

The expenditure on stock to date has been £14,986, and the total returns for last year from all sources, excluding pigs, were as follows:—

Butterfat	£	12,140
Fat cattle (Tarawera, Wharere)		1,335
Sheep and lambs		3,264
Wool		384
		£17,123

Some of the blocks have not been fully stocked owing to the excessive growth, but it is hoped that this will be rectified for next season.

The outstanding carrying-capacity is that of the Wharere Block, which averages over a grown beast for each acre of grassed land. Details of the works carried out on the various blocks are as follows:—

Mangatete (1,270 acres).—The development of this block was continued, the average number of men employed being nineteen, this number being in addition to the seven men who have been allotted sections. On the two sections which were felled and grassed last year the Department has grazed sheep, and buildings are now in course of erection to enable these to be farmed by new settlers during the coming season.

At the end of the year the Department had 467 sheep and lambs on this area, and these will be transferred to the Puriri Block as soon as the newly sown grass is sufficiently far ahead. Some consignments of fat lambs were forwarded to the works at Moerewa.

The development of the block will be completed during the coming year.

There has been a surplus of posts, and these have been made available for the Kaitaia and Mangawai Blocks.

The following schedule shows the principal work carried out during the year, together with the total to date:—

	During Year 1936-37. Number.	Total to Date. Number.
Posts and stays	9,842	21,484
Strainers	260	750
Battens	4,939	7,269
Gates constructed	64	195
Cow-sheds erected	2	8
Pig-shelters erected	2	14
	Square Feet.	Square Feet.
Timber felled and cross-cut	23,939	100,491
Timber milled	20,824	68,828
	Acres.	Acres.
Bush felled and grassed	175	380
Area top-dressed	80	480
Clearing fern and wiwi	60	235
Stumping and logging up	20	220
	Chains.	Chains.
Fences erected	303	781
Fences repaired	26	181

Puriri (1,400 acres).—This block adjoins the Mangatete Block, and at the beginning of the year was covered with mixed bush. A timber company was working the bush on a royalty basis, but the license has now lapsed.

Bush-felling operations were commenced last year, approximately 120 acres being felled, this being satisfactorily burnt and sown. Every endeavour is being made to save areas of bush at the heads of the main gullies, in order to conserve the water-supplies, and some 30 acres were saved above the area recently burnt.

This area will be farmed by the Department, and it is my opinion that it would be more satisfactory for the Department to farm the whole area until the clearing and grassing is completed, and the work is being planned accordingly.

Contracts are now being prepared for fencing the grassed area, as well as for the felling of bush and the splitting of posts.

Kaitaia (1,000 acres).—The work on this area has consisted of continuation of the works previously carried out and the extension of operations to portion of the adjoining peat lands. This latter type of country will not be nearly as good as the alluvial land already grassed, but should it hold the grass it will provide a change for the stock. Best results have been obtained by disking and harrowing this land after clearing and burning, but it is yet too soon to state the results.

Only minor floods have been experienced during this year, and these have not affected the farming operations, although a large amount of work has had to be carried out to rectify the damages suffered by severe flood of February, 1936.