

1938.

NEW ZEALAND.

NATIVE LAND DEVELOPMENT AND THE PROVISION OF HOUSES FOR MAORIS, INCLUDING EMPLOYMENT PROMOTION.

REPORT ON—BY BOARD OF NATIVE AFFAIRS.

Presented to both Houses of the General Assembly by Leave.

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GENERAL REPORT.

IN presenting its report for the financial year ended 31st March, 1938, the Board of Native Affairs furnishes a résumé of the varied activities connected with the development and settlement of Native lands, and outlines the measures taken for improving the living conditions of the Maori race. The report, which is in continuation of previous statements presented to both Houses of the General Assembly during the past seven years, provides a summary of the progress achieved in maintaining and extending the agricultural and pastoral schemes which were initiated in 1930 with the object of establishing and settling the Maori people upon their own lands as farming members of the community, and refers to other operations financed by State or Trust funds and inaugurated for the benefit and welfare of the Natives, including the provision of better housing conditions.

The policy of developing unproductive Native lands with the assistance of funds provided by the State, and thus affording the Maori people the opportunity of living under conditions most suited to the race and at the same time enabling them to become self-reliant members of the community, has been fully maintained throughout the year, which was marked by the commencement of thirty-two new land settlement projects and the extension of twenty-five existing schemes. These undertakings, which are administered and controlled by the Native Department, embrace a total area of 810,100 acres, of which 214,800 acres are in the course of being developed and improved or are being farmed as settled holdings. The number of individual settlers established at the 31st March last under this Native small-farm plan was 1,722, an increase of 240 over the previous year, and it is estimated that these settlers, together with some three thousand farm workers, maintain over sixteen thousand dependants; or, expressed in other terms, the funds at the disposal of the Board now provide for one-quarter of the Maori population of the Dominion.

A gratifying feature of the year's activities was the satisfactory increase in the returns from the State development schemes, which, despite the decline in prices realized for wool, were the highest yet recorded. Revenue receipts from all sources amounted to £223,876, in comparison with £169,590 for the previous season, an increase of 32 per cent., the principal items being butterfat, £93,841, as compared with £77,032 for 1936-37, the Department's share of the cream returns being usually one-third of the total output; wool sales, £22,903, as against £33,131 for the last year's clip; and proceeds from live-stock, £93,991, whereas in the corresponding previous year the returns from sheep and cattle sold amounted to £49,700. There has been a welcome increase in the volume of production from dairying operations, the butterfat poundage for the year under review being 3,957,510 lb., equivalent to 2,151 tons of butter, as compared with 3,430,200 lb. of butterfat, or 1,864 tons of butter, for the year ended 31st March, 1937. On the Native Trust and Maori Land Board stations the wool-clip of 1,853 bales realized £26,034 and the proceeds from live-stock amounted to £36,515.

Climatic conditions varied widely throughout the different districts of the North Island, but generally the weather was favourable for crops, pastures, and live-stock, and production was well maintained. In North Auckland a wet winter with heavy floods was followed by a warm spring which benefited pastures, but dry conditions prevailed during the summer months and production was somewhat checked until the autumn, when beneficial rains resulted in a good growth of feed. A mild winter followed by a dry summer was experienced in the Waikato and King-country districts, but good autumn rains followed. In the Rotorua, Bay of Plenty, East Coast, and Hawke's Bay districts the rainfall was slightly below the average and there were several dry spells until February, when heavy rains resulted in severe flooding and consequent damage to grass-lands and improvements. Fortunately, shearing operations were not delayed to any great extent, and in most districts satisfactory provision was made for winter fodder. The lambing season was only fair, but surplus stock was sold in good condition and at favourable prices.

In the Taranaki, Waikato, and King-country districts an increasing interest in the Board's development undertakings is very noticeable amongst the Maoris, and the benefits to be derived from this method of land settlement are becoming more apparent to the people as each new scheme is commenced. There are, in some districts, large areas of useful Native-owned country, served by metalled roads and within easy access of rail or harbour communication, which are unproductive, and wherever the owners evince the desire to have their lands improved the Board is prepared to assist with the necessary finance and supervision. Progress on the various blocks is limited to the amount of labour which is offering, and work of a kind most suited for the able-bodied Maori is always available on land development schemes.

The continued expansion of the Board's land development operations, and the need for closer supervision on settled blocks and individual farms which are now coming into profit, has necessitated an increase in the numerical strength of the field staff. It has been stated in a previous report that the success of land development will be in exact proportion to the ability of the Native Department to supervise the activities which it is promoting, and it is found that in the finer points of farming, especially dairying, the Maori settler needs careful guidance and tuition. One field supervisor has distributed amongst the settlers under his control a series of instructive pamphlets, written in plain practical language, in order to encourage them in correct farming methods, and it is proposed to adopt this practice generally. In many instances, especially in the North Auckland district, the holdings are small, and in order to achieve satisfactory results intense farming must be practised under expert supervision. The Board has found it necessary also to appoint several additional employment overseers to supervise the expenditure of moneys on farm development work carried out on the contract system, and the extra assistance has been the means of assuring that the funds are spent to the best advantage.

Throughout this report reference is made to problems affecting unemployment and the measures taken to provide suitable relief for Maoris in need of assistance. The policy of the Government is to utilize the services of unemployed Natives on the development of their own lands and thus provide them with a means of livelihood most suited to the race. Grants from the Employment Promotion Fund amounting to £335,500 for the year under review have enabled the Board to undertake the development of land which otherwise could not be economically cultivated, and subsidies ranging from 50 per cent. to 100 per cent. have been given according to the nature of the country being improved. On schemes in the course of development, and properties farmed by the Board, men are employed on full-time contract work at standard rates of pay, and during the year arrangements were made to transfer unemployed Maoris from North Auckland and the cities to Rotorua, Tokaanu, and the King-country districts where ample work is offering. Temporary accommodation has been provided where necessary for these men and their families. Native settlers whose returns are insufficient for their maintenance are assisted during the winter months with grants which are expended in employing them on their own farms, and Maori youths from seventeen to nineteen years of age are now eligible for relief. The assistance thus provided by the State has enabled the Department to profitably employ 4,500 Natives, and has been the means of accelerating the progress of land development undertakings.

The Ahuwhenua Cup, presented by Lord Bledisloe as a challenge trophy for competition by Native settlers on land development schemes, was awarded this year to two Maori farmers in the Bay of Plenty district, who were adjudged the winners equally. This annual contest is of great value in encouraging the Maori people to attain the best results in developing and farming their holdings, and undoubtedly fosters a spirit of friendly rivalry amongst the settlers. The judge stated that the winning contestants both displayed an excellent knowledge of farm management, and a striking feature of the whole competition was the keenness and enthusiasm displayed by all entrants.

As there are now approximately 27,300 cows being milked by Maori farmers established under the Board's schemes, the necessity for instituting dairy-herd testing is becoming more apparent, and in this connection it is satisfactory to note that excellent co-operation has been obtained with Herd-testing Associations in the

Hokianga, Kaitaia, and Wairoa districts. In order to minimize the cost of this service last season, arrangements were made in North Auckland for testing samples to be taken by a small organized staff of Maori youths who worked under the control of district herd-testing supervisors, and according to reports these lads are now very proficient assistants. The importance of providing owners with data relating to the productive ability of their cows, and the need for systematic herd building and culling is emphasized, and the policy of the Department is to stimulate interest and encourage herd-testing amongst its Native settlers.

In the Hawke's Bay, Gisborne, and East Coast districts disastrous floods which occurred in the autumn caused heavy damage to private property, and large tracts of productive Native land have been covered with silt and the pastures ruined, while widespread slips and erosion have caused havoc in places. Prompt measures are being taken by the Board to rehabilitate the stricken areas, and the necessary work in connection with repairing fences, removing debris, and regrassing waste lands is now in progress.

A section of this report is devoted to the progress achieved in administering the provisions of the Native Housing Act, which empowers the Board to make advances from State funds upon reasonable security for the erection and repair of Native dwellings. The Act became operative in January, 1937, when regulations were gazetted prescribing the conditions upon which such loans may be granted and the methods of repayment. Extensive surveys of Native villages and pas throughout New Zealand have revealed the fact that better housing accommodation for the Maori is a vital problem, and that at present many of the people are living under conditions inimical to health and comfort in overcrowded and insanitary habitations. The investigations undertaken also disclose many problems which render a housing scheme for Natives more complex than is the case with Europeans. Indigency, defective land titles, multiplicity of ownership, insufficient security, Native custom, and even religious beliefs are factors which have retarded the Government's housing policy for Maoris, and the dearth of skilled labour has accentuated the initial difficulties confronting the Department. These obstacles are gradually being surmounted, and with the co-operation of the Public Works Department good progress is now being made in erecting new houses and improving and renovating existing dwellings. Wherever possible, unemployed Natives are engaged as carpentering assistants, and the opportunity is being undertaken to train young Maoris in the building trade. The number of houses built for Natives up to the 31st March last, including those erected for settlers on development schemes, was 671.

An additional function of the Board is the control of investments on mortgage or otherwise of the Maori Land Boards and the Native Trustee, which at 31st March, 1938, totalled £718,665, including £586,809 to 716 Maoris. The Board's policy is to encourage the use of surplus funds of these bodies towards advances to Maoris for farming, housing, and other beneficial purposes upon the security of their lands.

The settlement of the Maori upon his own land under conditions which will ensure for him and his dependants that measure of economic self-sufficiency which is undoubtedly his due, the amelioration of his living and social conditions, and his absorption and establishment in the national life of the community are problems which are receiving the earnest consideration of the Board, and the results already obtained are sufficiently encouraging to justify the belief that a continuance of the policy being undertaken will be the means of gradually rehabilitating a people to which the State has moral obligations and responsibilities.

In conclusion, the Board desires to record its appreciation of the loyal and willing co-operation of officers of the Native Department, who, during a most strenuous year, have consistently rendered valuable service in carrying out the policy of the Board.

Accompanying this statement are detailed reports of the various schemes in progress, together with a review of the farming and other activities controlled by the Board, and tables are appended containing statistical and financial information concerning the Department's operations.

M. J. SAVAGE,
Chairman.

PART I.—NATIVE HOUSING OPERATIONS.

This section of the report deals with the operations of the Board of Native Affairs in regard to the administration of the Native Housing Act, 1935, which makes provision for the better housing of the Maori people.

For the purpose of providing dwellings and improved housing conditions for Natives the Board is empowered to make advances out of moneys appropriated by Parliament for the erection, repair, alteration, or improvement of any dwelling; for the improvement or installation of lighting, heating, sanitation, or water-supply systems; for the purchase of land or interests in land as sites for dwellings; and for the draining, cultivation, or general improvement of the land appurtenant to a dwelling. In granting such advances the Board may accept as security a first mortgage of Native land (including a leasehold interest), a first mortgage of any undivided interest in Native land, and assignment of the proceeds of the alienation of Native land, an assignment or disposition of any other moneys payable to a Native, or such other security as the Board may approve.

The Act provides that the rate of interest to be charged upon advances shall not be in excess of the current rate fixed by the State Advances Corporation of New Zealand in respect of loans granted by it, and under the regulations gazetted in January, 1937, repayments of advances may be either at the expiration of a stated period, on demand, by periodical equal or unequal payments consisting partly of principal and partly of interest, or in such other manner as the Board in any particular case thinks expedient.

To enable the Board to fully exercise its powers and functions in respect of Natives who in the opinion of the Board come under the definition of "indigent," and for the purpose of assisting the most urgent and necessitous cases, the Government has established a Special Housing Fund consisting of grants totalling £100,000, which have been paid into the Native Trustee's Account for disbursement through the Maori Land Boards as directed by the Board of Native Affairs. All interest, repayments of principal, and other accumulations belong to the fund and may be utilized in granting advances for housing purposes.

From the various surveys undertaken to ascertain the state of the housing amenities possessed by the Maori people, the deplorable fact has been substantiated that for years many Maoris have been living under distressing circumstances in surroundings gravely injurious to the health and welfare of the race. The measures now being taken to ameliorate their conditions have already relieved many pressing cases, and the scheme will gain momentum as the machinery and organization become perfected.

At the same time, it is realized that many Maoris are not ambitious in the matter of improving their habitations, being content to live as they have been accustomed and expend their moneys in a less essential direction than that suggested by the State's housing scheme. Before permanent success may be achieved in improving his living conditions it is essential to arouse within the Maori himself that desire to better his mode of living. When this state is achieved through the channel from which it should be expected—that of an inward realization within each individual of the real value of living in comfortable, hygienic, and pleasant surroundings, evolved from methods of education and emulation—then the question of financing housing advances will be easier and more certain, and the proper maintenance of securities will naturally result.

The following reports from the districts indicate the progress to date.

TOKERAU DISTRICT: REPORT ON NATIVE HOUSING.

Prior to the commencement of the year 1936, State assistance to Natives requiring better housing conditions was limited to those few cases helped either by the Maori Land Board or in conjunction with the development of Native lands. With the passing of the Native Housing Act towards the end of 1935 and the gazetting of regulations thereunder about a year later, statutory authority was given for the granting of advances to Natives able to offer adequate security for the purpose of improving their housing conditions. The financial position of Natives in the Tokerau District, generally speaking, has been such as to virtually preclude them from assistance under this Act, and, to date, only one application has been approved. The primary difficulties encountered have related to land titles and methods of repayment: A large number of Natives in need of assistance have no suitable land upon which to build, or else the title position is so involved through a multiplicity of owners that no reasonable security is available.

However, the Government's decision to set aside a sum of money for the purpose of housing "indigent" Natives has made possible the assistance of a number of most urgent and necessitous cases. Of the first £50,000 appropriated by the Government for this purpose, £10,800 was allocated to the Tokerau District, and as at 31st March, 1938, a total of £8,385, involving thirty-seven cases, had been authorized by the Board of Native Affairs.

The completely new nature of the detailed work entailed has necessitated a considerable amount of preliminary work being undertaken in the matter of organization and the procedure to be pursued. Nevertheless, considerable progress is being made, and up to 31st March, 1938, approximately four hundred applications had been considered, one hundred of which were referred, after preliminary consideration, to the Board of Native Affairs for decision.

The work of the erection of the houses has been handled almost entirely by the Public Works Department, and as that Department has established a suitable organization, the building programme should progress rapidly. The policy of engaging Native labour has been followed wherever possible, and in many instances unskilled or only semi-skilled Maoris have been employed, and are being trained under Public Works Department foremen.

The houses being erected are of sizes varying according to the needs of the applicants and their ability to make adequate repayments. Standard designs which have been planned to give maximum accommodation and comfort are adopted. The utilization of first-class materials and workmanship ensures that the houses are sound and permanent. In some cases the utmost difficulty is experienced in providing all the amenities which are desired owing to the lack of financial security, but the Natives themselves are realizing that a sincere effort is being made to provide conditions immeasurably better than those under which they have previously existed. Indeed, the new cottages are becoming a noticeable feature of the northern countryside. Many dwellings have also been erected in conjunction with the development of the Native land. However, there seems to be an unlimited scope for improvement in the housing conditions, particularly when viewed from the aspect of health, hygiene, and the social life of the Maori.

As yet, only the fringe of the huge problem of adequately housing the Native people has been touched, but a real commencement has been made, and with the statutory authority now in existence and with the departmental organization which has now been built up, the housing question is being dealt with in a manner which will ensure more extensive progress in the future.

HOUSING OPERATIONS TO 31st MARCH, 1938.

						Number.		Cost.	
						New.	Repairs.	New.	Repairs.
								£	£
Completed—									
(a) Under Act	..	..	..	..	..	..	..	..	..
(b) Indigent	..	..	..	..	..	1	..	65	..
In progress—									
(a) Under Act	..	..	..	..	..	1	..	54	..
(b) Indigent	..	..	..	..	..	9	..	2,890	..
Approved but not commenced 31st March, 1938—									
(a) Under Act	..	..	..	..	..	2	..	700	..
(b) Indigent	..	..	..	..	..	23	4	4,780	650
Total authorizations ..						35	5	8,489	650

WAIKATO-MANIAPOTO DISTRICT: REPORT ON NATIVE HOUSING.

The Government's efforts to improve the general housing conditions of the Native people through the provisions of the Native Housing Act and "indigent" housing schemes have been enthusiastically welcomed by the Natives of the Waikato-Maniapoto district.

The conditions existing at the time of the passing of this legislation were far from satisfactory, and the assistance provided by the Maori Land Board and from Native land development funds was not sufficient to materially improve the general state. Even now, the financial position of the majority of the Natives has prevented them from fulfilling the requirements of the Native Housing Act, consequently a large number was assisted through the "indigent" housing scheme. Indeed, the decision of the Government to set aside a sum of £50,000 for the housing of indigent Natives was hailed with great satisfaction by the people, the allocation for this district being £8,100. Although the statutory authority for both of these schemes had been provided, there were a large number of difficulties which for some time precluded any rapid progress being made. The earlier efforts were directed to the establishing of a solid organization to cope with the problem, rather than dealing immediately with individual applications. This course has proved wise, and machinery is now in operation which can adequately deal with the large number of applications continually being received.

