All the blocks, except Whawhakanga F 4, are mortgaged to the Native Trustee, and before the application of the provisions of section 25 of the Native Trustee Act, 1930, the whole area had deteriorated into scrub and second growth. It is hoped, and the progress to date indicates, that before many years the station will be freed from debt.

The land is easy rolling country with a heavy clay subsoil. Water lies badly on the surface during the wet weather and the soil is somewhat sour. Each year an area is ploughed for swedes and regrassing, but on account of the short season for ploughing—early ploughing is impossible on account of the excessive surface water, and late ploughing with horse teams after the ground has set hard is out of the question—the area that can be treated is limited. At the present stage the utilization of horse teams is considered uneconomic, and arrangements will be made for the purchase of a tractor and equipment during the ensuing year. The expenditure is justified, as the total area of the station exceeds 5,600 acres with about 2,000 acres ploughable, and the plant will be in use practically all the year round.

Also, with power available mole-draining will be undertaken. The results in improved pastures, obtained through ploughing and regrassing, have been most marked.

The extent to which the carrying-capacity of this station has been increased is indicated by the following summary:—

| | | | Sheep. | | Run Cattle. | | Wool. | |
|--------------------|-------------|----|-----------------|-----------------------|----------------|------------|-----------|-------------------|
| · · | | | Breeding-ewes. | Others. | Breeding-cows. | Others. | Bales. | Gross Proceeds. |
| 1930–31 1936–37 | ••. | •• | $2,242 \ 3,827$ | $\frac{2,061}{7,767}$ | 168 206 | 128 396 | 98 304 | £ 463 6,816 |

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

Improvements during the year were confined to scrub-cutting and fencing renewals, which were carried out by Maori relief workers.

Tawanui Station.

This area was acquired by the Native Trustee as mortgagee in 1931 and represents a Common Fund asset. To this extent it differs from the other stations controlled by the office. The land is situated at Ngapaenga, near Te Kuiti, and is a Crown leasehold (L.I.P.) containing 916 acres.

situated at Ngapaenga, near Te Kuiti, and is a Crown leasehold (L.I.P.) containing 916 acres.

The area is "sheep-sick," but experimental work carried out with the co-operation of officers of the Department of Agriculture and the Lands Department has now demonstrated that sheep can be bred and reared on the property.

Until the current year the office has been content to maintain the property as far as possible out of revenue, and has not attempted any major capital expenditure, but it had now been decided to adopt a policy of progressive development in manuring existing pastures and stumping and ploughing further areas for grassing.

The stock carried last winter and the previous winter compared with the first year of operations was as follows:—

| | | | Sheep. | | Run Cattle. | | Wool. | |
|-----------|-----|-----|----------------|---------|----------------|---------|-------------------------|--------------------|
| • . | | | Breeding-ewes. | Others. | Breeding-cows. | Others. | Bales. | Gross Proceeds. |
| | | • , | | | | | | £ |
| 1931 – 32 | | | 934 | 197 | 28 | 64 | Sold by previous owners | |
| 1935 - 36 | | | 567 | 335 | 36 | 59 | 27 | 250 |
| 1936–37 | • • | • • | 702 | 197 | 45 | 68 | 28 | 578 |

After the first year, when it was found that sheep could not be bred and grown to maturity, the ewe flock was reduced, but this position is being slowly remedied and fat lambs and wethers were sold last year.

The prices obtained for the various classes of wool sold during the season and the average price per bale are shown in the table appended at the end of Part III of this report.

Tiratu.

This station, situated near Dannevirke and containing 734 acres, was vested in the Native Trustee under section 25 of the Act to prevent action being taken under the original mortgage to dispossess the Native owners.

Improvements have been effected during the last year with the assistance of unemployment relief labour, the following work being completed: 166 chains of new fences and renewals, 30 acres of stumping and sowing, and 50 chains of drain.

The latest valuation made in March, 1936, shows a satisfactory financial position. The woolshed destroyed by fire has been replaced. The increased carrying-capacity of this land after being