Otorohanga.

Located at Otewa, eight to nine miles east from Otorohanga Township, this scheme comprises 290 acres in a progressive district. The soil varies in quality, 155 acres being river flats, with 70 acres of clay undulating hills, all ploughable. The balance of the area comprises steep faces not suitable for development. There are approximately 70 acres in good grass, 40 acres in rough pastures, and 5 acres in crops. The area capable of profitable development is gradually being brought in. Two settlers are being established as pastoral and dairy farmers. The scheme maintains seventeen adults and twenty-four children, whose health throughout the year has been good.

Live-stock as at 31st March, 1938, comprised 35 milking-cows and 14 other dairy stock. A workman's hut and a manure-shed were erected during the year. The housing conditions are not satisfactory, but steps have been taken to remedy the matter by recommending extensive repairs and additions to the existing cottages. The settlers are very keen to make a success of their holdings. Future prospects are considered to be good, but owing to the ragwort menace it is intended to adopt a mixed-farming policy until this weed is under control.

Pio Pio.

In the Mokau Valley, within four miles of the Township of Pio Pio, is situated this scheme, which comprises an area of 1,524 acres. The soil is of good heavy quality—approximately 120 acres of rich flat land and the balance easy rolling country. There are 446 acres in permanent pasture and 110 acres in swedes. An area of 94 acres was ploughed and put down in new pastures during the autumn. The balance of the area is still in bush, scrub, and fern, but all is suitable for development with the exception of 70 acres.

Five settlers have been established with sheep, run cattle, and dairy cows. The scheme maintains forty-eight adults and twenty-six children, and the health conditions of these people has been normal. The live-stock as at 31st March, 1938, included 30 milking-cows, 12 other dairy stock, 82 run cattle, 1,430 breeding-ewes, and 370 dry sheep. Dairy operations have been carried out on only two settlers' properties.

Thirteen bales of wool, weighing 3,965 lb., were produced, but as the clip was not offered until the last wool-sale of the season the credits will not be reflected in this year's accounts.

The accommodation generally is not satisfactory, and only two settlers have good dwellings. One new house was erected during the year, and plans are in progress for further building in the near future. The personnel of this scheme is good. The settlers take great interest in their work and are making splendid progress.

Pirongia.

This scheme embraces a number of areas on the eastern side of Pirongia Mountain, in the Otorohanga County. The area proclaimed is 1,626 acres, but development is concentrated on 1,396 acres upon which twelve settlers have been established. The larger part of the country is easily worked, being of a good loamy soil, practically all ploughable. During the year the plough has been kept going in an endeavour to put down as great an area as possible in grass. In most cases the farms when taken over were nonproductive, and the policy is to establish a permanent pasture and consolidate it with sheep and dry stock before making any attempt to carry out dairy operations. Owing to the difficulty in obtaining timber, the fencing programme is not as far advanced as desired, but it is expected to overcome this difficulty by manufacturing concrete posts for the lower country and utilizing what fencing-timber there is available for the hilly country.

The scheme maintains sixty-three adults and eighty-eight children, and the health of the Natives has been good. Five new houses, two cow-sheds, and four workmen's huts and implement-sheds have been erected during the year. The housing-conditions, with one or two exceptions, are considered satisfactory.

Live-stock as at 31st March, consisted of 137 cows, 63 other dairy stock, 858 ewes, 186 dry sheep, 44 run cattle, and 29 horses. Four settlers milked 130 cows during the year. The majority of the farmers are making a commendable effort to improve their holdings, and future prospects are considered satisfactory.

Pirongia: Kopua.

The Kopua farm, situated on the main Te Awamutu-Kawhia highway, contains an area of 361 acres purchased during the year from the Native Trustee. The block consists of 30 acres of heavy loam river-flats and the balance of good undulating friable loam country. The land is being developed for use as a base farm for the Pirongia district, and provides work for all available unemployed Natives in the district.

A Diesel tractor and heavy double-furrow swamp plough commenced operations in January, since when 140 acres have been ploughed, cultivated, and sown down in grass and rolled. It is expected to complete all the ploughing of 200 acres this winter, and then transfer the tractor and implements to another property. When taken over, the block was overgrown with heavy gorse, fern, and scrub. By turning the top surface down to a depth of 7 in., and rolling on the furrow, it is anticipated that the gorse will be more easily controlled than by endeavouring to eradicate it by annual cultivation.

The scheme maintains twenty-two adults and twenty-five children. The health of the community during the year has been good.

No live-stock is at present on the block, but when the new grass comes away it is intended to purchase ewe hoggets in the winter and early spring and pasture them with Romney rams in the autumn. The second-growth of gorse will require close grazing, and this will necessitate the subdivision of the farm into paddocks of 10 acres to 15 acres.