In a large number of instances preliminary housing surveys have been made of Native villages for the purpose of gaining some idea of the size of the problem and at the same time completing applications from the most needy folk. It has often been found that those in most urgent need are not the most vociferous, and by the visit of a field officer to the villages the most necessitous cases are able to receive first attention.

In one instance—namely, Waimiha Pa—an effort is being made to clean up the whole village area and to provide adequate accommodation for the people by erecting either new houses or repairing the existing ones. In other instances—*e.g.*, Paeroa (Mill Road), and Tairāwhiti (near Huntly)—houses are being erected in groups, and the creation of small “model villages” should have the effect of not only providing healthy living conditions for the people resident there, but also of presenting a splendid example for others visiting the village.

At 31st March, 1938, approximately 150 applications had been handled, and after investigation and preliminary consideration 90 had been referred to the Board of Native Affairs for decision. In 42 cases advances totalling £11,500 from the “Indigent” Housing Fund were approved, and in seven cases, advances totalling £2,740 were granted from the ordinary fund available under the Native Housing Act.

In practically all instances building operations have been in the hands of the Public Works Department, and arrangements have been made with that Department for the employment of a maximum number of Maori labourers. The procedure adopted is that the Public Works Department appoints a foreman-carpenter, who is in charge of the job and is assisted by a “gang” of Maoris who usually start as either unskilled or only semi-skilled workmen.

Many difficulties have confronted the Department in putting into effect the Government’s proposals, but most of these have now been overcome. The major difficulties remaining are those relating to land titles and to methods of repayment. Though probably not as acute as in the Tokerau district, the problems of Native land titles complicate the obtaining of adequate security. At the same time, the Department is continually being confronted with applicants who, without doubt, are in urgent need of assistance but who, besides having no suitable land on which to build, have scarcely any income from which repayments can be made.

However, definite progress is being made, and the erection of comfortable houses for those Natives able to comply with the requirements is having the effect of encouraging others to put their land titles in order, to obtain regular employment, and to save from their wages amounts which can be offered as cash deposits in support of their applications. Although it is realized that the task of adequately housing the Native people is a gigantic one, foundations have now been laid which should result in bringing about considerable improvement in the existing conditions.

HOUSING OPERATIONS TO 31st MARCH, 1938.

						Number.		Cost.	
						New.	Repairs.	New.	Repairs.
Completed—								£	£
(a) Under Act	..	..	..	..	..	..	..	..	..
(b) Indigent	..	..	..	..	..	2	..	925	..
In progress—									
(a) Under Act	..	..	..	..	..	3	..	1,200	..
(b) Indigent	..	..	..	..	..	2	3	700	480
Approved but not commenced 31st March, 1938—									
(a) Under Act	..	..	..	..	..	3	1	1,500	} 565
(b) Indigent	..	..	..	..	..	30	5	8,870	
Total authorizations ..						40	9	£13,195	£1,045

WAIARIKI DISTRICT: REPORT ON NATIVE HOUSING.

In pursuance of the Government’s policy for the provision of better housing accommodation for the Maori people, a survey was made of the housing conditions of Natives at various localities throughout this district. The areas selected for a preliminary survey were Ohinemutu, Whakarewarewa, Whakatane, Waioeka, Waipahiti, and Waitahanui, and the surveys in most of these areas have now been completed. In addition, a general survey of the conditions prevailing has been made at Te Kaha, Omarumutu, Torere, Omaio, Rangiuru, and Tauranga. The investigations undertaken disclosed many problems which make a housing scheme for Native communities more complex than is the case with the *pakeha*. In illustration, at Waioeka certain religious beliefs which preclude the use of rain-water for domestic purpose will require the provision of an independent water-supply to meet the health requirements of this community. Multiplicity of ownership is one serious bar to the rapid prosecution of house-building, where the conditions of an advance require a title capable of completion.

The need for improved housing conditions in the district is very great, particularly in areas not affected by the Native land development policy. Where the need is the greatest, it is usually found that there is either insufficient security to provide for an advance or the income is not large enough to meet the minimum repayment necessary to provide a sinking fund. Every effort, however, is being made to assist applicants who evince a desire to improve their housing conditions. Individuals are encouraged to deposit with the Maori Land Board, at interest, contributions from their wages or other sources to provide the nucleus of a fund to substantiate an application for housing assistance.

At the 31st March, 1938, 179 applications had been received, exclusive of some 44 applications from the locality surveys mentioned previously. Of these applications, 36 were recommended to the Board of Native Affairs, which in turn had approved at that date of 14 advances. Seven houses have been completed, and two are in the course of erection.

Difficulty is experienced in obtaining the necessary skilled labour for the work ahead, and, furthermore, there are relatively few skilled Native carpenters in this district available for employment. The Public Works Department is co-operating by employing and training several Maori youths at its workshop in Rotorua with a view to their being ultimately used on building operations conducted by or for this Department.

The following table summarizes the position of the approved advances as at 31st March, 1938 :—

Class.						Numbers.	Cost.
Indigent scheme—							
New—							
Erected	..	..	..	..	..	4	
In progress	..	..	..	..	..	1	
Not started	..	..	..	..	..	1	
						—	6
Repairs—							
Effectuated	..	..	..	..	..	1	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	3	
						—	4
Total authorizations	..	..	..	..	..	10	£ 3,193
Under Act—							
New—							
Erected	..	..	..	..	..	2	
In progress	..	..	..	..	..	1	
Not started	..	..	..	..	..	1	
						—	4
Repairs—							
Effectuated	..	..	..	..	..	..	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	..	
						—	..
Total authorizations	..	..	..	..	..	4	895
Grand total authorizations	..	..	..	..	..	14	4,088

TAIRAWHITI DISTRICT: REPORT ON NATIVE HOUSING.

In this district, as elsewhere, the assistance to many of the Maori people in improving their housing conditions has fulfilled an urgent and long-needed action. The control of this new branch of the Department's activities is being handled by the Maori Land Board. It was considered necessary to obtain a survey of Maori housing conditions throughout the district before launching out into a comprehensive building scheme. Surveys of the Manutuke, Waituhi, Waikaremoana, and Tokomaru settlements have been completed, and, as a result of these, 172 proposals were recommended to the Board of Native Affairs in respect of these localities. Of these, 92 have been approved, 51 declined, and 29 are still under consideration.

The actual constructional work on the houses is being supervised by the Public Works Department, but the difficulty in establishing the necessary staff for the preliminary work has somewhat impeded progress.

On development schemes sixty-seven dwellings were erected during the past year for settlers. The following is a summary of the housing activities up to 31st March, 1938 :—

Class.						Numbers.	Cost.
Indigent scheme—							
New—							
Erected	..	..	..	..	..	1	
In progress	..	..	..	..	..	4	
Not started	..	..	..	..	..	15	
						— 20	
Repairs—							
Effectuated	..	..	..	..	..	..	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	13	
						— 13	
Total authorizations	..	..	..	..	..	33	£ 7,705
						—	
Under Act—							
New—							
Erected	..	..	..	..	..	..	
In progress	..	..	..	..	..	1	
Not started	..	..	..	..	..	27	
						— 28	
Repairs—							
Effectuated	..	..	..	..	..	..	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	25	
						— 25	
Total authorizations	..	..	..	..	..	53	13,339
Grand total authorizations						86	21,044

AOTEA DISTRICT: REPORT ON NATIVE HOUSING.

The housing conditions generally in this district are reasonably good, although in certain localities, such as the Wanganui River area, there is need for improvement. No actual housing survey has yet been attempted, but the provisions of the Act have become widely known, and applications have been received from all parts of the district, the first housing application being received in February, 1937. By the end of the following month no fewer than 40 applications had been lodged, and 198 had come to hand by 31st March, 1938.

After the Department's building supervisor has inspected the present dwelling of the applicant the matter is dealt with by the Native Land Court, the applicant appearing and giving evidence in support of his application. He is asked what income he has and what amount he is prepared to assign in repayment of any advance that may be made.

In some cases the housing conditions are deplorable, yet the applicant's position is such that there is little or no security at all. It may be that the only income of the applicant is an old-age pension. In these cases the facts are reported to the Board of Native Affairs with a view to having an advance made under the indigent housing scheme.

In several instances arrangements were made with the Public Works Department to have the house erected. In most cases, however, a local builder is requested to submit a price for the house. The building is inspected periodically and progress payments made.

The conditions disclosed in some of the reports by the supervisors are shocking. A typical case is that of an old building situated at Parikino Pa, on the Wanganui River. This building was described by the building supervisor as an old shack built of slabs and patched up with old sheets of iron. It had neither flooring nor lining, and the chimney was built of old iron. This miserable abode of one room contained the applicant, his wife, and daughter, and, as stated by the supervisor, was unsuitable for human habitation.

In another case, also on the Wanganui River, it was discovered that the applicant, his wife, and three adopted children were living in a one-roomed whare with neither flooring nor lining, their beds being spread on the earth floor, with dry fern-leaves and straw as the matting. The building supervisor stated that the occupants appeared to have no initiative, and it is not to be wondered at considering the deplorable conditions in which this family was living.

In both of the foregoing cases it is very gratifying to be able to report that new houses have been erected under the indigent housing scheme. The improvement of the housing conditions of the Native race is imperative if the incidence of tuberculosis and other diseases arising from insanitary conditions is to be reduced, and the loans granted under the Native Housing Act, 1935, and the indigent housing scheme are assisting toward this end.

It has been noticed that, in localities where houses have already been erected, the general morale of the occupants has been greatly improved. It is apparent, therefore, that in a few years' time the housing conditions will be immeasurably improved, with the attendant improvement in health conditions.

The position of the housing programme at 31st March, 1938, is given in the following table :—

Class.						Numbers.		Cost.
Indigent scheme—								
New—								
Erected	..	..	..	..	..	..		
In progress	..	..	..	..	..	2		
Not started	..	..	..	..	..	5		
						—	7	
Repairs—								
Effectuated	..	..	..	..	..	1		
In progress	..	..	..	..	..	1		
Not started	..	..	..	..	..	..		
						—	2	
							—	
Total authorizations	..		..	..	..	9		£ 2,250
							—	
Under Act—								
New—								
Erected	..	..	..	..	..	1		
In progress	..	..	..	..	..	3		
Not started	..	..	..	..	..	21		
						—	25	
Repairs—								
Effectuated	..	..	..	..	..	3		
In progress	..	..	..	..	..	2		
Not started	..	..	..	..	..	10		
						—	15	
							—	
Total authorizations	..		..	..	..	40		12,716
Grand total authorizations						..	..	..
						49		14,966

IKAROA DISTRICT: REPORT ON NATIVE HOUSING.

Consequent upon the policy for improving the living conditions of the Maori, the past year has seen housing become one of the major activities in this district. Surveys have been made, and these clearly show that the living conditions of the Maori people are most unsatisfactory and in many cases appalling. It is the aim to supply applicants with the best type of dwelling that can be provided within their financial resources. In many cases arrangements have been made to provide dwellings which, while they possibly do not achieve the standard of the modern European home, are, nevertheless, substantially built and are designed to provide the maximum conveniences and comfort at the lowest possible cost. In an endeavour to further the erection of homes an experiment has been made with a modified form of building society, and to date it has proved very successful. From ten to fifteen housing applicants form a syndicate, membership of which is conditional upon—

- (a) Each member paying regularly to the Maori Land Board the sum of not less than 10s. per week.
- (b) The joint and several liability of members.

The first syndicate formed in this district is known as the “ Mataika Syndicate ” and is located at Bridge Pa, Hastings. There are fourteen members, and in nine months they have contributed £333. Five ballots have been held ; one house has been completed ; while the other four are in course of building.

In illustration of a house being erected by the syndicate through the finance of the State's indigent housing scheme, the following description is given, while the houses themselves can be judged from the relative photographs presented at the end of this report (Nos. 45 and 46).

One house contains a front sleeping-porch ; a living-room with range, sink, and cupboards ; a sitting-room and bedroom combined, with a fireplace ; a bedroom opening on to an open-air nursery ; a bathroom with bath and all conveniences ; and a detached washhouse with a copper and tubs. The

conveniences include a hot and cold water service, water supply, flush sanitary system and septic tank, electric light and heating points, while the specifications call for the use of good heart timber and other first-class materials. The security available, however, will not, in a large percentage of cases, permit of the erection of houses of this standard.

A feature, and a most successful one, has been the use of unemployed Maori carpentering gangs. These gangs consist of three or more suitable unskilled men drawn from the ranks of the unemployed and are under the direct supervision of a qualified builder. The supervisor or foreman directs and trains the men in every phase of the work, with the object of turning out skilled tradesmen. The wages of these men are subsidized from the Employment Promotion Fund by varying amounts, dependent upon the financial circumstances of the person for whom the house is being built. Practically none of the Maori carpenters employed had previous building experience, but, nevertheless, some are already able to make doors and window-frames, hang windows, swing doors, fix locks, and mitre bevel-back weatherboarding, all in a neat tradesmanlike manner.

To date, 276 applications have been received and there have been nine surveys covering 161 individual reports, while 44 advances have been approved. Two houses have been purchased, four built, and a further five are nearing completion. Now that the building organization has been established, the building rate will be increased. The whole of the undertaking in this district is being directed and supervised by the Maori Land Board.

The work as at 31st March, 1938, is summarized hereunder :—

Class.						Numbers.	Cost.
Indigent scheme—							
New—							
Erected	..	..	..	..	..	1	
In progress	..	..	..	..	..	4	
Not started	..	..	..	..	..	11	
						—	16
Repairs—							
Effectuated	..	..	..	..	..	1	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	2	
						—	3
						—	
Total authorizations	..	..	..	..	..	19	£ 6,045
Under Act—							
New—							
Erected	..	..	..	..	..	3	
In progress	..	..	..	..	..	..	
Not started	..	..	..	..	..	13	
						—	16
Repairs—							
Effectuated	..	..	..	..	..	2	
In progress	..	..	..	..	..	4	
Not started	..	..	..	..	..	3	
						—	9
						—	
Total authorizations	..	..	..	..	..	25	10,525
Grand total authorizations						44	16,570

SOUTH ISLAND DISTRICT: REPORT ON NATIVE HOUSING.

The provision of houses in this district is proceeding slowly owing to the lack of outside staff. The Maori population is small, and is scattered over the whole of the Island. The position does not warrant the establishment of a branch office, and consequently all the supervision work is carried out either by other Departments or by officers of the Native Land Court, who visit the main centres twice yearly. The district is controlled under the same staff and organization as the Ikaroa district.

To date, 78 applications have been received, and 17 surveys involving 325 individual reports have been made. The advances approved total nineteen, while three houses are nearing completion. One Maori carpentering gang has recently commenced work in the Marlborough district, and it is hoped to start two more gangs—one at Morven and the other at Temuka.

A summary is appended to indicate the state of the work at 31st March, 1938 :—

Class.						Numbers.		Cost.
Indigent scheme—								
New—								
Erected	..	..	..	..	..	..		
In progress	..	..	..	..	..	..		
Not started	..	..	..	..	..	4		
						—	4	
Repairs—								
Effectuated	..	..	..	..	..	..		
In progress	..	..	..	..	..	..		
Not started	..	..	..	..	..	2		
						—	2	
Total authorizations	..	..	..	..	..	6		£ 1,750
Under Act—								
New—								
Erected	..	..	..	..	..	2		
In progress	..	..	..	..	..	2		
Not started	..	..	..	..	..	6		
						—	10	
Repairs—								
Effectuated	..	..	..	..	..	..		
In progress	..	..	..	..	..	1		
Not started	..	..	..	..	..	2		
						—	3	
Total authorizations	..	..	..	..	..	13		6,627
Grand total authorizations	..	..	..	..	..	19		8,377

PART II.—STATE DEVELOPMENT SCHEMES.

THE most important of the schemes now in operation for the development of the lands of the Maori people, and for assisting them in farming, are those which are financed out of moneys provided by the State and which are administered by the Board of Native Affairs, under the authority of Part I of the Native Land Amendment Act, 1936.

For purposes of administration these schemes are grouped in Maori Land Board districts, and it is proposed in this part of the report to review their operations during the past year. It may be mentioned by way of introduction that there are three classes or kinds of schemes which come under the above heading, viz. :—

- (1) Land development schemes : Which have for their object the development and settlement of blocks or compact areas of Native land—*e.g.*, Horohoro and Waimiha.
- (2) Unit development schemes or settlers' farms : For further developing small holdings of lands already settled on or being farmed by Native individuals or families—*e.g.*, Bay of Islands and Ruatoki.
- (3) Base farms : Which have been established for the purpose of assembling, holding, and distributing live-stock to surrounding schemes—*e.g.*, Manukau Farm.

The plan in which this section of the report is presented is as follows :—

A general report on the schemes in a district, narratives on each scheme, full statistical data concerning all schemes, and summarized receipts and payments accounts.

TOKERAU MAORI LAND DISTRICT.

