The district is fortunate in having a very progressive headmaster in the local Native school. Apart from the instruction and education he imparts in the scholastic sphere, he has organized from among the settlers' sons a most enthusiastic Junior Farmers' Club. In conjunction with this club he has established a cow-shed in which the school herd of nine cows is milked, and which is centrally situated on the "farm" with easy access to well-fenced and well-watered small paddocks. The members of this club receive instruction in almost every phase of dairying, which fact augurs well for the future success of the main scheme.

It is also worthy of note that all the Horohoro entrants for this year's Ahuwhenua Competition met with a fair measure of success, J. Edwards, of Waikaukau, being third; J. Wharekura, of Rongomaipapa, being fifth; and R. Vercoe, of Ngati-Tuara, being sixth—a very creditable performance.

Last spring was one of the latest experienced in Rotorua for some years and no growth obtained in the Horohoro Valley until well into October. Some or the cows, in consequence, were late in coming into full profit.

Horohoro: Haparangi Plantation.

This plantation comprises an area of 833 acres on the top and slopes of Haparangi Mountain, on which some 750,000 trees were planted in 1933, primarily to provide work for unemployed Maoris. The trees were planted in blocks with different varieties in each block. They are showing good growth and should undoubtedly be a valuable asset in the future. Periodical inspections of the plantation are made by the Rotorua Nursery foreman.

The work on this area has been confined to giving attention to fire-breaks and boundary fences and replanting gaps in the plantation. This work is being done in the main by the men engaged at the Rotorua Nursery when not otherwise employed.

Horohoro: Kapenga No. 1.

Lying at the foot of Haparangi Mountain, this scheme comprises an area of 1,000 acres of mostly easy undulating land on which it is hoped to eventually settle approximately twelve families. Development operations were first commenced in July, 1936, and the activities for the twelve months under review included 170 acres ploughed, cultivated, and sown in permanent pasture, a further 100 acres ploughed ready for grassing, 50 acres cleared ready for ploughing, and four miles of boundary and subdivisional fencing. There are now 376 acres in grass on this scheme, and this is now stocked with 800 wethers (four-tooth), 140 run cows, 78 run calves, and 2 bulls. The pastures are in good order and are improving with consolidation.

In the course of the coming year it is proposed to concentrate on completing the development of this area, and to enable this to be done economically and efficiently it is proposed to establish a camp of movable huts on the scheme. At present the men are living at either Rotorua or Whakarewarewa, some four to six miles away.

One house and one store or manure-shed have been erected during the year, the house being occupied by the permanent teamster. During the period under review twelve men have been engaged on the various works carried out, and in all, sixteen adults and thirty-six children have been supported by the scheme.

Horohoro: Kapenga No. 2.

Located on the south side of the Rotorua-Atiamuri Road, about seven miles from Rotorua, this block adjoins the Tuhourangi and Kapenga No. I schemes. The area is 400 acres and is now fully grassed and ready for dairying. Proposals have been submitted for its subdivision into five farms ranging from 72 acres to 100 acres.

The pastures during the year have been heavily stocked, and with the top-dressing show an excellent sward. The stock now being carried comprises 408 wethers (four-tooth), 71 bullocks, 128 run heifers, 100 run calves, and 5 bulls. The Department's primest fat bullocks have been topped off on this section during the last two years. Apart from top-dressing, fencing repairs, and the planting of shelter-belts, no new development work has been necessary on this scheme.

Horohoro: Ngati-Tuara.

This subdivision, comprising 2,125 acres, is situated some ten to twelve miles from Rotorua on the main Atiamuri Road, embracing all the land between the road and the Horohoro Bluff, and adjoins the Rongomaipapa and Parekarangi schemes. The country in this subdivision is flat to rolling, of pumice formation with a covering of light friable loam, and is served by the main Horohoro water system. There are nineteen sections in this area on which seventeen settlers are dairy-farming, and their dependants number ninety-six adults and children. Good crops of turnips covering 150 acres have been grown for winter feed, and the area of hay and ensilage harvested was approximately 450 acres.

Live-stock on the scheme as at 31st March comprised 417 milking-cows, 390 other dairy stock, 680 dry sheep, and 40 horses. Nine new milking-machines were installed during the year under review, making a total of fifteen machines on the scheme.

The health of the settlers is quite good, and housing conditions very satisfactory, improvements having been recently effected to a number of the cottages by the addition of further rooms and porches.