appear in G.-10 statements under the heading of ``Te Kaha-Whangaparaoa Section."}$

Te Piki.

Adjoining Whangaparaoa, this scheme is still in the earlier stages of development, and there are no established units. There is, however, a population of forty-four adults and forty minors living on the settlement, and of the former, twenty-four are workers. The total area gazetted is 4,245 acres, of which it is proposed to develop about 1,000 acres. At present 310 acres are in permanent pastures and 400 acres in rough feed. Previously a number of culled cows from other schemes were held on this property, but the area in pasture is now stocked with 100 bullocks which will have a beneficial effect on the English grasses.

The following is a summary of work undertaken during the past year :-

Fencing.—597 chains were erected and repaired with very little material cost.

Draining.—133 chains of new drains were excavated.

Clearing.—308 acres of ti-tree, scrub, and rushes.

Splitting.—1,500 posts and 12,000 battens.

It is considered that the scheme should settle seven units within the next four years.

Note.—The reference to this scheme in G.-10, 1935, appears under the heading of "Te Kaha."