It is not necessary in this report to touch on the historical significance of this district of Maoridom : previous reports have adequately covered this. The district stretches from the shores of Spirits Bay in the north to the Waitemata Harbour in the south, and is peopled by the tribes of Ngapuhi, Ngati-Whatua, Te Rarawa, Te Aupouri, and Ngati-Kahu. That the people are vigorous and progressive is shown by the fact that the Tai-Tokerau peoples number, by the census of 1936, one-fourth of the Native population of New Zealand. Their numbers are increasing, but they are not plentifully endowed with lands, and the future of these people affords a peculiarly difficult problem for solution by the Government. Development of the Native areas, and its accompanying development of the people, affords a starting-point along the road of progress. The ultimate goal is to establish the whole of the Maori population into its rightful and important place in the economic and social structure.

In the past twenty-five years the Maori population has been greatly affected in this district by economic changes. The scheme of consolidation for the adjustment of title has lagged behind development, and the stage has been reached where future advances must in many cases be strictly limited until progress is made in the adjustment of titles. In fully 75 per centum of the development scheme advances the title position is obscure, but owing to the shortage of experienced officers and for other reasons, this important aspect of our security has had to be left for future attention. The stage has now been reached when it is necessary to review many of the early decisions to extend the provisions of the Act to various Native areas, so that further advances will only be made in such cases as offer adequate security.

During the year under review steps were taken to put the district administration on a sounder basis, with the object of more closely supervising the operations of settlers and the expenditure of development and employment-promotion funds. The organization for the payment of wages to workmen has been improved, and more frequent payments are now regularly made. Complaints are still to be heard, but it is practically impossible to meet all requests that are made in this direction.

In the actual work of supervision, field officers have been able to more frequently visit settlers and give that tuition so essential to success. Dairy companies have co-operated in the provision of essential butterfat-production figures, and these, together with statements of account rendered at frequent intervals, materially assist the field men in their supervision duties. With employment-promotion work, supervisors now endeavour to group men into gangs of not less than eight. This system is working efficiently and enables a greater number of men to be effectively supervised.

Herd-testing has been introduced in the Mangonui and Hokianga Counties. This labour-cost is paid for from the Employment Promotion Fund, and the settlers stand the cost of the Association's charge of 2s. per cow. Reference to the salient points of each association report is made in the general report on the schemes affected. The tendency for overstocking and neglect of herds still persists, and it will take time and the unremitting attention of supervisors to eliminate these two uneconomic factors.

The ideals of the Government in the matter of Native housing is being given effect to, and the Department during the winter handed over to the Public Works Department at Whangarei a programme for the construction of forty-one houses. Since that date other plans have been submitted,

and at the 31st March, 1938, there were thirty-four houses completed and twenty-one in the course of erection. In addition, the Department's supervisors have carried out the erection of sixty houses, and an extensive cow-shed programme is in hand.

Instructions were issued that the sale of bobby calves was to be strictly limited, in an effort to avoid the heavy annual charge for stock replacement, and that all proceeds of bobby-calf sales were to be paid into the Department. It has been difficult to train the Natives to raise their calves well and improve their herds, and stock replacements have suffered. On the other hand, of course, some of the smaller areas do not permit the raising of stock.

A greater degree of understanding and appreciation of the State's activities and difficulties appears to prevail among the general public, and very little criticism has been heard. Indeed, the Department's activities have given rise to some favourable comment. An example is quoted from some remarks made by the Bishop of Aotearoa after a visit to the district. His Lordship is reported in the daily press as follows:—

“The improved conditions ruling among the Maoris of the North were attributed by Bishop Bennett to the development schemes, particularly small dairy-farms. They have proved an inestimable temporal blessing to the Maori race wherever established in the Dominion.

“‘Every able-bodied man,’ he stated, ‘was working with the more cheerful outlook which has developed out of the abundance of work with the consequent better wages, regular food and hours of work. The Maori race was fitter physically and even increasing rapidly.’”

Following a heavy wet winter, when floods predominated in all parts, the North experienced a warm spring which considerably benefited the pastures and tended to increase production. Unfortunately, the dry weather developed into a mild drought, and pastures suffered and the earlier promise of increased production was checked. In certain exceptional cases it was essential to relax the employment regulations and to give a greater measure of assistance than was originally contemplated.

In all areas the stock is in first-class condition, the type taken right through being good. Butterfat production is still low per cow. The necessary self-reliance and ambition to make themselves independent of relief assistance is in many cases lacking. The offer of private employment tempts many to neglect their farms, with the result that the women and children are left to do the milking and farm-work.

Nearly one hundred men from this district accepted development work with the Department at Rotorua, and this eased the unemployment position considerably. With the improved organization and the increase in private employment, it is now difficult to get men in certain localities to do the work offering.

Active development work was commenced at Ounuwahao, a large Native block near Dargaville; also at Okaroro on a Native lease that was taken over for the benefit of the owners; and a large block of Native land, known as Opapaki, at Motatau. The promise of assistance to Natives of Te Hapua was fulfilled, and extensive work has been commenced at Ngataki, in the far North.

There are 450,000 acres gazetted as being subject to the development legislation, and to date 791 settlers have been established on their own holdings.

Bay of Islands.

There are 33,200 acres of land in this district under active development, of which area some 26,672 acres are in grass or rough feed. The quality varies considerably, but, generally speaking, the country is poor, but in isolated localities there are areas of easy undulating volcanic land, flat alluvial lands, and in the centre of the district an area of good hilly limestone country; otherwise the land varies from medium to very poor gum country, being very difficult of development.

The land-title-consolidation position here is not satisfactory, and the housing situation is similarly unsatisfactory. It is hoped to bring about some improvement in these respects during the coming year.

There are 228 settlers established, and 280 other men employed on the scheme, which supports 2,349 other dependants. The live-stock tallies as at 31st March, 1938, comprised 6,100 dairy stock, 216 run cattle, and 750 breeding-ewes.

Hokianga.

It has a considerable Maori population, and some of the most progressive of the Native settlements are to be found in this locality, particularly in the vicinity of the harbour and its tributaries. The Natives of southern Hokianga at Waimamaku, Opononi, and Whirinaki particularly have benefited from contact with the early colonists and have put into practice the lessons learned to a more marked degree than is to be found elsewhere in the North. The living conditions and health of the people are generally good; the farms are such as would do credit to any European farmer; and, from the purely financial side, the settlers' liabilities to the Department are relatively small. The Native rating question here is not satisfactory to the County Council. The Maori has an inborn objection to the payment of rates, but efforts are being made to adjust the position and to assist the county in collecting from those settlers whose properties are in a position to pay.

Herd-testing of the Native herds was carried out during the season in five localities. The supervisor of the Hokianga Herd Testing Association reports that returns, although not up to the average European standards, are satisfactory.

The Motuti water-supply has been completed by the Public Works Department and gravity water is now laid on to forty farms. An extensive programme has been carried out in the construction of cow-sheds, and at Pawarenga all settlers are now supplied, while in many other localities another couple of years will see all requirements met in this direction.

All villages have been fortunate in exceptionally prolific crops of kumeras, potatoes, and corn, due to the favourable season, and a feeling of security is evident among the Natives for the approaching winter.

Stock is going into the winter in good condition. The tallies at 31st March, 1938, comprised 5,900 dairy stock, 203 run cattle, and 300 sheep. Supervisors report that at Kaikohe, Waima, Opononi, Panguru, and elsewhere the recently erected buildings have raised the hopes of the people and will no doubt prove to be an incentive to the 257 settlers to carry out their activities in a more workmanlike and efficient manner. The scheme supports a total number of 3,264 persons.

Kaipara.

This scheme comprises numerous scattered areas centring round the Hobson and Otamatea Counties. Altogether there are 10,150 acres under active development, and, of this, 6,296 acres are in grass. Between Tangiteroria and Kaihu there are some thirty individual settlers—all fair workers, though their farming knowledge is somewhat deficient and their stock transactions somewhat free.

In the Otamatea County there are also some thirty settlers in scattered localities. On each of these holdings there are areas of good alluvial flats or easy limestone hills. Though not up to European standards, these men are making progress and promise to become successful and independent settlers.

Paspalum is the predominant pasture, and this season the grass developed a fungus which somewhat detrimentally affected the stock. Housing conditions are improving. The Department erected thirteen new houses and effected improvements to several others. Three houses were also erected under Public Works supervision.

This district offers some scope for further development, and new areas will be undertaken as the land-title position becomes more certain.

Live-stock tallies as at 31st March were 950 dairy cows, 486 other dairy stock, 39 run cattle, and 765 breeding-ewes.

Mangonui.

This scheme embraces the northern portion of the Tokerau district, the southern boundary following a line from Whangape Harbour on the west coast to the Tapuetahi Stream on the east coast.

The Maori population is numerous, and the area of land suitable for development is insufficient to absorb all the unemployed. Nevertheless, some twenty men have migrated to Rotorua and the Bay of Plenty with the State's assistance, and are obtaining work on development properties there.

The district has experienced a much drier summer than that obtaining elsewhere, and the lack of rain has been detrimental to the pastures and production. Extensive housing improvements have been effected during the past twelve months.

Herd-testing was carried out in the areas adjacent to Kaitaia, and the following extract from the report of the Testing Association supervisor indicates the difficulties that are to be overcome before success is achieved :—

“Approximately 1,882 cows contained in 135 settlers' properties have been submitted to test. The work has been hampered and its value diminished by the unsatisfactory service rendered by some of the sampling boys, but the boys who are now assisting appear satisfactory. Factors are operating to cause the Native cow production to lag behind the pakeha-owned cows. It is noted that in September only 48 per cent. of the total available Native cows were in milk, as against 66 per cent. of the cows of the pakeha section. This position obtained to a lessening extent until January, when all cows of both sections were in milk. February, however, saw a sudden fall in the number of Native cows in milk (86 per cent.), whereas the whole of the cows of the other section were still in milk. The difference for the month of March is even greater, though not included in this report. Consideration of these facts point to the fact that many of the Native-owned cows are brought into milk later than is customary for the district and are dried off earlier, or, in other words, short-season milkers, which is no doubt chiefly due to mismanagement generally, and in particular to a dislike for the tedium of milking.

“I am of the opinion that in a general way the first season's testing operations can be considered satisfactory. Many difficulties have arisen and have been overcome, and experience gained can be turned to useful account in the future.”

The unemployment position at Te Hapua is satisfactory. Practically no assistance has been necessary for the past nine months as the kauri-gum industry has experienced a steady season. A number of the younger men have moved to Ngataki, where land development work has been made available on an area of Crown land set aside by the Lands Department for their occupation.

Mangatete Post-splitting Scheme.—By arrangements with the Lands Department, an area of puriri bush at Mangatete was made available as a source of supply for posts. Some 6,000 posts and 1,066 strainers have been obtained here for use on the Ngataki area.

Manukau Farm.

This area fronts the main Kaitia—Herekino Road, and comprises an area of 830 acres of easy to steep clay loam country. The front portion of the property has been worked and cultivated, and an area of 400 acres of good pasture is now consolidated and fully subdivided preparatory to the establishment of settlers. The balance of the area at the back of the farm is in good puriri and taraire bush. This year 70 acres have already been sown down, and 30 acres are ready for sowing. A general clearing up on 100 acres of grass, and the clearing and stumping of 200 acres on grassed land to facilitate the use of the mower next season, has been completed. All old drains have been cleaned out, and 300 chains of new drains constructed. The erection of 676 chains of new fences and the repair of 675 chains of existing fences have also been carried out. A road connecting up the bush portion with the front of the property has been formed.

The stock on hand at 31st March, 1938, comprised 147 head of run cattle, a team of working-bullocks, and 102 sheep. The stock are in excellent condition. Pastures have been top-dressed and are in good heart for the coming winter. Approval has been granted for the erection of six houses for tentative settlers, and these will be commenced at an early date.

Motatau Farm.

Motatau, comprising 770 acres, was acquired for base-farm purposes, and as such served a useful purpose in the early stages of land development in the district. Now that the various district schemes are in a position to carry their own stock, the necessity for a base farm is not so great, and this area has gradually developed into an ordinary mixed farm. It contains some excellent flats, but the hills are poor. Management is difficult, as the flats are subject to flooding, which cannot be overcome without a comprehensive and costly district drainage system.

During the year 53 chains of roadways were formed and metalled, 50 chains of fencing erected, in addition to the usual farm maintenance and repair works. The dairy herd came under test this year. There has been an abundance of feed on the dairying lands, but the hill pasture is disappointing.

Stock on the property comprises 70 dairy cows, 45 other dairy stock, 40 run cattle, 114 breeding-ewes, and 142 dry sheep.

Ngataki.

An area of vacant Crown lands between Te Kao and Houhora, in the far North, was made available by the Lands Department for the settlement of Natives from Te Hapua, and development work has been started on an area of 2,700 acres. The soil of the block is of a sandy nature on a soft sandstone base and can be worked at any time of the year with implements. Scattered throughout the area are numerous small swamps of sandy peat which appear to be drainable. Parts of the area are affected with small sand-drifts which will require to be reclaimed. The country in the locality has for years past been periodically burnt off by gum-diggers, and, though this has undoubtedly detrimentally affected the fertility of the soil, it is considered that with proper cultivation and the application of fertilizers results can be obtained which will justify its development. It was anticipated that 100 acres could be grassed in the autumn, but owing to the delay in the supply of materials for the hutments it was not possible to get the workmen established in time to undertake the work. However, an area of 15 acres has been ploughed and is ready for grassing.

The work completed to date includes the erection of twelve hutments, the clearing of 20 acres, the ploughing of 15 acres, and the construction of 40 chains of drain. A start has been made with the fencing of the block, six thousand posts having been obtained from the Mangatete bush for this purpose.

Okaroro Farm.

This area of Native land, comprising Sections 39 and 60, Motatau No. 2 Block—1,760 acres—is situated just south of the Otiria Railway-station. It was leased to Europeans, but was recently abandoned to the mortgagees—the State Advances Corporation—from whom it has now been acquired by the Board of Native Affairs for Native settlement.

There is a substantial homestead on the property, and practically the whole area has been in grass, though it is now much deteriorated and infested with scrub and blackberry. The front portion of the property, originally in bush, is good-quality hill limestone country, and this is in good grass. The balance of the area is easy ploughable country running from medium quality clay to hard clay gumfields. Here the pastures are much deteriorated and will require renewing. The fencing has been neglected and is in poor order.

Development work commenced in October, and has been confined to repairing fences, erecting sheep-yards, draining and roading, and the constructing of stock-crossings over creeks and drains. There is ample scope for labour, and the programme will depend on the man-power available.

Stock now on the property comprises 443 run cattle, 587 breeding-ewes, and 420 dry sheep.

Opapaki Farm.

This farm comprises the following areas : Motatau No. 2, Section 48B, 516 acres ; Motatau No. 2, Section 49A 2, 252 acres ; Motatau No. 2, Section 49A 3, 117 acres ; total, 885 acres.

Sections 48B and 49A 2 were mortgaged to the Maori Land Board to secure advances, and by arrangement with the mortgagor, who was in arrears with interest payments, these sections, together with section 49A 3, were taken over by the Board of Native Affairs on 29th November last for development.

Section 48B comprises easy clay hills of fair quality mostly in scrub and fern with some small grassed areas. The other sections consist of good-quality limestone hills carrying pasture which, with stocking and manuring, can be greatly improved. There is a considerable area of low-lying country on these sections which, although wet in winter, affords good summer grazing.

The limestone section of the farm is at present in two paddocks, and its subdivision is to be immediately undertaken in order to facilitate the control of ragwort and fern. It is proposed that an area of 80 acres on this part of the property will be logged-up and an area of 200 acres cleared and cultivated this season. There is ample work here for the local unemployed, and the extent of the programme will depend on the number of men available. There is, unfortunately, little good fencing left on the block.

Negotiations are at present under way with the Railways Department for the erection of a goods-shed on the station-yard at Motatau to serve this and the neighbouring properties.

The stock on hand at the 31st March, 1938, comprised 135 run cattle and 309 sheep.

Ounuwhao.

After extensive negotiations extending over a period of years this scheme was inaugurated in the winter of 1937. Comprising an area of 2,371 acres, the scheme is situated approximately three miles from Dargaville saleyards and dairy factory. Of the area, 1,561 acres consist of undulating to hilly country comprising approximately 100 acres of alluvial flats, the balance being second-class land in tea-tree and fern with small patches of bush. The remaining 810 acres is poor gum country. Water is somewhat deficient, and it is difficult, owing to the wet seasons experienced, to determine whether sufficient water will be assured to enable the area to be subdivided for dairying. A good supply of fallen timber has proved useful for the construction of cottages and workers' hutments. Approximately 50,000 ft. of kauri has been salvaged from the property to date, and it is considered that sufficient timber is available for fencing purposes.

The ultimate object is to subdivide the block into sheep-farms, with a limited number of dairy farms. At the 31st March, 1938, the stock on the block comprised 223 run cattle and 26 working-bullocks. The main purpose in undertaking the project was to provide reproductive employment for the unemployed Natives of the locality. Active work was commenced during August, 1937, and since that date up to the 31st March, 1938, the following work has been carried out: Clearing 300 acres of tea-tree, bush, and fern; two and a half miles of fencing were re-erected, with half a mile of new fencing; 30 chains of new drains were dug; the erection of an implement-shed and the construction of a house; while, in addition to sundry farming-work, 50,000 ft. of kauri timber were salvaged and sawn at a nearby mill.

