

The following stock was carried on the scheme as at 31st March, 1938: 188 cows, 148 heifers, and 10 working-horses.

Two dwellings and three sheds were erected, and approval was granted for the building of eight new cottages and seven sheds and alterations to three houses and one shed. This will result in all the present settlers being comfortably housed and being possessed of suitable dairying facilities. The developed country is holding its pastures well and improving with consolidation. The established settlers are progressing satisfactorily. The prospects point to this becoming a very satisfactory scheme. The labour available is inexperienced in farm-work and somewhat unreliable.

Waiohau.

On the Rangitaiki River, about twenty-eight miles inland from Whakatane, this property, with a gross area of 7,425 acres, has 2,500 acres suitable for development. The country is composed of a thin layer of Tarawera ash on a light sandy clay, and was covered in its natural state with manuka and fern. There are 1,000 acres of fair river-flats and 1,500 acres of undulating to easy hill country. The balance of the gazetted area is steep and not suitable for farming. The number of settlers established who are milking cows is eight, their dependants being fifteen adults and twenty-eight minors. No serious illness was experienced during the year, and the general health of the people is good.

There are 780 acres in permanent pasture, 100 acres in rough feed, 100 acres in turnips, and 150 acres ready for sowing this autumn. The pastures have thrown a lot of feed during the year, and a large amount of hay has been saved.

The following live-stock was carried as at 31st March: 13 bulls, 198 dairy cows, 190 heifers and calves, 10 working-horses, 418 breeding-ewes, and 500 wethers.

With the completion of the houses and sheds at present under construction, the settlers will be comfortably housed and will have suitable dairying facilities. This scheme is progressing very favourably, and promises to be quite satisfactory. The settlers are keen, and those established are becoming reasonably efficient farmers.

Ruatoki.

Situated sixteen miles from Whakatane, this scheme embraces a total area of 31,308 acres, 7,314 acres having been developed to date, of which 7,000 acres are occupied by settlers, while an additional 4,000 acres is still available for development; the balance of 19,994 acres comprises medium to steep hill country with growths of light to heavy standing bush. The area already developed, and including the 4,000 acres, is of varying quality, ranging from good river-flats to undulating sandy pumice country, with a carrying-capacity of approximately one cow to 2 acres.

One hundred and twenty-six settlers have been established, and 117 settlers are supplying the local co-operative dairy company. The total population securing a livelihood and dependent on the scheme is 396 adults and 536 children. The general health of the population is improving. Better sanitation, housing, instruction, and supervision in health and home hygiene is essential, and a tribute is due to the progressive work of the mission staff and the District Native Nurse in this respect. A comprehensive housing programme is being pursued, twenty-two houses being completed this year, and if labour is available next year, approximately a further forty dwellings should be erected. This should do much to alleviate the housing problem.

Eighteen new cow-sheds have been built this year, twelve milking-machines installed, and a subsidiary water-supply for these settlers is being constructed. A new goods-shed has been constructed in the scheme yards to house supplies of hardware and joinery for the new houses shortly to be erected.

The growth of pastures during the year has been good. The somewhat unusual weather conditions made harvesting difficult, and much of the hay is of poor quality. Many promising domestic crops were ruined owing to the exceptionally heavy rainfall experienced during February. Maize was grown in limited quantities, and the crops at present are showing indications of a heavy harvest. Top-dressing experiments are being carried out in the area in conjunction with the local instructor of the Department of Agriculture, and keen interest in the experiments is shown by the settlers. Ragwort is a definite manace to this area, and the settlers on the whole are making excellent individual efforts to combat it.

Rains of abnormal intensity experienced during February caused many slips and some damage to roads, culverts, bridges, drains, and fences. The settlers on the western side of the river were unable to deliver their cream and milk for the best part of a week, owing to the river being unfordable. The estimated loss to the suppliers affected would be approximately 8,000 lb. of butterfat. The total amount of butterfat supplied by the settlers this season shows an increase in comparison with the previous year's figures of approximately 12 per cent. The live-stock tallies at 31st March comprised 2,826 cows, 184 other dairy stock, 288 breeding-ewes, and 203 working-horses.

New roads constructed this year comprised 49 chains, and the formation and grading of a further 280 chains were completed. A metalling programme of approximately 264 chains is not yet completed. With a compulsory system of top-dressing as adopted in this area, good roads are essential to cope with the transport problems and to enable the work to be completed to schedule time. River erosion is causing some anxiety to the settlers directly concerned, several properties being endangered by the changing course of the river.