

The receipts for the year were as follows: Department's proportion of the cream return, £7,183; wool proceeds, £131; and sheep and cattle receipts, £114 and £68 respectively.

The constant issue of water from springs on the Panguru Mountain is being utilized as a water-supply for the Native farmers at Motuti. The scheme of reticulation is being installed under the supervision of the Public Works Department with Maori unemployed labour, and during the year two reservoirs were constructed, and the work generally is well forward. About thirty sections, extending over 2,500 acres, will be served in addition to the local school. The area is good dairying land, but is poorly watered, so that the installation of a good water-supply will materially assist dairying operations and also be beneficial to the health and well-being of the people.

Kaipara.

Included in this development scheme are the lands in the following localities of the Hobson, Otamatea, and Rodney Counties: Waihaua-Whakapirau, Port Albert-Batley, Kaukapakapa, Otakanini-Reweti, Pakiri-Mahurangi, Matakoho-Naumai, Opanake-Kaihu, and Tangiteroria. There are some 7,298 acres under active development, of which 5,000 acres are in grass and rough feed. Fifty-eight settlers are being assisted, the average loan account is within a safe margin, and repayments have provided for interest payments in most cases, together with a reasonable reduction in principal. Assistance from unemployment funds during the year has been restricted, as it has not been possible in this district, by reason of the scattered nature of its inhabitants and the limited supervision available, to grant contracts to the same extent as has been done in other areas. In addition to the subsidies to the fifty-eight settlers, unemployment grants were made to twenty other farmers and ten registered unemployed, while there were some 450 adults and children dependent upon the scheme, this giving a total of 538 persons who were receiving assistance from the Department during the period under review.

The number of cows in milk at the flush of the season totalled 900, while the settlers' live-stock at 31st March, 1937, comprised 1,074 dairy cows, 268 other dairy stock, 12 run cattle, 49 dairy bulls, 234 pigs, and 67 horses. The carrying-capacity of these lands varies from locality to locality, and while there are some first-class pasture lands, others on which dairying is being conducted are actually only suitable for the running of sheep. The Department's proportion of the cream cheque (approximately one-third) was £1,919.

Work on unit and scheme properties during the year consisted of the erection of 4 cow-sheds and 2 cottages; the felling of 20 acres of bush, 158 acres of clearing; 410 chains of new fencing, with 40 chains of repairs; the splitting of 350 posts and 4,000 battens; 184 chains of new draining, with 21 chains of cleaning and widening; the cultivation of 50 acres; and the formation of 8 chains of roading. On other Native properties the record of work performed is shown in detail on page 12 of this report.

The majority of the settlers in the Kaipara area can be termed good average Native farmers, with the exception of a number at Waihaua, Karakanui, and Port Albert, who do not show the same interest in their farms. This state of affairs is in no small measure due to their living-conditions, which leave room for much improvement, and also to the inconvenience of the access to these particular localities which is by water only. The appointment of a foreman to assist in the supervision of Native farmers in these localities should go a long way towards remedying the position.

With ample sea fish and shell-fish from the arms of the Kaipara Harbour, one source of the people's food-supply is assured. Their health is fairly satisfactory, but there is room for improvement, and where new dwellings have been erected there is a marked change in this direction.

The shortage of suitable labour has retarded the erection of houses, but a steady programme has now been planned, and some twenty to thirty dwellings will be built during the ensuing season. Several spacious lean-to types of homes measuring 30 ft. by 14 ft. have been erected in urgent cases where the security would not permit of a larger building being constructed. It is proposed to enlarge this type to 30 ft. by 16 ft., which will give three bedrooms, a living-room, open stove, washhouse, and a bathroom, which model has given satisfaction to the Natives concerned. Considerable progress may be anticipated in the near future, as the Public Works Department will be carrying out a part of the programme, and the Supervisor has a team of good Maori carpenters, under a European tradesman, who will undertake the extensions and additions to houses and erection of the lean-to types.

Mangonui.

The most northern portion of the Tokerau district over which this scheme extends embraces the lands in the following localities: Te Hapua-Te Kao, Whatuwhiwhi, Parapara, Awanui, Pukepoto, Ahipara, Herekino-Whangape, Pamapurua, Peria, Mangonui, Otangaroa, Pupuke, Matauri Bay, and Matangirau. The majority of the country in this scheme is poor, and the Maori population is numerous. Holdings are comparatively small, and in many cases the possibility of supporting the farmer on the areas is remote. Perhaps the most compact group of development units is in Ahipara Bay, about ten miles west of Kaitia.

For the year under review the weather has been reasonably good, although two minor floods damaged fences in several localities. In one locality the grass has not yet recovered from the effects of a tidal wave which occurred some eighteen months ago. Returns have been maintained, but extensive room for improvement exists. For the most part the health of the Natives has been good, except in the Parapara locality, where considerable sickness was reported, due, no doubt, to the living-conditions. All requests for employment assistance have been met through the efforts of the local certifying officer of the Labour Department, or the Native Department. In the Whangaroa