There has been a gradual absorption of Native labour, and at the end of the year fifty men, upon whom were dependent approximately two hundred women and children, were engaged on active development work at standard rates of pay. There is an ample field here for Native labour, and work will proceed to the limit of the man-power available.

Panguru Farm.

This farm contains an area of 302 acres, part freehold and part leasehold. It was originally in thick bush, and was acquired for the purpose of a base for the grazing and distribution of live-stock for settlers on the northern shore of the Hokianga Harbour. It is still partly used for this purpose. During the year a part was added to one of the adjacent settler's holdings. It is intended to establish two farms on the balance of the area and to leave a portion for the purpose of a distributing and collecting centre for stock coming in and going out of the district. An overseer has been appointed to assist in the supervision of the area, and he is resident on the farm, a dwelling having been erected for him this season by the Public Works Department. The two settlers cannot be established until a satisfactory road access is provided, and this matter is now in hand. There is an abundance of feed on the property. Extensive damage to fences still persists owing to the creeping slips, so prevalent over large areas of this and similar country in the Hokianga district.

The stock on hand at 31st March, 1938, comprised 263 sheep and a few dairy cows.

Work for the ensuing year will include the forming of a road to give access to the subdivisions and the usual farm-maintenance works.

Pouto.

This property, which is gazetted as being under the Kaipara scheme, covers an extensive area in an isolated locality at the entrance to the Kaipara Harbour. It was undertaken as an unemployed-relief job for the local Natives. Access is provided by the steamer running between Helensville and Dargaville, but ultimately there will be a road connection with Dargaville. The total area under development is 9,000 acres, but work meantime is confined to an area of 2,300 acres which has been ring-fenced. Approximately 500 acres are now in good grass, and, in addition, there are some 500 acres to 1,000 acres in rough feed. There is also an area of first-class swamp of approximately 350 acres which has been drained and is now in the process of consolidation. A team of bullocks provides the main power, and this has proved invaluable on this isolated area. There were six houses, each containing three bedrooms, a bathroom, and a living-room, erected to replace sack and iron whares. A manure-shed has also been erected. In the ensuing year twelve hutments are to be built for workmen coming from other districts. General work included the cultivation and laying down of 60 acres in new grass; the clearing of 175 acres of scrub; the erection of 155 chains of new fences; the splitting of 400 posts, 3,200 battens, and 300 house blocks; forming 4 chains of new roads, and the maintenance of existing roads. In addition to the normal stock-work, the drains and pastures were efficiently maintained. Regular work has been found for fifteen men at standard rates of pay, and this provides for approximately sixty women and children. Existing

pastures have been top-dressed, and a commencement was made with the erection of hutments for workmen. The stock losses have been light, a comparatively mild winter having been experienced, and the stock has come through in good condition. The swamp area is coming in well. The stock on the property at the 31st March, 1938, comprised 111 run cattle, 340 breeding-ewes, and 723 dry sheep.

Difficulty has been experienced in inducing outside Natives to accept employment on this scheme owing to its isolation. There is an abundance of work offering at Pouto, but it is necessary to provide suitable accommodation, and the hutments referred to above are being built for that purpose.

It is proposed during the ensuing year to plough and cultivate a further 150 acres, construct 100 chains of new drains, erect twelve hutments, erect three miles of fencing, and carry out some further roading. This programme will be increased if labour becomes available. The pastures are in first-class condition, and the ewes and hoggets which have been bred on the property are well-grown and big-boned sheep. The water-supply, which appears to be sufficient, comes from a stream and lake, and ultimately, when subdivided, a system of reticulation should present no difficulty.

Tautoro Bush.

This property comprises 1,607 acres, of which 1,000 acres were in heavy bush. There are 200 acres of alluvial flats which are being drained and stumped, and the balance of the area is rolling to hilly country, sparsely watered, and suitable for sheep and cattle only. Access is by metalled road ten miles from Kaikohe. If neglected, this country would quickly revert to soft fern and the better grasses would run out, but it is responding well to top-dressing. Lambs reared on the property are a well-grown line, and are in excellent condition.

A considerable area was cleared and burnt, and 200 chains of drains were constructed. A wool-shed was erected, machines were installed, and 90 tons of fertilizer distributed. The development of this area is providing an excellent field of work for the local unemployed Natives. As at the 31st March there were on hand 438 run cattle, 784 breeding-ewes, and 1,651 dry sheep. It is anticipated that after this year the farm will be rearing all its own stock requirements.

As the country requires careful stocking, it is proposed to run it as a station for some years before attempting subdivision.

Waima.

This area of 1,414 acres is situated on the main Kaikohe—Rawene highway, approximately fourteen miles from Kaikohe, and a like distance from the nearest port—Rawene. The water-supply is sufficient for the purposes of a station, but upon subdivision a supply will need to be laid on. The land comprises mostly rideable clay hills, with approximately 100 acres of stony flats fronting the main road.

Arrangements were completed with the owners for the continuance of departmental control as a station. The Public Works Department has the construction of seven cottages in hand. A further area of 528 acres, known as Waima South G 2, has now been handed over for development purposes, and this will be worked in with the present property, together with an area known as the Wharerimu Block, which was acquired from the Lands Department during the year.

A considerable amount of logging-up and burning has been carried out. This autumn 90 tons of manure were distributed, and a further 16 acres ploughed and cultivated. The fencing-off of the homesteads that are now being built is in hand. Scattered clumps of tea-tree are being cleared, and, when completed, draining works adjacent to the road will be commenced.

At the present time the pastures are in good heart and there is an abundance of feed. It is proposed to fall, fence, and grass 350 acres during the ensuing season.

On the Waima bush area, stock on hand at the 31st March, 1938, comprised 2,205 mixed sheep and 357 run cattle.

Tokerau (North Auckland) District.

Details of works subsidized from the Employment Promotion Fund on Native properties not yet under the development policy. (NOTE.—Such properties are usually referred to as belonging to non-units):—

Bushfelling	..	..	..	..	..	..	177 acres.
Clearing	..	..	..	..	..	..	5,375 acres.
Other cultivation	..	..	..	..	..	..	1,311 acres.
Fencing—							
New	..	..	..	..	..	..	5,827 chains.
Repairs	..	..	..	..	..	..	953 chains.
Splitting—							
Posts	..	..	..	..	..	..	18,657
Strainers	..	..	..	..	..	..	1,379
Battens	..	..	..	..	..	..	37,714
Draining—							
New	..	..	..	..	..	..	4,857 chains.
Cleaned	..	..	..	..	..	..	899 chains.
Roading	..	..	..	..	..	..	1,679 chains.
Cow-sheds erected—New	..	..	..	..	..	..	21
Cottages erected—New (non-unit procures material, and the Department lets the contract)	..	..	..	..	..	..	48

STATISTICAL DATA ON TOKERAU SCHEMES (SCHEME, UNIT, AND BASE FARM).

Particulars.	Bay of Islands.	Hokianga.	Kaipara.	Mangonui.	Manukau Farm.	Molatau Farm.	Ngataki.	Okaroro Farm.	Panguru Farm.	Pouito Station.	Tautoro Bush.	Waina Bush.	Ounuwaho Station.	Opapaki Farm.	Totals.
1. Date first gazetted or acquired	June, 1930	June, 1930	June, 1930	June, 1930	Sept., 1933	Jan., 1931	Pending.	Mar., 1938	Apr., 1933	June, 1930	Feb., 1932	June, 1930	July, 1937	Dec., 1937	11
2. Number of schemes	177 630	98 204	26 137	127 256	830	770	2 700	1 760	302	9 000	1 607	1 414	2 371	885	450 866
3. Area gazetted to date	26 672	19 466	6 296	15 511	470	550	..	..	280	2 300	1 200	1 100	..	..	78 845
4. Area developed to date	33 206	38 550	10 150	24 125	..	..	..	..	..	..	..	..	..	..	106 025
5. Area occupied by settlers (estimated)	68 320	68 169	18 002	44 187	230	100	2 000	1 060	..	5 000	300	310	2 000	750	211 028
6. Area suitable for further development (estimated)	257	257	61	193	..	..	..	..	..	..	..	..	..	..	211 739
7. Number of settlers in occupation	280	379	95	225	..	..	..	..	..	..	..	..	..	..	979
8. Additional labourers, including Bureau workers below	2 349	2 628	624	1 672	..	..	..	..	..	..	..	..	..	..	7 273
9. Dependants—Wives, children, old people, &c.	2 857	3 264	780	2 090	..	..	..	..	..	..	..	..	..	..	8 991
10. Total dependants	2 857	3 264	780	2 090	..	..	..	..	..	..	..	..	..	..	8 991
11. Number of Bureau workers included above	265	360	80	212	..	..	..	..	..	..	..	..	..	..	917
12. Number of relief workers engaged exclusively on private Native lands	40	51	27	90	..	..	..	..	..	..	..	..	..	..	208
13. Live-stock tallies—															
14. Cows milked during season	3 277	3 659	950	2 405	..	70	..	..	..	..	..	..	..	..	10 361
15. Other dairy stock	2 855	2 240	486	1 122	..	45	..	..	..	..	..	..	..	..	6 765
16. Run cattle	216	203	39	82	147	40	..	443	..	111	438	337	223	135	2 434
17. Ewes : Breeding	750	300	765	97	..	114	..	587	232	340	784	950	..	300	5 219
18. Sheep : Dry	..	..	..	..	102	142	..	420	31	723	1 651	1 255	..	9	4 333
19. Horses and bullocks : Working	305	263	75	186	13	2	..	..	..	21	7	1	26	..	899
20. Receipts—															
21. Butterfat—															
22. Poundage (approximate)	393 300	506 800	131 280	315 100	..	18 600	..	..	..	..	..	..	..	..	1 365 080
23. Department's proportion (25 per cent. to 50 per cent.)	6 555	10 137	2 188	6 303	..	603	..	..	..	..	..	..	..	..	25 786
24. *Wool—															
25. Bales	..	4	..	..	2	..	..	..	..	23	2	15	..	..	46
26. Poundage	..	1 350	..	..	788	..	..	..	..	6 037	856	6 037	..	..	15 405
27. Department's proportion	..	26	..	..	26	..	..	..	..	219	222	198	..	..	2 491
28. Live-stock sales	834	367	47	122	62	270	..	384	335	342	1 761	1 467	..	..	5 091
29. Crops and sundries	70	328	58	39	29	3	..	..	..	..	1	..	..	..	328
30. Bulk sundries	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
31. Total cash to Department	7 459	10 858	2 293	6 464	117	876	..	384	335	561	1 784	1 665	..	..	32 796
32. Year's activities, showing the work of labourers on schemes only—															
33. Bushfelling and clearing	2 839	3 725	199	2 286	200	16	20	6	..	175	250	550	390	..	10 566
34. Fencing	2 816	3 763	293	2 630	676	50	40	223	..	155	..	124	40	..	10 810
35. New	150	799	30	516	675	30	..	..	12	27	..	..	200	..	2 439
36. Repairs	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
37. Draining—															
38. New	2 234	1 874	93	2 001	300	90	40	..	..	46	200	20	30	..	6 028
39. Repairs	228	222	..	348	186	204	..	..	..	78	..	..	..	..	1 266
40. Grassing and cultivation	1 230	1 511	398	713	..	..	..	..	..	..	..	..	..	..	3 832
41. Roading : New	57	271	30	404	97	53	1	..	..	..	..	..	..	..	1 009
42. Chains	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..
43. Water-supplies installed : New	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
44. Cortages erected—															
45. New	12	48	14	20	..	..	..	..	..	..	..	..	..	..	94
46. To date	25	65	16	46	..	..	..	..	..	..	..	..	..	..	152
47. Cow-sheds erected—															
48. New	39	65	7	31	..	..	..	..	..	..	..	..	..	..	142
49. To date	58	83	11	45	..	..	..	..	..	..	..	..	..	..	197
50. Implement and manure sheds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
51. Wool-sheds	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
52. Workmen's hutments	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

B, H, K, or M means that figures are included in main district schemes—Bay of Islands, Hokianga, Kaipara, or Mangonui. * Wool entries are shown to 31st March, 1938, only. The total clip for the season was 110 bales. Many of the sheep shown in the tallies above were acquired after the shearing season.

TOKERAU DISTRICT.

SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1938.

Schemes.	Receipts.										Net Liability as at 31st March, 1938.			
	Receipts, excluding Unemployment Grants to 31st March, 1937.		Employment-promotion Subsidies. 1937-38.		Cash Collections, Scheme Produce, 1937-38.		Sales to other Schemes.		Total Receipts, including Employment to 31st March, 1938.					
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.				
Bay of Islands ..	28,122	10 7	22,263	0 9	11,071	3 9	7,459	2 11	582	2 9	69,498	0 9	35,400	3 7
Motatau Farm ..	5,999	2 3	552	0 0	707	0 0	877	3 0	143	2 1	8,278	7 4	7,151	2 2
Okaroro Farm ..	..	..	..	..	71	17 0	383	10 1	546	16 0	1,002	3 1	7,773	4 6
Opapaki Farm ..	..	..	..	..	..	..	..	..	..	7 6	..	7 6	1,381	10 8
Tautoro Bush ..	..	..	..	..	..	..	..	..	184	0 0	11,642	1 5	7,010	4 5
Hokianga ..	5,312	7 4	3,776	1 0	585	14 10	1,783	18 3	1,019	15 5	95,727	4 9	53,280	2 0
Motiti Water-supply ..	36,280	18 10	32,393	13 2	15,174	3 3	10,858	14 1	..	5 0	2,321	16 6	4,065	4 5
Panguru Farm ..	..	..	867	13 0	..	..	..	..	234	5 6	2,976	7 6	1,642	2 2
Waima Bush ..	1,852	13 10	528	16 0	26	0 0	334	12 2	383	15 0	11,660	1 5	5,898	4 9
Kaipara ..	6,273	10 9	2,757	7 0	581	2 0	1,664	6 8	19	4 3	13,785	17 11	10,433	8 7
Omuhao ..	7,757	4 0	2,731	8 3	985	3 11	2,292	17 6	..	..	18,189	18 2	2,798	11 4
Pouto ..	..	..	..	..	1,189	18 2	..	..	..	..	4,067	15 11	4,609	11 0
Mangonui ..	429	7 4	2,172	12 2	905	11 4	560	5 1	350	11 9	57,591	12 8	29,867	0 6
Manukau ..	21,624	2 9	19,700	17 1	9,451	6 0	6,464	15 1	432	10 5	4,642	9 11	4,625	7 2
Ngataki ..	504	8 8	1,788	7 0	1,799	18 3	117	5 7	..	..	357	5 0	464	19 6
Bulk stock, &c. ..	..	..	..	..	357	5 0	7	10 0	3,544	18 4	30,960	7 10	2,740	5 4
Totals ..	141,564	5 10	89,531	15 5	44,355	2 0	32,804	0 5	7,446	14 0	315,701	17 8	179,201	2 1

Schemes.	Payments.										Total Expenditure, plus Interest, to 31st March, 1938.			
	Expenditure, plus Interest, to 31st March, 1937.		Cash Expenditure, 1937-38.		Purchases from Bulk and other Schemes.		Net Interest, 1937-38.		Total Expenditure, plus Interest, to 31st March, 1938.					
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.				
Bay of Islands ..	79,005	19 3	21,703	5 4	2,336	0 7	1,912	19 2	104,958	4 4	15,429	9 6	8,775	7 7
Motatau Farm ..	13,266	13 2	1,760	7 10	31	5 8	371	2 10	18,652	5 10	149,007	6 9	1,381	18 2
Okaroro Farm ..	..	..	8,663	12 8	23	13 6	88	1 5	18,652	5 10	149,007	6 9	1,381	18 2
Opapaki Farm ..	..	..	643	6 10	726	0 6	12	10 10	18,652	5 10	149,007	6 9	1,381	18 2
Tautoro Bush ..	..	..	3,648	2 5	483	5 4	324	6 9	149,007	6 9	149,007	6 9	1,381	18 2
Hokianga ..	14,196	11 4	29,246	13 2	1,215	17 8	2,919	11 6	149,007	6 9	149,007	6 9	1,381	18 2
Motiti Water-supply ..	115,625	4 5	2,236	9 8	855	1 9	169	4 9	149,007	6 9	149,007	6 9	1,381	18 2
Panguru Farm ..	3,126	4 9	585	11 5	31	5 0	85	0 7	149,007	6 9	149,007	6 9	1,381	18 2
Waima Bush ..	3,916	12 8	4,986	11 6	423	19 7	235	0 4	149,007	6 9	149,007	6 9	1,381	18 2
Kaipara ..	11,912	14 9	2,807	1 7	44	5 2	608	10 2	149,007	6 9	149,007	6 9	1,381	18 2
Omuhao ..	20,759	9 7	2,807	1 7	44	5 2	608	10 2	149,007	6 9	149,007	6 9	1,381	18 2
Pouto ..	..	..	3,622	8 5	315	13 5	50	7 8	149,007	6 9	149,007	6 9	1,381	18 2
Mangonui ..	5,237	2 8	3,170	3 10	76	2 11	193	17 6	149,007	6 9	149,007	6 9	1,381	18 2
Manukau ..	67,448	1 5	16,541	5 7	1,786	9 6	1,682	16 8	149,007	6 9	149,007	6 9	1,381	18 2
Ngataki ..	6,060	10 4	2,893	16 6	88	17 10	224	12 5	149,007	6 9	149,007	6 9	1,381	18 2
Bulk stock, &c. ..	..	..	813	18 6	2	0 0	6	6 0	149,007	6 9	149,007	6 9	1,381	18 2
Totals ..	30,371	18 2	3,316	10 7	9	0 0	11	15 5	149,007	6 9	149,007	6 9	1,381	18 2
Totals ..	370,927	2 6	106,639	5 10	8,440	7 5	8,896	4 0	494,902	19 9	494,902	19 9	179,201	2 1

WAIKATO—MANIAPOTO MAORI LAND DISTRICT.

