

for the second thirty-three years. Subsequently an area of 2,535 acres of the leasehold was surrendered to the Crown, thus reducing the area to 3,838 acres, and upon application to the Dominion Revaluation Board, the rental was fixed at £425 per annum.

An area of 146 acres is subleased to an adjoining owner, thus enabling advantage to be taken of a natural fence-line. Approximately 580 acres are still in virgin bush.

Attention has been given to working the country with a view to increasing carrying-capacity, and good results are being obtained as shown from the following comparison between the first year of working and the position at the present day :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Proceeds.
First year	..	..	991	371	70	195	25	£ 436
Present season	..	..	2,900	2,305	150	420	169	1,681

As there are still fifty-two years of the lease to run, it is considered that the prospects of this area being a profitable farming proposition are bright. It is intended to bring in further areas of country each year.

In a report of a recent inspection by the Chief Supervisor and the Farm Supervisor for the East Coast Trust Commissioner, the land was valued at £17,990 and the stock at £9,339, while the property generally was stated to be in a satisfactory position. Since this inspection additional stock valued at £1,050 was acquired, and thus on the basis of the liability of £15,304 to the Native Trustee, there is a substantial surplus.

Aohanga Station.

Comprising three blocks of land—namely, Mataikona 1, 2, and 3—this station contains an area of 17,723 acres, of which 907 acres are reserved for the use and occupation of the owners, leaving the major portion of 16,816 acres to be farmed by the Native Trustee.

The property is situated on the East Coast between the Aohanga and the Mataikona rivers, and had been subject to leases for many years, the last lease expiring on 28th February, 1928, when the land, which had been allowed to go back to second growth, was in a poor condition. The owners were not able to finance any of the work necessary to improve the block and were faced with the possibility of having to lease at a low rental on account of the heavy outlay which would be required to bring the country in again. They requested the Native Trustee to take some action to deal with the situation, and as a result special legislation (now section 64 of the Native Purposes Act, 1931) was passed vesting the control and management of the whole area in the Native Trustee. In discussing the arrangements for the running of the property with the owners it was agreed that an annual payment by way of anticipation of profits of an amount equal to what was being paid previously by way of rent, would be made to them until such time as the advances made by the Native Trustee to work the place had been repaid. It was further agreed that later, when profits were available, these would then be distributed amongst the beneficiaries.

As practically the whole area had gone back to manuka and tauhinu, contracts were let for clearing 10,000 acres, and subsequently a splendid burn resulted. Many miles of new fencing were erected and the necessary stock purchased, and although in the total a large sum was expended, the average cost per acre was reasonable. Further areas have been cleared up by unemployed relief workers under an arrangement with the Unemployment Board.

The station is being worked with a view to increasing its carrying-capacity, but it has been difficult to go on with necessary work such as pulling tauhinu, cutting scrub, and erecting new fences, as it has not been possible to get the labour required to do the work. The following comparison sets out the present-day position as against the first year of the Native Trustee's control, the figures being the actual winter carrying-capacity :—

			Sheep.		Run Cattle.		Wool.	
			Breeding-ewes.	Others.	Breeding-cows.	Others.	Bales.	Proceeds.
First year	..	..	9,362	6,638	796	1,278	230	£ 1,983
Present season	..	..	9,500	19,891	800	1,073	674*	8,119

* 72 on hand.