19 G.—10.

To-day, after nearly seven years of active development of what was unproductive land, there may be seen herds of beef cattle and sheep on excellent grasslands extending over 2,377 acres. Fortune has not always smiled on Mahoenui scheme, but it is very pleasing to report that the cleaning-up work, comprising stumping, logging, and burning during the last two years, has considerably improved the pastures. The general appearance of the scheme has been the subject of very favourable comment by settlers in the district and by visitors in this locality. The improvement of this farming venture must reflect to the credit of the Supervisor, and the prospects for the future are considered bright.

The Farm Supervisor reports that the 110 acres swede crop was an exceptionally good one, and no difficulty will be experienced in wintering the scheme stock, which as at 31st March, 1937, included. 1,378 ewes, 1,088 wethers, and 838 lambs; while the run cattle carried comprised 92 heifers, 73 cows,

57 one-year-old steers, 70 two-year-old steers, 310 three-year-old steers, and 52 calves.

The total receipts for the year included the following transactions:-

				$egin{array}{c} \operatorname{Cash} \\ \operatorname{Receipts.} \\ \mathfrak{L} \end{array}$	$\begin{array}{c} {\rm Transfers} \ {\rm to} \\ {\rm other} \ {\rm Schemes.} \\ {\rm \pounds} \end{array}$
9					
Wool	4	 		1,151	
Cattle		 			733
Sheep		 		1,862	393

Forty-two bales of wool from the main scheme alone were sold, totalling 17,829 lb., which averaged

1s. 0.9d. per pound.

The live-stock on the scheme is in excellent condition. The main scheme wintered 1,160 ewes, which lambed down 1,033 lambs, giving an average of 90 per centum. The pastures have improved to such an extent that this coming season it is intended to run 250 Polled Angus cows, 240 steers, 2,000

breeding-ewes, and 1,000 wethers.

The work carried out on the main scheme during the year by permanent hands and unemployed men is summarized as follows: 86 chains of roading (10 ft.), including the laying of 25 culverts; 210 chains of new draining; 240 chains of new fencing, with 50 chains of repairs; 445 acres of bushfelling, clearing, and grubbing gorse; 176 acres of grassing, 1,000 acres of top-dressing; 130 acres of cultivation; the splitting of 22,100 battens; the erection of a two-stand wool-shed 35 ft. by 40 ft., and a dip; and the erection of 2 workmen's huts. During the coming year it is proposed to fall 650 acres of bush to the north of Totoro Road.

At present the scheme, including two unit properties, has dependent upon it seventy-six men, women, and children, and the health of the community has been excellent. During the year twenty-six men were assisted from the Employment Promotion Fund. The principal unit, one of the hereditary leaders of the Ngati-Rungaterangi, takes a keen interest in the progress of the scheme. He milks a herd of about 30 cows and runs 606 sheep and 30 Polled Angus heifers. Proceeds amounted to £448 for live-stock sales, and £204 from 4,963 lb. of wool for the past season. The unemployment work on the unit sections covered 6 acres of bushfelling and clearing; 198 chains of new fences, with 80 chains of repairs; 103 chains of new drains; 26 acres of cultivating and ploughing; and the splitting of 500 posts and 30 strainers.

Mangapu.

Although this scheme at present consists of only two units it is confidently anticipated that further land on the watershed of the Mangapu Stream will later be gazetted. The areas so far included comprise a total of 633 acres, gazetted on 3rd September, 1936, are at the headwaters of the Mangapu Stream, one of the many tributaries of the Waipa River. There is a considerable amount of Native land between the areas now under development and Hangatiki, which has, and still is, benefiting as the result of the Mangapu Drainage Board's operations. The principal draw-back to the extension of development on a large scale is the lack of proper access.

One of the properties has about 70 acres of good dairying land and the balance is good sheep and cattle country, with very little gorse, blackberry, or ragwort. The other property has 100 acres of poor grass, which is to be reconditioned by clearing and burning scattered scrub and top-dressing. The balance of the ploughable country, 150 acres, will be cropped and put down in pasture in areas of

30 acres at a time.

The two units established in September, 1936, are already carrying 18 dairy cows, 60 run cattle, and 400 breeding-ewes. The sheep were purchased in February last and consequently will not return a

profit until next season.

From the Employment Promotion Fund assistance was provided for four men having thirteen dependants, the work comprising 15 acres of clearing and bushfelling; 60 chains of new fences; 40 chains of fencing repairs; the splitting of 150 posts, 500 battens, and 6 strainers; 20 acres of ploughing; and the building of 1 whare and the making of 4 culverts. The butterfat production from October to March totalled 2,125 lb. and realized £90.

Ngahape.

The area of 423 acres, situated six miles from Te Kawa, so far included in this scheme comprises a portion of the estate of a well-known deceased Native. In the early history of the Ngati-Maniapoto tribe this locality supported a big population, but a sub-tribal dispute over some of the fertile cultivated areas led to one sub-tribe joining the southward trek of Te Rauparaha and other Tainui leaders.