Lands under development in the Waikato country can conveniently be divided into three districts, comprising:—

- (1) The Waikato proper area—from the Tamaki Isthmus to the Puniu River near Kihikihi.
- (2) The Maniapoto area—being the lands of the tribe similarly named domiciled, and now generally known as the “King-country.”
- (3) The Hauraki district, which encompasses the Coromandel Peninsula and the fertile Hauraki Plains.

The Waikato area, which is supervised from Hamilton, has always had the whole-hearted support and co-operation of that leader of her people—Princess te Pua Herangi. In addition, the members of the family of the Maori “king” are also at the head of development movements in the Waikato. Confiscation and sales of Native land in the Waikato have reduced the individual holdings to small scattered areas, and to-day a large number of Natives throughout this district are practically landless. This has had the effect of throwing them more or less on their own resources, and it is to their credit that they have been able to adapt themselves to the changing needs and conditions and have been able to wrest a living in competition with their pakeha brothers. Nevertheless, what material has been available has been put to good use, and the average Waikato Maori as a farmer will, with careful handling and sympathetic supervision, compare favourably with the pakeha farmer.

In the Maniapoto area, which is supervised from Te Kuiti, much development work has been carried out during the last eight years, of which a long and interesting tale could be told. In 1932, when the development of Native lands had just been introduced amongst the Maniapoto people, the country between Otorohanga and Kawhia and between Te Kuiti and Taumarunui contained large areas of Native land capable of successful development. At long conferences with the Maori people who owned these lands, very wide differences of opinion were then expressed. In fact, at that time there was scepticism bordering on hostility towards any comprehensive scheme of land development. As a contrast to this attitude, Native land development schemes and all subsidiary activities connected therewith, are to-day of great interest at all meetings of the Maori people. The suspicions of those early days are now reported to be rapidly evaporating, and an increasingly large number of Natives are desirous of benefiting under these schemes.

The last three years have been marked as ones during which the people of this district in increasingly large numbers decided, on their own initiative, to follow the example of those who, during the years from 1930 onwards, had to be persuaded to allow their idle lands to be brought under active development. From experience gained through the last few years it has been possible to make a selection of what land would be accepted as suitable for successful settlement.

In the Hauraki area, development commenced by the inclusion of 376 acres near Kennedy's Bay. Since that time further representations have been made to bring areas in the Coromandel district, and also fertile lands on the Hauraki Plains and Thames Valley, into the schemes.

Prospects for future settlement are good, and indications point to the fact that Natives in this district are quite alive to the advantages to be gained by participating in the State's development schemes. The areas owned by the Natives in the Hauraki district are scattered, but the holdings are considered to be of such a size and the land of such a quality that land development in this district has a bright future. The Natives in the district are of a good type, sober in their habits, and determined to make every effort to prove their worth.

The weather conditions generally throughout the South Auckland district have, during the year, been recorded as a fairly mild winter, a dry summer, and a dry autumn. There was a high humidity, which encouraged the growth of fungus and insect pests: that is rare, except in a wet season.

In all areas the stock generally is in good condition. The types taken throughout the district are fairly good. Butterfat production in certain areas is low per cow, but as conditions are bettered and proper instruction is given this will improve. Owing to the long dry spell experienced in the province dairy production fell off much more rapidly than usual. The stock market was also adversely affected. Graziers hesitated to purchase store cattle with no guarantee of rain to stimulate pastures.

It is hoped and expected that the building of good homes for Natives, giving place to those hovels pervious to the elements, will be the forerunner of improved health conditions, a greater resistance to disease, and a decrease in infant mortality. Owing to the shortage of skilled labour, the erection of cottages was somewhat retarded until the latter part of the year. It has been considered advisable to hand the erection of all dwellings over to the Public Works Department, which is able to give this Department the benefit of its expert supervision. This is very necessary.

At 31st March, 1938, there were 135 assisted settlers. New farms numbering fifty-three were brought under active development during the year, while five comprehensive schemes were commenced.

Grants from the Employment Promotion Fund were utilized mainly for subsidizing labour-costs on land development schemes, and, in addition, assistance was given on Native properties not under the control of the Department. Excluding settlers, the total number of men employed was 272. Settlers assisted from the Employment Promotion Fund numbered sixty-five. The total number of dependants for all classes of workers numbered 1,760.

The principal activities carried out on scheme lands during the year included 4,729 acres of bushfelling and clearing, 3,952 chains of new fences erected, 2,074 chains of new drains constructed, 3,754 acres of grassing, and the splitting of 17,000 posts and 75,000 battens.

At the close of the year only seventeen cottages and seven large repair jobs had actually been completed, but another fifteen cottages are in various stages of construction. Other buildings erected during the year included seventeen cow-sheds, eight implement and manure-sheds, one wool-shed, twenty workmen's huts, and two stables and store-sheds. Extensive farm-maintenance work was also carried out.

The settlers' and scheme live-stock on the properties as at 31st March, 1938, included 2,370 dairy cows (milked), 1,046 other dairy stock, 1,623 run cattle, 10,176 breeding-ewes, 3,825 dry sheep, and 272 working-horses.

The number of bales of wool produced for the season was 206, and amounted to 75,112 lb. Of this total, 125 bales, totalling 49,020 lb., were sold and brought into the accounts as at 31st March, 1938. The balance of the wool was offered and sold at the last sale of the season and the credits will not be brought to account until next year.

The base farms or comprehensive schemes in the King-country district wintered approximately 3,560 breeding-ewes, which lambed down 3,340 lambs, giving an average of 93·7 per cent.

Aramiro.

This scheme comprises an area of 5,334 acres gazetted in November, 1937. Of this, roughly half the area is suitable for development. The scheme is situated about twenty-five miles from Frankton Junction, at Aramiro, a few miles south of Waitetuna on the Hamilton-Raglan Road. Development has been commenced only recently. Six labourers have been working, and seventeen dependants are relying on the scheme for their support. It is expected that when the programme arranged is fully under way this number will be greatly augmented by local unemployed Natives. The live-stock tally at 31st March was 58 cows, 17 other dairy stock, and 8 horses.

It is proposed to establish immediately two settlers who are already milking on separate holdings. The remainder of the suitable area will be developed in a face, and used as a stock station until it is ready for subdivision. To this end a local foreman will shortly be engaged.

The land is a good clay loam, but is badly infested with noxious weeds. There are some 3,000 acres of bush on the rear portion of the property. It is hoped that a considerable amount of this standing timber will be milled prior to clearing.

An initial building programme comprising three cottages and six huts has been approved and handed to the Public Works Department for early erection. Housing conditions of the Native people at this settlement have been the subject of very unfavourable comment and have been reflected in their general poor health and high mortality rate. By a steady building programme it is hoped to raise the standard of living amongst the people.

Hangatiki.

Hangatiki base farm, situated about one mile from Hangatiki, comprises an area of 556 acres of a light friable loam soil which responds well to treatment. There are approximately 500 acres of easy undulating country and the balance consists of drainable swamp land. The whole area is capable of successful settlement.

The farm maintains twelve adults and eleven children, whose health during the year has been excellent. A foreman in charge of five workers has shown a great interest in the working of the property.

Of the 194 acres cleared during the year, approximately 100 acres will be sown down in permanent pasture during April and the remaining 94 acres in temporary pasture.

Live-stock consisted of 81 (i/c) Jersey heifers, 220 ewes, and 155 dry sheep. The heifers were purchased as yearlings in the spring, and it is intended to transfer them to settlers who require dairy stock to replenish their herds.

This property will, when pastures are consolidated, lend itself for subdivision into five good dairy-farms. Future prospects are considered bright.

Harataunga.

Located on the Coromandel Peninsula, this scheme includes six active settlers—four at Kennedy's Bay, one at Whangapoua, and one at Ahimia. Another property of 366 acres at Whangapoua has been proclaimed, but owing to title and nomination difficulties no start has yet been made regarding development of this area. The block comprises 1,248 acres varying greatly in quality—approximately 330 acres of good alluvial flats, 850 acres of medium hill country which can be brought in by clearing, burning off, and grassing, the balance being poor-quality hills and not suitable for successful development. There are approximately 264 acres in permanent pasture, and 88 acres have been sown down during the year. With regard to pastures, it is interesting to note that when these lands were first taken under the scheme the existing pasture comprised for the most part root-bound paspalum, but with top-dressing, clover and rye have come back, and there has been a remarkable improvement in the grasses generally.

Six settlers have now been commenced as dairy-farmers, and the scheme maintains 102 Natives. Work has been carried out both by the settlers and unemployed Natives during the year. One cottage and one cow-shed were erected. It is hoped to erect two more cottages during the coming year and carry out extensive repair work on one cottage. The settlers will then be well housed. The workers themselves are a fine type of Native and show initiative and ability. Excessive drinking is unknown, the health has been good, and future prospects are considered to be bright.

There is perhaps one Native who merits special mention. This settler has built his house, cow-shed, and calf-house out of split kauri timber, the only cost to the Department being for cement and nails, though a relatively small sum has recently been approved for improvements to the interior of the house. Photographs of the house and cow-shed are shown at the end of this report (Nos. 12 and 14), and special mention is made of this case in order to show what a member of the Native race can and has done with a very small outlay of capital. The three buildings have cost probably not more than £10. The timber, of course, was growing on the property. This settler always keeps his buildings scrupulously clean, the interior of his cow-shed being remarkable for its cleanliness and shining utensils. He is at present milking only ten cows, but his butterfat average for the year will be approximately 215 lb. of fat per cow.

Live-stock as at the 31st March consisted of 57 dairy cows, 14 other dairy stock, 38 run cattle and 7 working-horses.

Hauraki.

This is a "blanket" scheme covering eight settlers' properties in the Thames-Paeroa district. The land varies considerably in quality from drained swamp country to medium loam and clay of good quality. The settlers occupy a total area of 1,093 acres, of which some 425 acres are in fair to good pastures comprising for the most part good flat undulating land. Of the remaining area, approximately 540 acres are considered capable of profitable development. This is undulating to hilly country containing a small swamp area, 80 per cent. of this area being ploughable.

The settlers, assisted by sixteen relief workers, have maintained an excellent standard of work during the year. Three settlers commenced milking during the season. Live-stock as at 31st March included only sixty dairy cows, but it is intended to purchase this coming season a further ninety to a hundred good-quality heifers. The pastures on which the stock will be raised are good, and profitable returns are anticipated.

The health of all the settlers and their dependants, numbering fifty-four, has been good. Two first-class cow-sheds were erected during the year, and it is intended to erect or repair four more sheds for the coming season. The housing conditions are only fair, and arrangements are in train to erect four dwellings as soon as possible, when the living-conditions should be satisfactory.

Hauraki : Uriwha.

The Uriwha Reserve consists of two separate areas of Native land containing 486 acres and 293 acres respectively. The former area is situated some four miles from Waihi, on the Whangamata-Waihi Road, which runs through the property. The 293 acre block lies well up in the hills north of Karangahake, and is of no use for development purposes, being steep bush country which should ultimately be made part of the forest or watershed reserves adjoining. The 486 acres consist of approximately 200 acres of undulating, but ploughable, good hill country, while the remainder is in medium bush, all suitable for development.

At the present time the scheme maintains eight men, who have thirty-three dependants. Work has been held up to a certain extent owing to lack of accommodation for additional workers, but this should soon be remedied. The Public Works Department have in hand the erection of one cottage and six workmen's huts.

The following work was completed at 31st March, 1938 : 20,000 battens split and stacked ; 66 tons of firewood cut ; 10 chains of drains dug ; 9 acres ploughed and grassed, while another 7 acres were ploughed to lie fallow ; and 30 acres cleared of tea-tree and stumped ready for ploughing. Horses and implements have been purchased. This area will ultimately be subdivided into four dairy-farms.

Kaihau.

Two miles from Waiuku Township is situated this scheme, of 442 acres. Approximately 344 acres are in grass, and the soil is of a good-quality loam with an excellent carrying-capacity. Five settlers have been established on an area of 376 acres, and during the year the system of payment of cream cheques was altered. At the commencement of the last dairying season, instead of paying wages, as hitherto, based on one-third of the cream cheque, the settlers were paid 50 per cent. of the proceeds from the sale of butterfat direct from the dairy company, and it was arranged that they should pay any maintenance charges from their proportion. This was the first step towards establishing on a definite tenure five settlers who have dependent on them five adults and eight children. The question as to what form this tenure is to take is still receiving consideration.

The stock are in a healthy condition, and comprise 177 dairy cows and 18 dairy weaners. The general health of the people has been good. There was an outbreak of typhoid near the locality, but it speaks well for the health conditions on the scheme when it is recorded that none of the dependants was affected. The housing conditions are satisfactory, and three milking-sheds were erected during the year.

Kawhia.

The Kawhia scheme, situated on the west coast in the Kawhia County, embraces an area of 4,195 acres, of which approximately 2,850 acres are under active development. The class of soil varies considerably from good heavy loam to limestone country. Fifteen farms have been established, and most of these are carrying breeding-ewes in addition to dairy cows. This arrangement has proved satisfactory not only as a means of controlling ragwort, but also from a financial point of view, as the revenue from the sale of fat lambs has been considerable. This year it has been decided to purchase two-tooth ewes and pasture them with Romney rams, in an endeavour to eliminate the necessity of purchasing old ewes each alternate year. Twelve of the settlers have been dairying for some years and are now in a position to rear their own replacements. The scheme maintains 87 adults and 115 children.

Six new houses and three cow-sheds were constructed during the year, and the erection of the cottages will help materially to raise the standard of living. Although tuberculosis is prevalent in some families, the health of the majority is quite fair. The settlers generally take a keen interest in their affairs, and appreciate the benefits they have received from the Department. There is always keen rivalry as to who can obtain the best weights for fat lambs.

Live-stock consisted of 293 dairy cows, 154 other dairy stock, 1,300 breeding-ewes, 68 dry sheep, and 100 head of run cattle.

Kawhia : Mangaora.

Situated on the shores of the Kawhia Harbour, this farm comprises an area of 741 acres. The land is good limestone country, but, being rather steep and short of water, it is not suitable for dairying. At present development operations are concentrated upon approximately 500 acres. The whole area is suitable for development with the exception of approximately 40 acres which must remain in bush to conserve water.

During the year 169 acres of bush have been felled and sown down. Road access to the centre of the block was very difficult, but the Public Works Department has recently completed 62 chains of road-formation with the assistance of Native unemployed labour. This road is to be metalled, and will greatly facilitate the development of the area. Good manuka firewood, which was formerly impossible to get out, can now be cut and sold.

A new foreman was recently appointed, and a house to accommodate him is nearing completion. The scheme maintains twenty-three adults and thirty-five children, and the health of the community during the year has been fairly good.

Live-stock as at 31st March, 1938, consisted of 316 breeding-ewes, 183 dry sheep, 48 Polled Angus and Hereford young stock, and 66 other run cattle. Stock do particularly well on this country, and the ewe lambs carried over from last year are in exceptionally good condition.

Te Kuiti.

Te Kuiti base farm is situated four miles from the Township of Te Kuiti, which is the centre of the King-country land development schemes. The area, comprising 618 acres, was taken over from the Waikato-Maniapoto District Maori Land Board in 1932. Of this area, approximately 588 acres are eminently suitable for sheep and cattle grazing. The pasture land consists of good strong clay country well watered by running streams. There are approximately 500 acres in good pasture, 85 acres in poor grass, while the balance is in rough grass, patches of bush, and steep faces. About one-half of the property is ploughable.

Excellent work has been carried out during the year by one permanent hand and two unemployed Natives who have eight dependants. Thirty tons of hay were cut and harvested, and a new wool-shed, measuring 35 ft. by 35 ft., and sheep-yards were constructed during the year.

Live-stock at the 31st March comprised 200 run cattle, 989 breeding-ewes, 443 dry sheep, and 3 horses.

This farm has been efficiently managed by one of the local supervisors who resides on the property, and the accounts for the year show a satisfactory financial position.

Mahoenui.

