G.—10.

The completion of the railway from Napier to Wairoa by the building of the Mohaka Viaduct has already been of considerable benefit to this scheme. Savings are being effected in transportation costs, and, due to the fact that the line actually passes through the scheme, it can be readily understood that the greater facilities for handling of live-stock and produce must be reflected in the general well-being and progress of the Native settlers. The block continues to show improvement, and the results of last year's operations are quite apparent. The majority of the Maori units are keenly interested in their holdings and show promise of becoming successful farmers. Up to the present the policy has been mainly to bring the land into a reasonable state of pasture. Although there still remains a lot to be done in this connection, the Department is now expending much energy on the production side.

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A number of the units' herds were tested this year, and a systematic method of culling the dairying stock is in operation. The Native farmers are being encouraged to take more interest in their herds, and a programme of growing winter feed, together with the making of hay and ensilage, is being prosecuted. This education cannot be brought to a successful issue in one year, but from the interest

shown to date one can reasonably look forward to better butterfat returns in the future.

The question of water-supplies is a big one on the whole of the Mohaka block, but by using windmills and wells, and by the harnessing of creeks, the position is being gradually improved. The construction of a water-supply which, with the aid of two hydrualic rams, will supply five farms, has been commenced.

The housing problem is very acute, but the most urgent cases are being dealt with, and five cottages were erected during the year. The old temporary cow-sheds are gradually being replaced by

more modern buildings.

A good deal of work was done during the year, consisting of nearly fifteen miles of new fencing, 353 chains of repairs, 958 acres of clearing of bush and scrub, 454 acres of ploughing, 266 acres of stumping, 66 chains of draining, and 145 chains of road formation and the grassing of 970 acres. The tallies of live-stock as at 31st March, 1937, were 1,216 cows, 108 other dairy stock, 4,237 sheep, 820 goats, and 61 horses. The Department's proportion of the butterfat proceeds was £1,722 from a total poundage of 92,419 lb., and the wool cheque for the season realized £1,091 from 17,888 lb.

The scheme can be looked upon as a success, and it is very apparent that the health and well-being

of the Natives are much improved, being very noticeable in the happy and healthy children.

Poroporo.

In the heart of the "development" country of the East Coast, between the Mangaoporo and Poroporo Rivers and eight miles to the north of Ruatoria, is situated 2,604 acres of fertile land known as the Poroporo scheme, which was one of the first to be inaugurated in the Tairawhiti district. In 1930, when it was taken under development, it consisted for the most part of bush lands, with several slopes covered in fern and manuka. In the course of the subsequent two years the bush was felled, the land being grassed, subdivided, and fully stocked.

To-day the scheme contains ten progressive dairy units and the Uruahi Station, comprising good hill country and covering areas of 654 acres and 1,950 acres respectively. The dairy sections are situated on the fertile Whenuakura flats, and a total of seventy-six Natives are obtaining a living from the land upon which are running 222 cows and 50 other dairy stock, and from which a total butterfat

return of 26,509 lb. was obtained.

Uruahi Station carries 4,176 sheep and 481 cattle on its 1,950 acres of pasture. Protective work against slips to which the area is subject is being carried out, and it is hoped that the present programme of tree planting will eliminate this trouble within the next two or three years. Not only did the total wool-clip of 32,444 lb. average a fraction over 15d. per pound for the last season, but the actual wool receipts for the clip, amounting to £2,073, showed a large increase on the sum realized for the previous season.

Developmental work on the unit dairy farms has proceeded apace in that 260 chains of new fencing have been erected, with 80 chains of repairs; 62 chains of new drains; and 35 chains of repairs, while 25 acres of grass were sown. Dwellings and cow-sheds have also been erected for several of the settlers.

Takatahu.

"Takatahu" is the local name of the Whetumatarau No. 6 block which, with the adjoining subdivision No. 5, comprises an area of 418 acres near Te Araroa, consisting of three parts flat and one part of steep hillsides. Prior to coming under the development provisions of the Native Land Act, the lands were included in an order of incorporation under Part XVII of the Act, but were not utilized to any extent, and all but 100 acres were in standing bush.

The property has been fully cleared and grassed, and to-day is in good pastures subdivided into twelve main paddocks and a few small ones. The main fences erected are on the section survey lines, so that at any time the property can be run as three separate farms, which is the ultimate goal.

Favourably located on fertile river-flats, the scheme continues to be one of the most successful dairy ventures undertaken by the Department, and after allowing heavy depreciation charges on buildings, fences, and general farm equipment, a net profit of £481 was made for the year ended 31st March 1937.

Herd-testing has been carried out for the past two seasons, and the herds have been culled systematically, with the result that a good type of beast is retained for use. This fact is borne out by the excellent butterfat returns for the season of 21,693 lb., which realized £1,086. This figure is an increase of 50 per centum on the previous season's return.