Located thirty miles south of Te Kuiti, on the main New Plymouth highway, this scheme comprises a compact area of 6,120 acres. The country is classified as easy lying hills with wide valleys, and contains 300 acres of flat land. Approximately 3,000 acres are of light loam, and the balance of clay formation. The whole of the area is good healthy grazing country very suitable for run cattle. To date the Department has brought in 3,600 acres, and a further 2,400 is suitable for development. Of the area developed, 3,000 acres are in fair to good grass, with the balance in poor pasture. With heavier stocking and adequate top-dressing, the whole of the grassed area has shown a decided improvement. The main activities during the year included the clearing on a face of 973 acres of bush and scrub and the ploughing of 193 acres, making a total of 1,134 acres sown in grass. An excellent crop of swedes has been conserved. Fifteen North Auckland Natives with their families were brought on this scheme during the year, and, together with twenty-eight local men, have done excellent work.

At present the scheme, including two settlers' properties, supports thirty-five men who have dependent upon them ninety women, children, and old people. The health of the community has been excellent.

During the year new stock-yards, measuring 110 ft. by 33 ft., were constructed, ten new workmen's huts were erected, and repairs and additions carried out on two cottages. Live-stock on the scheme and settlers' properties are all in good condition, and comprised 4,195 sheep, 661 run cattle, 40 cows, and 12 other dairy stock, together with 17 horses. The main scheme produced sixty-one bales of wool, totalling 26,980 lb., while the settlers' properties have sold eighteen bales, comprising 7,902 lb. Owing to an exceptionally dry season, only forty-nine fat cattle were sold.

Two settlers have been established on an area of 240 acres, one of whom is milking 40 cows and running 348 sheep. On the other settler's property 130 sheep are being grazed, and, later, dairying will be attempted. The future prospects of the scheme are considered good.

Mangapu.

The Mangapu scheme is handy to Te Kuiti, on the main Te Kuiti—New Plymouth highway, and comprises an area of 633 acres subdivided into two holdings. The soil is of a good heavy clay formation, undulating to steep in parts, but is healthy sheep and cattle country. Approximately 570 acres are suitable for development, the balance of the area comprising sandstone bluffs. Two settlers have been established, one as a sheep and dairy farmer, and the other with sheep only. The scheme maintains thirteen adults and ten children, whose health during the year has been good.

There are approximately 300 acres in permanent pasture and 270 acres in Native grasses and scrub, and it is anticipated that the whole of the undeveloped area will be brought into production next year. This country in the past was badly infested with ragwort, but, with intense concentration of sheep, this noxious weed has been practically eliminated. The live-stock as at 31st March consisted of 10 dairy cows, 4 dry cows, 63 run cattle, 700 breeding-ewes, and 80 dry sheep.

Ngahape.

Situated six miles from Te Kawa, this scheme comprises at present an area of 423 acres. The soil is of a light friable loam, of which 50 acres are flat, the balance being undulating to hilly. When the Department commenced development a little more than a year ago, 340 acres were unimproved and covered with ragwort, tutu, scrub, heather, and fern. One settler has been established as a dairy and sheep farmer on the area, and the scheme maintains ten adults and fifteen children, whose general health has been good. There are 100 acres in permanent grass and 20 acres in rough pasture, and the area will require close fencing and stocking to keep fern and ragwort under control. The rabbit pest is gradually diminishing.

Live-stock at 31st March included 27 dairy cows, 10 weaner heifers, and 220 sheep. The dairy operations have been carried out in the front portion of 70 acres, with the aid of sheep off the hill country to control ragwort. The hill country is excellent grazing land. A manure and implement shed, with a lean-to attached to accommodate workmen, was erected during the year.

An adjoining area of 803 acres has been submitted for development, but owing to intricate title difficulties it is only recently that the Department has been in a position to organize the work and marshal the necessary labour. This area will be developed on a face, and will later be suitable for subdivision into four farms.

Onewhero.

This is a "blanket" scheme comprising six groups scattered over a wide area, and embraces a total area of 4,731 acres. Each locality presents a different class of soil and a separate problem so far as farming is concerned. The areas on which active development has taken place are classified into two groups.

On Onewhero and Opuatia the soil varies greatly in quality from good semi-volcanic country to undulating papa country and some gum land, poorly watered. Of the total area, 170 acres comprise undrainable swamp. Nineteen settlers have been established as dairy-farmers, and the group maintains sixty-two adults and eighty-six children. The health of the community has been good, and there have been no outbreaks of disease. An area of 1,120 acres is in good pastures, while the balance consists of rough pastures and swamps. In the Onewhero area, settlers require careful supervision and attention to ensure good farm husbandry. A new water-supply system using windmills was installed during the year. Housing conditions show an improvement, but further dwellings are necessary. In the Opuatia area all settlers have made efforts to improve their holdings. The housing conditions there are satisfactory. One settler who is making a good effort to improve his holding is established on the Mercer section. Timber is on the ground to erect a new house on this property. Live-stock at 31st March included 346 cows, 91 dairy weaners, and 32 horses.

At Maramarua, Mangatangi, and Waikarakia, this group consists of twelve active settlers with forty-seven dependants. A total area of 1,929 acres is under the scheme. There are some 610 acres in fair to good pasture, and approximately 710 acres capable of profitable improvement, of which 500 acres are ploughable. Live-stock on this portion of the scheme includes 210 dairy cows, 58 dry stock, and 16 horses. The Natives in the Maramarua and Mangatangi sections are now well established, and little in the way of employment contract work has been carried out owing to the properties being in a sufficiently advanced state of development to be practically self-supporting. However, the question of the future of Waikarakia section is under consideration, since it has not been a success to date. The area in grass and the portion capable of profitable development comprise for the most part medium-quality undulating hill country, which with top-dressing and stocking should carry a good sole of grass. The health of the Natives on the whole has been very satisfactory. They are industrious, and anxious to support themselves through their own efforts. Two new cottages, one cow-shed, and three sheds were erected on this portion of the scheme during the year.

Oparure.

Comprising an area of 603 acres near Te Kuiti and Oparure, of which 317 acres are under active development, this scheme supports two settlers, who have been successfully established at Oparure with sheep and dairy cows, while a third holding near Te Kuiti is being cleared. The soil on this scheme varies from light loam to heavy clay. There are 200 acres in permanent pasture, 20 acres in temporary pasture, while the balance is in scrub, fern, tutu, blackberry, and ragwort, which is gradually being cleared.

The scheme maintains twelve adults and nineteen children, and the health of the people has been good. Two settlers are well housed, while a new dwelling is being built for the remaining farmer. Live-stock includes 47 dairy cows, 8 other dairy stock, 58 run cattle, 204 ewes, and 140 dry sheep.

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 non-productive, 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.

Tunaeke.

Tunaeke scheme is situated about three miles from Whatawhata, the main Frankton-Raglan Road running past the property. It comprises an area of 406 acres, of which 250 acres are under active development. The land is undulating country, being all ploughable. Up to six months ago the block was practically in its virgin state of gorse, manuka, and tutu. The soil is a dark loam of good quality lying on a clay subsoil. It is warm country. A contract was let in December to plough all suitable land with a tractor. At the present time 246 acres have been cleared, and, of this area, 150 acres have been under the plough, while 100 acres were sown down in grass in March.

The scheme maintains nineteen workers, eleven adults, and fourteen children. Twelve of the workers have been brought on to this scheme from the North Auckland district. Two cottages being erected under the supervision of the Public Works Department are practically completed, while two huts to accommodate workmen have been erected. These huts are so built that later, when development is completed, they can be utilized as store sheds.

The intention of the Department is to develop and farm the area for some years as a pastoral farm, and ultimately the scheme should subdivide into six dairying holdings.

Waahi.

The focal point of development operations in and around the boundaries of the Waikato district is the Waahi scheme, which is located at Huntly and Rotowaro. It comprises an area of 575 acres, on which development is concentrated on 414 acres. The nature of 290 acres of the total block is of a sandy loam of fair quality, the balance being heavy clay country. Noxious weeds have been kept under control, and there are 334 acres in permanent pasture and 80 acres in fair grass.

Four settlers are established, one of whom is the Maori "king," whose personal influence, combined with the leadership and organization of his cousin, has contributed in no small degree to the success of the scheme. The scheme supports in all thirty-two persons. The general health of the Natives has been good, and the settlers have taken a very keen interest in their farms. The live-stock tally at 31st March was 149 milking-cows, 75 other dairy stock, 12 run cattle, and 8 working-horses.

During the past year one cow-shed and one scheme shed were erected. All the settlers now have excellent up-to-date milking-sheds, and when the water-supply has been improved it is anticipated that the dairy returns from the herd will be better. The erection of two new cottages, which are now in hand, will ensure satisfactory housing conditions within this scheme.

Waikaretu.

Comprising an area of 1,077 acres situated in the Waikaretu Valley, with a school and post-office near by, this scheme lies about twenty-six miles by good road from Rangiriri. The land is semi-volcanic loam, stony in places, all being easy-lying undulating country and practically all ploughable. At present the scheme is wholly unimproved and is infested with blackberry, ragwort, and other noxious weeds. The Department's intention is to develop an area of 835 acres on a face, and carry sheep and cattle until the land is suitable for close settlement. Ultimately it should subdivide into six holdings. The scheme should absorb all the Native labour available in this locality, for whom it has been difficult to find suitable work in the past. The land was only proclaimed at the end of the year, and development operations have not yet commenced.

Waimiha.

Situated one mile and a half from Waimiha Railway-station and midway between Te Kuiti and Taumarunui, the Waimiha scheme comprises an area of 7,829 acres. The Department has concentrated on approximately 2,500 acres, of which 2,150 acres have been grassed to date, while 5,000 acres are suitable for further development. The soil of the area under development is of a light pumiceous nature. Of the whole area, approximately 3,000 acres are flat and the balance is undulating but mostly ploughable. The area undeveloped is also of a pumiceous and light loam mixture, and generally all the land in this scheme is of poor quality and requires years of heavy stocking in order to effect proper consolidation. Heavy top-dressing is also required.

Initial development was undertaken on a block of approximately 2,200 acres generally referred to as the "Tarake" area, the total number of sections on which is twenty-four, including various plantation and other reserves. Dairy operations are being carried out on eleven of these sections, comprising an area of 1,300 acres, on which settlers have been established. The balance of the property under development has been grazed with cattle and sheep.

On the dairying sections, 290 cows were milked during the flush of the season. Milking-machines were installed in three sheds during the year.

One hundred acres of swedes, grown on the lines of the successful experiment made last year of ploughing in red clover and allowing to remain fallow throughout the winter, have proved to be an excellent crop. Two hundred and ten acres of new grass were sown during the year, of which 140 acres sown in the spring were put down with a mixture of blood-and-bone and potash, and the strike has proved to be the best the scheme has yet obtained. A further 300 acres are being ploughed immediately. This area will be allowed to lie fallow during the winter, and will be put down in temporary pastures during the spring and utilized later for swede-crops. Spring sowing of grass has been proved to be the most satisfactory in this district. Two hundred and two tons of hay were harvested and pressed into 6,054 bales.

Live-stock on the scheme included 290 dairy cows, 231 other dairy stock, 178 run cattle, 1,054 sheep, and 10 horses. The dairy cows appear to be of a good average quality, but production is

not too satisfactory. The time is now opportune—indeed, an urgent necessity—for the established milkers to be given the benefit of correct instruction and expert advice in dairy-farming husbandry.

The scheme maintains eleven settlers with fifty dependants, as well as twenty-six unemployed workers with forty-five dependants. The health of the community has been good. All of the settlers are accommodated in first-class cottages.

A flock of 1,000 breeding ewes has been carried, but more sheep will be required in the spring to control ragwort. Fifteen bales of wool produced were sold at the last Auckland sale, and during the year 101 prime bullocks were also sold. The best pastures on this scheme have proved to be those which have been stocked only with sheep and bullocks. Previous to last season correct summer stocking was greatly hampered owing to lack of sufficient water, but a good supply system has now been installed.

Waikato.

This property is another "blanket" scheme, scattered throughout the Gordonton, Huntly, Tauhei, Parawera, Rangiriri, and Whatawhata districts, and comprises a total area of 675 acres. Of this area, development has been concentrated upon 550 acres occupied by twelve settlers, whose dependants number twenty-five adults and fifty-three children. The soil generally is good. There are approximately 32 acres of good alluvial flats, 40 acres of sandy loam, 475 acres of good clay loam with good carrying-capacity, and approximately 30 acres of swamp which can be drained. Practically the whole of the area is ploughable. Two of the settlers at Parawera are running sheep and cows successfully, and ragwort, which was prevalent, has been kept under control with the sheep.

Housing conditions on most of the areas are satisfactory, and the health of the people has been good. All settlers take a great interest in farm-development, and are anxious to improve their position. Although the holdings are small, the average being 46 acres, the land has a high carrying-capacity. One new house was erected during the year, and two milking-sheds are in the course of construction.

Live-stock, as at 31st March, included 171 milking-cows, 64 other dairy stock, 220 sheep, and 19 horses.

Waipipi.

Comprising an area of 282 acres of gum land which has come into good dairying-country, this scheme is practically fully developed, and consists of undulating country on a clay formation which is all ploughable. The scheme is locally known as Hakona, and is situated on the slopes rising above the Waiuku River about six miles from Waiuku by road. Approximately 274 acres are in permanent pasture with a few acres remaining in scrub.

Five dairying settlers have been established for some years. Live-stock on the scheme as at 31st March included 115 dairy cows, 31 other dairy stock, and 9 working-horses.

Housing conditions are not altogether satisfactory, but improvements will be effected during the coming year. The scheme maintains eleven adults and fourteen children, and the health of this community has been good.

Waitomo.

Consisting of scattered holdings throughout the northern end of the Waitomo County, this scheme comprises 1,022 acres varying in quality—approximately 50 acres of rich swamp land, 180 acres of flat to rolling country, 300 acres of light friable loam, and the balance of good clay hill country. Practically the whole area is capable of development.

Eight settlers have been established, and dairying is being undertaken on the heavier low-lying country, while sheep and run cattle are being depastured on the larger and hill areas. The scheme maintains forty-seven adults and eighty children, and the health of this community has been good throughout the year.

There are approximately 605 acres in permanent pasture, and the balance in fern, bush, and scrub. All this particular territory has been badly infested with ragwort, gorse, and blackberry, but these noxious weeds are now being kept under control. Live-stock at 31st March, 1938, included 98 dairy cows, 43 other dairy stock, 67 run cattle, 475 ewes, and 192 dry sheep.

Housing conditions are only fair—repairs to two cottages are necessary; while provision has been made to erect three new houses, two of which are under construction. The other three settlers are provided with satisfactory houses. The Natives are on the whole a good type, and are making commendable efforts to improve their holdings and to become successful farmers.

Waikato-Maniapoto (South Auckland) District.

During the year the Employment Promotion Fund was called on to the extent of £8,733 for the assistance of settlers not otherwise financed through the Department. This sum provided assistance to 112 workers, who had dependent on them 91 adults and 210 children. Details of the work performed are as follows:—

							Acre.
Bushfelling and clearing	..	..	..	..	..	..	2,465
Grassing and cultivations	..	..	..	..	..	..	607
							Chains.
Fencing, new	..	..	..	..	..	..	2,492
Fencing repairs	..	..	..	..	..	..	416
Draining, new	..	..	..	..	..	..	1,730
Draining repairs	..	..	..	..	..	..	120
							Number.
Post-splitting	..	..	..	..	..	..	9,600
Batten-splitting	..	..	..	..	..	..	39,600
Strainers	..	..	..	..	..	..	272
Cottages erected	..	..	..	..	..	..	1
Cow-sheds erected	..	..	..	..	..	..	4

WAIKATO-MANAPOTO DISTRICT—continued.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1938—continued.

Schemes.	Payments.														
	Expenditure, plus Interest, to 31st March, 1937.			Cash Expenditure, 1937-38.			Purchases from Bulk and other Schemes.			Net Interest, 1937-38.			Total Expenditure, plus Interest, to 31st March, 1938.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Aramiro	..	..	..	51	9	6	..	..	..	..	..	..	51	9	6
Hangatiki	806	17	7	2,003	5	8	463	7	2	81	0	4	3,354	10	9
Haraunga	404	14	5	1,150	2	7	..	12	7	29	14	5	1,584	11	5
Hauraki	..	..	..	1,530	19	4	..	2	7	10	12	0	1,544	3	11
Hauraki : Uriwha	..	..	..	378	10	10	14	18	1	2	1	6	395	10	5
Kaihau	6,303	6	5	1,148	12	8	110	14	0	337	10	1	7,900	3	2
Kawhia	18,074	17	3	8,336	14	6	1,579	17	7	641	14	6	28,633	3	10
Te Kuiti	11,883	11	11	1,393	15	4	394	18	8	89	11	11	13,761	17	10
Mahoenui	39,381	18	9	9,595	16	0	3,524	9	0	1,357	4	11	53,859	8	8
Mangapu	1,464	8	10	1,480	9	4	661	18	0	91	9	5	3,698	5	7
Ngahape	..	..	..	1,483	11	2	550	5	3	34	3	4	2,067	19	9
Onewhero	24,716	18	5	4,692	15	9	415	19	10	982	8	3	30,808	2	3
Oparure	3,316	12	8	1,096	16	5	45	16	11	69	11	3	4,528	17	3
Otorohanga	..	..	..	895	11	3	153	11	9	9	16	5	1,058	19	5
Pio Pio	1,688	16	2	5,530	19	1	2,074	10	4	171	12	6	9,465	18	1
Pirongia	2,674	8	9	13,600	10	5	1,290	12	8	383	12	0	17,949	3	10
Tunaake	..	..	..	1,063	10	5	251	1	3	11	18	8	1,326	10	4
Waahi	3,608	4	8	281	1	6	4	15	0	136	12	4	4,030	13	6
Waikareto	..	..	..	10	16	0	..	..	..	..	..	..	10	16	0
Waikato	2,941	6	6	2,359	10	3	64	1	3	123	19	0	5,488	17	0
Waimihia	51,966	13	5	10,283	19	10	1,057	10	1	1,895	10	1	65,203	13	9
Waipipi	9,714	6	9	1,116	0	8	58	5	1	354	9	6	11,243	2	0
Waitemo	1,447	6	5	3,099	10	2	380	7	9	93	18	2	5,021	2	6
Bulk stock, &c.	2,137	11	3	9,076	11	0	165	1	5	..	..	..	11,379	3	8
Totals	182,532	0	2	81,660	19	8	13,264	13	8	6,908	10	11	284,366	4	5

WAIARIKI MAORI LAND DISTRICT.

This district extends along the Bay of Plenty from Tauranga to Cape Runaway, and includes the counties of Rotorua, Whakatane, Opotiki, the northern half of Taupo, and the eastern portions of the Tauranga and Matamata counties. Farming operations are located in the main on the alluvial coastal lands between Tauranga and Cape Runaway and on the high pumice tablelands in the Rotorua and Taupo hot-lakes district. In the Opotiki to Cape Runaway area the lands belong almost entirely to the Maoris and there is practically no European settlement. The co-operative dairy factory serving this area at Te Kaha is owned and controlled by Natives and is operating successfully. The area of tillable land is limited, but each bay has its Native settlement. The lands are being gradually cleared and brought into profitable occupation, and with the completion of the coastal highway now under construction the district will be a most attractive one for the motorist and tourist.

Similarly, in the Rotorua vicinity the bulk of the land is Native owned, and the Native-land settlement operations are playing an important part in converting what was, a few years ago, purely a tourist centre into a highly productive farming district. Here the pumice lands are easily worked and are proving responsive to treatment. With judicious stocking and manuring, the pastures are improving, and despite certain soil deficiencies and the resultant "bush" sickness that is evident in some localities, the establishment on the land is progressing satisfactorily, and successful settlement, with Native holdings predominating, seems to be assured.

The Aluwhenua Cup, presented by Viscount Bledisloe for competition among Maori farmers under the various development schemes, was this year regained by the Waiariki District. First place (equal) was awarded to two settlers in the Bay of Plenty area (Jack Black and Whareparaoa Rewharewha), while the next position went to Johnnie Edwards, of Horohoro (Waikaukau section). The judge of the competition spoke very highly of the competitors' farms, and of the ability and initiative displayed.

Rains in February this year caused heavy losses in the cream-supplies through bridges being washed away and torrential streams or rivers cutting off access to the dairy factories. This was the case at Orete and Whangaparaoa, and to a lesser degree at Ruatoki, where settlers have to ford the rivers to reach their factory. Flood damage in the Rotorua area was confined to slips and wash-outs on by-roads, but no stock losses were recorded.

During the year extensive development was commenced in the Tauranga district to give employment to unemployed Natives and to clean up what was a weed-infested area. To relieve the unemployment position in Auckland City and North Auckland, some ninety unemployed Maoris were found regular employment in this district in bushfelling, fern-clearing, and post-splitting.

Two abandoned sheep and cattle stations in the Bay of Plenty district which were previously leased to Europeans were brought under the developmental policy during the year. The work here will be confined to maintaining and improving areas that have been grassed but which are showing signs of deterioration.

Arrangements are now being finalized for the granting of tenures to those settlers on the Horohoro and Tikitere sections who are considered to be successfully established and self-supporting.

Favourable increases are shown in the various activities of the schemes, the cash receipts for the year, as well as stock on hand at the end of the year, showing a considerable upward trend over last year's figures. This year 942 bales of wool were shorn, which was an increase of 104,700 lb. on last year's output, but on account of the lower prices ruling the valuations show a reduction. The satisfactory prices ruling for fat lambs and wethers, however, compensated for the drop in wool. With practically the same number of dairy cows (10,266) in the flush season, butterfat-production increased by 215,521 lb.

This district offers much scope for further land development, and, provided finances are available, there is ample work for all the Native unemployed for many years to come.

The following are brief particulars of the schemes in progress in this district for the development and settlement of Native lands :—

Horohoro : General.

The Horohoro scheme, located along the main Atiamuri Road from Rotorua, was initiated in the summer of 1930, when development work on the pumice areas was first undertaken. The greater part of the block, which comprises some 10,896 acres, is now being successfully farmed, and prospects for the future are distinctly encouraging.

This land generally is flat to rolling and of pumice formation with a generous covering of light loam. There is a heavy, though evenly distributed, rainfall in the district from November till April which gives a prolific pasture growth. Climatic conditions in the winter and early spring are severe. Frosts are regularly experienced, with consequent reactions on the growth of pastures, but the settlers generally have made provision for these lean months by conserving supplies of hay and ensilage and by growing root crops such as swedes, mangels, carrots, and chou moelliers.

The people in this district are a very fine type of Maori settler—healthy, intelligent, and in the main ambitious in their farming operations—and when thoroughly settled down should measure up to the average pakeha dairy-farmer. They are a progressive people, as is evidenced by the fact that during the year under review they have conducted successfully their fourth annual Agricultural and Pastoral Show, have held a ploughing competition with very creditable results, have formed an active branch of the Young Farmers' Club, and have recently established a Pig Club, all of which is evidence of the interest these people are taking in their farming venture.

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 of 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. 1 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 prime 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.

Horohoro : Rongomaipapa.

Comprising 1,209 acres, this subdivision is situated at the southern end of the Horohoro Blocks. There are twelve settlers established on the scheme, all of whom are dairying, and their dependants number sixty adults and children. These settlers were brought from the Wairoa district in the initial stages of development and are now quite established as part of the community, and are proving good farmers.

The land in this subdivision is flat to rolling, of pumice formation with a covering of light loam, and is watered in the main from natural sources—creeks and springs. With the demands for dairying purposes increasing, it will be necessary to augment the supplies, and arrangements are in hand to put down bores for this purpose. There is very little further development work required on this scheme, as the major portion now has a good sole of grass. Provision for supplementary feed for the winter months has been made, some 350 acres having been harvested for hay and ensilage, and good crops of swedes and chou moellier having been grown.

Live-stock on this block as at 31st March consisted of 367 cows in milk and 260 other dairy stock. Four milking-machines were installed during the period under review, making a total of twelve milking plants now in operation in this area.

The housing conditions in this scheme are reasonably good, one new house having been erected during the year. The health of the people is very satisfactory. The main road has now been graded and metalled by the Public Works Department, but access roads still require attention.

Horohoro : Tuhourangi.

Situated on the south-western side of Haparangi Mountain and fronting the Rotorua-Atiamuri Road, and adjoining Waikaukau on the southern end and Kapenga No. 2 on the northern end, this subdivision comprises a total area of 1,007 acres. There are twenty-three dependants of the five settlers who are dairying on this block, practically the whole of which is in grass. About 200 acres were harvested for hay and ensilage while good root crops were grown during the period under review. The land in this area lies very nicely, being flat to gently undulating, and is of a similar quality to the bulk of the Horohoro country. The housing conditions are quite satisfactory, improvements having been effected during the past twelve months: and the health of the settlers and their families is quite good.

Four milking-machines were installed during the year, all these settlers now being equipped with milking plants. Live-stock as at 31st March comprised 139 milking-cows and 141 other dairy stock.

Horohoro : Turanganui.

This subdivision of Horohoro comprises 640 acres, of which 260 acres have been developed and are now in grass. Besides the usual top-dressing and the erection of 50 chains of new fences, no new development work has been undertaken. The access to this scheme is bad, and dairying cannot be considered until improvements are effected. One man is employed here as stockman and is attending to usual farm-maintenance work. The stock on the scheme as at the 31st March was 115 bullocks, 2 dairy cows, and 3 horses.

Horohoro : Waikaukau.

Extending along the Rotorua-Atiamuri Road and bounding the Ngakuru settlement, this subdivision comprises some 1,193 acres, of which approximately 500 acres are now being run as dairy-farms. These farmers are justly proud of the fact that one of their number—J. Edwards—gained third place in this year's Bledisloe Cup Competition. The housing conditions and general health of the people are quite satisfactory. The land is of quite good quality, being of pumice formation with a good covering of light loam, and in the main is flat to undulating and carries a good sole of grass.

The live-stock on these sections as at 31st March was 162 milking-cows, 124 other dairy stock, 56 run cattle, and 27 working-horses.

Approximately 200 acres were harvested for hay and ensilage, and very good crops of swedes were grown to provide winter feed.

The balance of 600 acres comprises 300 acres grassed this year, 150 acres ploughed and left to fallow for spring sowing, and 150 acres in natural state. This area has carried fifty-six bullocks through the winter, and this stock is now ready for chilling purposes when shipping-space is available. Additional work undertaken was the digging of 178 chains of new drains. In all, there are twenty-nine adults and thirty-two children dependent on the scheme.

Parekarangi.

Situated on the northern side of the Rotorua-Atiamuri Road, six miles from Rotorua, this scheme has a total area of 2,868 acres, but only about 1,500 acres are considered suitable for development. To date, 1,116 acres have been developed. Outside the settlers' holdings there are approximately 780 acres on which 340 run stock and 80 dairy heifers were wintered, 108 of the fat bullocks having been sold, and a further 98 bullocks being now ready for chilling purposes.

The work during the year was confined to fence repairs, scrub-clearing, ragwort-eradication, and the usual top-dressing.

Stock at the 31st March comprised 1,215 wethers, 347 dairy stock, and 503 run cattle.

One shepherd is engaged on the property, and casual work was available for six others whose dependants numbered four adults and fourteen children. There are three sections in this district established as dairy-farms on a total area of 329 acres, and these farms support in all sixteen adults and children, all of whom are comfortably housed and enjoy good health. On two of these sections the contour of the country is undulating to fairly steep, and, having regard to this fact, the butterfat production can be classed as quite satisfactory. Approximately 120 acres of hay and ensilage were harvested, and roots grown included swedes, mangels, and carrots. The housing accommodation is quite satisfactory and no further buildings were erected during the year. Two milking-machines were installed, all three farms now being fully equipped with milking plants.

The live-stock on these farms totalled 93 milking-cows, 53 run cattle, and 7 working-horses.

Parekarangi Extension.

This property adjoins the Ngati-Tuara and Parekarangi schemes, and comprises some 700 acres of easy rolling country, all of which is ploughable and suitable for development.

An extensive programme of development was undertaken this year, and 250 acres were cleared, ploughed, and sown down in grass; 50 acres cleared and ploughed ready to sow down; and 90 chains of drains dug. A new store-shed was erected, and a new house built for the teamster. The pastures are all in good heart, and have been top-dressed, and at the 31st March, 1,040 wethers and 7 horses were on the scheme. Employment was given to seven men, and their total dependants are fourteen adults and eighteen children.

Peka.

This block, gazetted in 1931, has a total area of 1,364 acres, of which 1,200 acres are capable of development. It is situated just south of the Hemo Gorge, some four miles from Rotorua, at the junction of the Rotorua-Atiamuri and Rotorua-Taupo roads. The area in grass is 390 acres, and during the year no further development work was carried out. In the course of the coming winter a comprehensive programme will be undertaken on this area, and its proximity to Rotorua should enable it to absorb the majority of the available unemployed labour.

Owing to its convenient and central location, this block has proved invaluable for the receiving, assembling, and distributing of stock from the Horohoro schemes. A permanent stockman is living on the property.

Two settlers milking thirty-seven cows have been established on a share-milking basis, and one of them was supplied with a milking plant during the year. The stock as at the 31st March included 38 dairy cows, 33 other dairy stock, 36 run cattle, and 539 breeding-ewes. The area not occupied by settlers has been grazed with dry stock, and the pastures are all in good order.

Tihiotonga.

The Tihiotonga station was purchased in July, 1928, by the Waiariki District Maori Land Board on behalf of the Ngati-Whakaue sub-tribe of the Arawas. In 1934 the Department took control, and good progress on development has been maintained. It contains in all 5,212 acres and is in two portions—Tihiotonga proper, containing 2,462 acres, situated to the south-west and adjacent to Rotorua Town, while Wharenui (2,235 acres) and Puketawhero (515 acres) are some three miles to the east of Rotorua.

Tihiotonga proper is subject to cattle sickness, but the other two properties, which have a soil formation of healthy Rotomahana mud, are used as "change" areas for the stock, and no trouble has been experienced.

No new work has been done on Tihiotonga proper, but on Wharenui 604 acres have been cleared, burnt, and grassed, four miles and a half of new fencing erected and 42 chains of fencing repaired, while the five miles of internal roads have been maintained and in places culverted. The whole of the 3,600 acres of the grassed area was top-dressed and the store-shed on Tihiotonga was rebuilt and renovated. At the 31st March the stock comprised 2,282 breeding-ewes, 5,072 dry sheep, 68 cows, and 587 run cattle.

Two settlers are being established on Tihiotonga proper, and between them milked sixty-eight cows. Some twenty men have been employed on this station, and in all thirty-four adults and thirty-one children have been dependent on the work.

Rotorua Nursery.

The transfer of the tree nursery from Wharenui to the new location in the Peka scheme, as intimated in last year's report, has been well justified. The site is situated on the Taupo Road about three miles and a half from Rotorua, and consists of 30 acres, of which 11 acres are under cultivation for the raising of seedlings. One hundred and ninety-two pounds of seed were collected in and around Rotorua and sown in the nursery, and in addition 44 lb. were harvested and sent to Te Piki, Cape Runaway, for sowing in the nursery established there. Forty-one chains of fencing were erected during the year.

The Rotorua Nursery now raises trees for practically all the development schemes controlled by this Department in the North Island. The following table shows the disposal of trees for the past year :—

District.					Number of Trees.
Tokerau	..	..	..	..	16,950
Waikato	..	..	..	..	88,150
Tairāwhiti	..	..	..	..	48,000
Aotea	..	..	..	..	16,000
Waiariki	..	..	..	..	219,065
					388,165

Seedless-barberry cuttings, numbering 250,000, were planted in the nursery last year, and, of these, over 60 per cent. have taken root. Over 11,800 good plants were sent to the North Auckland and Bay of Plenty schemes, and there are now approximately 138,000 in the nursery, of which 50 per cent. are ready for planting this season. Experience has shown that these cuttings do not flourish too well in this district, but an effort will be made to maintain a regular supply for lands on which live hedges are required for shelter.

The stock of trees in the nursery at the 31st March, 1938, consisted of 655,000 three-year-old trees and 1,592,000 two-year-old seedlings. Periodical inspections are made by the foreman to the various plantations and shelter-belts in the district, and any gaps are filled up as occasions arise. The staff of the nursery consists of twelve men, and the project supports a total of seventeen adults and thirty-two minors.

Arawa.

Taking its name from the historic Arawa canoe, this scheme of 205 acres now comprises three properties in the vicinity of Rotorua. One settler's section of 47 acres was excluded from the scheme towards the close of the year under review.

The first section, situated at Mangorewa-Kaharoa, on the south-western shores of Lake Rotorua, consists of 121 acres of undulating land. Approximately 80 acres were stumped and cleared, 150 chains of new fencing erected, all old fences repaired, and 5 chains of drains cleaned. The old cottage occupied by this settler was renovated. At 31st March, 300 wethers were grazing on the property, and during the coming year it is intended to grass 90 acres and continue with the cleaning and draining of the section.

Another property is adjacent to the former and consists of nearly 35 acres. In the year under review a new cottage was erected on the section, and, in addition to clearing noxious weeds, 15 chains of fencing were erected and 10 chains of old fencing renewed. This settler is milking ten cows.

The remaining section of 49 acres is attractively situated at the base of Kawaha Point, about three miles from Rotorua, off the main highway to Hamilton. The principal work carried out comprised the clearing of 9 acres, the ploughing and sowing down of 9 acres, the erection of 10 chains of fencing, the cleaning of 15 chains of drains, and the old cottage on the farm was renovated and a new cow-shed and yards erected. This settler milked eight cows. There were also depasturing on this section during the winter and until December, 119 ewes.

These three sections found employment for six workers and support a total of nine adults and seven minors.

Brents Farm.

This property, three miles and a half from Rotorua on the main Rotorua-Whakatane Road, comprises 335 acres and is the base farm for practically all stock movements in the Rotorua Central area. All pastures are in first-class condition, and the land, covered as it is with the Rotomahana mud shower, is ideal and centrally situated for the purposes of a base farm.

During the year 15,000 sheep were shorn, 15,600 sheep crutched, and 24,063 sheep dipped at this base. The whole of the Department's sheep in the Rotorua Central area were shorn this year at one or other of the three sheds—namely, Brents, Okere, and Rotoiti. This was considered a much more efficient method than shearing on each individual scheme.

In addition to fulfilling the function of a base farm, the following stock was carried at the end of March, 1938: 362 ewes, 91 rams, 536 wethers, 213 lambs, 8 B.P. bulls, 8 bullocks, 55 yearling M.S. cattle, and 17 draught horses. The run cattle and the horses were waiting transfer to other schemes, as required.

A stockman is in charge of this farm, and between twenty and thirty adult labourers were engaged in the seasonal works of shearing, dipping, and general farm activities. The shearers' accommodation and living-quarters, including the cookhouse, were renovated and improved prior to the shearing season, and the benefit thus afforded to those engaged on this work fully justified the expenditure.

Okareka.

The Okareka Block (Section 6, Block 11, Tarawera Survey District), comprising some 1,322 acres, was purchased from the Lands Department in June, 1937, for development. It is situated some seven miles from Rotorua on the Rotorua-Okareka Road, and abuts on to Lake Okareka and the Department's Puketawhero and Wharenui lands (Tihiotonga station). The country is somewhat rough and broken, but has a good layer of Rotomahana mud, and is undoubtedly good healthy sheep and cattle country. The main road on the southern boundary gives good access, but further internal roading is necessary to give access through the block and so assist the top-dressing and general farming of the property.

In October last an accidental fire on adjoining property carried on to this scheme, and some 520 acres were burnt. This area was immediately sown in grass and top-dressed, and under the circumstances a good strike of grass was obtained. With heavy stocking of sheep and cattle, together with harrowing and the resowing of some of the bare patches, it is considered that a good pasture will be established. A further 600 acres were burnt and sown in March, 1938, and an excellent take resulted. This latter area will be top-dressed in July. Although the autumn is the proper period in which to burn and sow this country, the spring sowing was favoured with good rain just after the seed was spread.

At the 31st March there were 2,635 two- and four-tooth wethers on this property. These had been bought off the shears late in November, and good results have been achieved in keeping down the fern. Some four miles and a half of fences subdividing the section into four paddocks have been completed, and during the ensuing year a further four miles of fencing will probably be undertaken, and this should complete the boundary and subdivisional fencing. A house for the foreman-shepherd, and also a stable for the horse teams, have been erected, while fourteen portable huts have been provided for the workmen engaged. Some twenty-two men have been kept in practically constant work, scrub-cutting, grass-seed sowing, top-dressing, and fencing, and, in all, thirty-eight adults and sixty-two children have been supported by the scheme.

The coming year's programme will include still further heavy stocking with wethers and run cattle to keep down the fern and consolidate the pastures. An effort is being made to augment the water-supply by boring on the higher levels.

Okataina.

Post-splitting operations on the Okataina bush scheme of 13,847 acres, situated about thirty miles from Rotorua to the eastward of the main Whakatane Road, ceased in February, 1938, the timber that could be profitably split and which was readily accessible to the present road having been worked out. The number of men engaged on this block numbered five, and in all fourteen adults and twelve children were dependent on the work. The labourers have now been transferred to the Oruanui bush scheme.

The production of Okataina scheme for the past year totalled 16,691 posts, 388 strainers, and 24,376 battens, these being issued to various Rotorua Central and Bay of Plenty schemes.

Tikitere.

This block, which is situated approximately twelve miles from Rotorua on the main Whakatane Road, comprises some 2,743 acres, of which approximately 550 acres are being run as dairy-farms by five settlers. The contour of this country is flat to easy undulating, with a few steep faces broken by gullies, bordering on the hot-springs area. The water for three farms is supplied from a good spring on one section where there is a Diesel-engine pump forcing the water to cisterns from which it gravitates to the various other sections. Approximately 180 acres to 200 acres of hay and ensilage were harvested, and some good crops of swedes were grown for winter feed. The settlers on this area are a good type, being industrious and anxious to make a success of their farming operations.

The live-stock on hand as at 31st March included 230 milking-cows, 99 other dairy stock, and 182 run cattle.

The Paehinahina area, of 500 acres, grassed the previous year, has taken well, and with top-dressing is coming in very satisfactorily.

About one mile and a half of draining, four miles of fencing, and 100 acres of scrubbing comprised the main work for eight men engaged on this block, and they support six adults and fifteen children.

The scheme wintered 1,200 wethers and 90 Black Poll cows, which came through in good condition. The balance area of Tikitere has been maintained with top-dressing and is now becoming well consolidated.

Additional to the dairying beasts, the following stock was carried : 5,926 sheep and 182 run cattle.

Tikitere : Waikato.

Containing 590 acres, on which four dairy farms have been established, there are some 332 acres of very good flat to undulating country in this scheme.

There will be at least one more settler established as a dairy-farmer this coming season. The live-stock on hand at 31st March was 156 milking-cows and 240 other dairy stock.

In the early part of the season the settlers were engaged on the subdivisional fencing of their sections. The lower part of this area was originally heavy gorse country, and it will require careful attention to avoid the gorse again taking control. On the higher flats there was a prolific growth of pasture in the late spring and early summer, and owing to the wet weather encountered during haymaking, some trouble was experienced in the harvesting. However, some 420 tons of hay were conserved.

Rotoiti.

Containing some 4,912 acres of good bush country, rough in parts but ideal for sheep and cattle, this scheme is situated on the shores of the lake from which it derives its name. Good progress was made during the year in the development work, which embraced 225 acres of bushfelling, 148 acres of clearing, the splitting of 32,150 battens, the erection of 327 chains of new fencing, and the formation of 32 chains of roading. The whole of the established pasture was top-dressed, and a further 420 acres sown down. The old wool-shed was converted into an implement and manure shed, while a new wool-shed and a sheep-dip were constructed. One further cottage was erected.

The stock has done well, and at the end of the year the scheme was carrying 2,075 breeding-ewes, 2,910 wethers, and 527 run cattle. The wool-clip was seventy-seven bales.

This scheme provided employment for twelve men and supported in all nineteen adults and twenty-two children.

Taheke.

Comprising some 9,081 acres on the main Rotorua-Tauranga Road to the north of the Okere Falls, this property is mostly hilly, but is good, healthy bush country and well suited for grazing sheep and cattle. It was badly infested with ragwort, but this is now being controlled by judicious sheep-grazing. The established pasture, comprising 2,015 acres, was all top-dressed, and a further 250 acres sown down, 41 acres of bush were felled, 123 chains of new fencing erected, 24 chains of new drains dug, 44 chains of new roads laid off, and three cottages were erected.

The stock being carried at the end of the year was 2,467 breeding-ewes, 3,145 dry sheep, and 380 run cattle.

One settler is established as a sheep-farmer on a portion of the area, and there are sixteen workers, or, in all, twenty-seven adults and forty-two children, dependent on the scheme.

Okere.

Lying between the Ohau Channel and the Okere Falls, to the west of the main Rotorua-Whakatane Road, this scheme of 6,054 acres comprises country similar in type to the Taheke scheme, being hilly and bush covered, but nevertheless good sheep and cattle land. Ewes and lambs do particularly well on this country, and the wool-clips are generally above the average in weight and quality. The block is well watered. There is one settler on a portion of this scheme, and he is dairy-farming, and in addition running some 200 ewes.

During the year 834 lambs, 1,392 wethers, 322 ewes, and 105 bales (39,855 lb.) of wool were sold. The stock carried at the 31st March was 2,622 breeding-ewes, 3,421 dry sheep, 618 run cattle, and 48 milking-cows.

The work completed this past year was as follows: 654 acres of bushfelling, 400 acres of clearing and stumping, 100 acres of ploughing, 698 acres of grassing, 57 acres sown in turnips, 89 chains of new fencing, 152 chains of new roads, and the whole 2,000 acres of established pasture were top-dressed. The bushfelling was done by twenty-four Ngapuhi Maoris from North Auckland who were brought down to alleviate the unemployment problem in the North. The store-shed on the scheme was transferred to a more suitable site and rebuilt as an up-to-date shearing-shed with good sheep-yards adjoining.

Some thirty-nine workers were engaged on the property and, in all, some ninety-five adults and seventy children were dependent on the work. There is scope for much further development in this area.

Oruanui.

On this block post-splitting operations have been continued under license from the State Forest Service. In the early portion of the year the output was restricted owing to the necessity of having to thoroughly clean up that portion then held under license before a further block would be made available. This entailed a loss of time by the splitters, and resulted in a lower rate of production. In November, 1937, a further block (Pakuri B) was made available, and an increased output was then obtained.

During the year 43,456 posts, 727 strainers, and 8,930 battens were produced, in addition to 5 bridge stringers, 164 wool-shed blocks, and 948 lineal feet of house blocks. The posts and strainers have been distributed between the Waikato-Maniapoto district and the various schemes in the Waiariki district. The supply, however, has proved inadequate to meet the demands for fencing material, and every endeavour has been made to increase the number of splitters at the bush. In July, 1937, seven splitters from North Auckland augmented the workers in this bush. At the 31st March, 1938, there were twelve men employed at Oruanui in addition to the foreman, and these workers support twenty-two dependants.

Tokaanu.

This scheme was taken over by the Department from the Native Trustee in March, 1932, and extends along both banks of the Tongariro River from Tokaanu Village to the bridge at Turangi. The total area gazetted is 3,325 acres, of which 2,683 acres are capable of development.

The land is of good-quality loam with a sprinkling of pumice, all of which is ploughable. Ten sections have been allotted to settlers, but owing to the isolated nature of this district, dairying has not been commenced. This country has proved to be ideally suited for sheep-farming, as is shown by the fact that for the past two seasons the wool-clip has averaged 10 lb. per sheep, and during the past year the ewes lambed 100 per cent.

To date there are 1,080 acres of permanent pasture and 180 acres of rough feed, 67 acres having been sown down this year. To provide winter feed, 80 acres of hay were harvested, and an area of 90 acres of swedes produced an excellent crop.

Live-stock on the scheme as at the 31st March, 1938, comprised 2,181 breeding-ewes, 24 wethers, 1,272 lambs, 69 rams, 267 run cattle, and 16 working-horses.

The programme of development provided work for twenty-eight men who, together with the settlers supported 108 dependants, and the health of these people is excellent. The year's activities also included 276 acres of clearing and stumping, 204 chains of new fencing with 816 chains of repairs, 36 chains of new draining with 347 chains of drain-cleaning, 9 chains of new roading, and the top-dressing of all permanent pastures. Ten houses have been erected since the inception, and it was intended to renovate and add to these present scheme dwellings, but owing to the shortage of skilled labour this was not possible. This difficulty has now been overcome and the work is proceeding. As evinced in the results obtained, the Tokaanu area is well suited for sheep, and the Native owners are appreciative of the benefits of the development policy.

Tokaanu : Ohuanga.

Situated on the southern side of the Tokaanu—National Park Road, one mile from the Tongariro Bridge, this area was gazetted in September, 1937, as part of the Tokaanu scheme, and comprises 1,232 acres of Native land and a block of 987 acres purchased from the Crown, making a total of 2,219 acres, all of which is suitable for development.

The land, which is all ploughable, consists of approximately 1,200 acres of good flat country, the balance being of an easy to undulating contour. The top-soil is of good black loam with a pumice subsoil, and lies well to the sun.

The development work has been carried out by members of the Ngapuhi tribe brought down from North Auckland to relieve unemployment in that district.

Since inception, thirty-seven of these Natives have been employed, and are accommodated in huts, thirty-one of which have been built to provide comfortable housing-quarters for the men and their sixty-four dependants.

The work undertaken during the past year comprised 376 acres of clearing and stumping, of which area 100 acres were sown down in grass ; 50 acres were sown in turnips ; 100 acres were ploughed and prepared ready for sowing ; 125 chains of roading were formed to provide access to the bush from which it is intended to split material for the fencing of the area ; and 230 chains of new fences were erected.

Tauranga : Taupo.

This scheme is located ten miles from Tokaanu, on the shores of Lake Taupo, and comprises 2,913 acres, all of which is suitable for development. The land, which is ploughable, is of varying soil types consisting of swamp, pumice hills, shingle fans, and areas of light sandy soils, probably representing old lake-beds. These light sands and shingle soils dry out in the summer and are more suitable for sheep than dairy farming. It is estimated that when fully developed this country should carry three sheep to the acre.

Work has been provided for forty-one men who support 152 dependants. When development was inaugurated in this area the housing conditions of the Natives were poor, and to relieve this position twenty-seven huts have been erected, and seven houses are in the course of construction. The details of the year's operations are as follows : 1,080 acres of clearing, stumping, and burning ; 480 acres of ploughing, disking, harrowing, and rolling ; 280 acres laid down in grass ; and 243 chains of new fencing, with 101 chains of fencing repairs. Some 400 acres are now in grass and 40 acres in turnips. Off an area of 30 acres, 20 tons of chaff were harvested and cut. Live-stock on the scheme as at the 31st March, 1938, comprised 108 run cattle and a small number of sheep.

One Native who was previously residing on this area has been established as a settler and provided with a new house, and on his section of 270 acres, 230 acres are now in grass, 20 acres are cleared ready for ploughing, and the balance is in gorse. The section is carrying 606 breeding-ewes, and during the year under review eight bales of wool were sold. This settler has had considerable experience in sheep-farming, and the condition of his flock and pastures are a real credit to his energy and perseverance.

Korohe.

The Korohe scheme, adjoining the Hautu Prison farm, is situated two miles from the Tongariro Bridge on the eastern side of the Taupo-Tokaanu Road. This block, which was favourably reported on by a Committee of inspection in May, 1935, was gazetted in August, 1937, and comprises 1,657 acres. Of this area, 700 acres consist for the most part of swampy flats varied with some patches of river sand and shingle, while the balance of the area, 900 acres, is undulating hill country covered with manuka and fern. The whole of this block is suitable for development and will ultimately be adaptable to either sheep or dairy farming.

During the year under review 585 acres have been cleared and stumped, and of this portion 504 acres have been grassed and an area of 10 acres sown down in turnips. The balance of the area is being ploughed and will be sown early in April, 1938. Further work undertaken embraced 203 chains of fencing, 34 chains of new draining with 64 chains of cleaning, and 142 acres of ploughing and cultivation. Five double huts and four single huts were erected on the scheme, and repairs to the existing houses are being effected. Useful and productive work was thus provided for twenty-three local Natives and ten Natives of the Ngapuhi tribe from North Auckland, these men supporting 112 dependants.

At the present time no stock is being carried on the main area, but on the sections of the two established settlers 345 ewes are being run. These two settlers are both men with practical experience in sheep-farming, and are making steady progress.

Putaruru.

This property, consisting of 38½ acres, is situated about four miles from Putaruru, and was gazetted in September, 1936. During the past year the settler has been assisted from the Employment Promotion Fund, and has cleared 14 acres, ploughed and grassed 6 acres, and erected 10 chains of fencing; a certain amount of draining was also carried out; and the section has been top-dressed, and some hay saved. The pastures are in good condition. The occupier milked nine cows, and his family consists of two adults and eight children.

Matakana Island.

Situated on Matakana Island, at the entrance of the Tauranga Harbour, this scheme comprises a gross area of 337 acres. The land is flat to rolling and is all ploughable. Ragwort and blackberry are a menace, and every effort is being made to eradicate these pests. Further Native land on the island is available for development, and the Maoris are beginning to realize the benefits accruing to settlers under the development policy. The opening-up of additional areas on the island would also have the effect of checking the drift of the young men to the mainland, by providing work for them on their own lands. Three settlers have been established, and the development of these sections has provided work for eighteen men who support forty-six dependants.

The work carried out during the year included 185 acres of clearing and stumping, this area being ploughed and sown in grass; 160 chains of fencing were erected; 60 chains of new drains were dug; and three new houses and one new cow-shed were erected. To provide a suitable water-supply for the settlers, two bores have been put down, and these are functioning satisfactorily in providing a good and plentiful supply of water for stock and for domestic purposes.

The settlers have been supplying the dairy factory since February, 1938. Maize-production is also being encouraged on the island, and from two settlers' properties 458 bags of maize were sold.

Tauranga.

The total area gazetted under this scheme is 1,711 acres, of which 264 acres are occupied by settlers. The Kaitimako Block, of 595 acres, is run as a station. The country is easy and rolling in contour, and is situated on the southern side of the Tauranga-Te Puke Road some five miles from Tauranga.

Kaitimako Section.—On the Kaitimako Block 540 acres are now in good pasture and 35 acres have been ploughed ready to sow down. With this area sown down the block will be fully developed and no further cultivation will be required. During the year 80 chains of fences have been erected. The lambs off this area were all sold off fat. The Department of Agriculture is at present undertaking an experiment on this block to ascertain the effect of top-dressing with cobaltized super on the general health and weight of stock produced. The result of this experiment, if successful, should be of invaluable assistance to the Department in the breaking-in and development of new "bush-sick" lands. On this area two of the existing houses have been added to, and a new wool-shed is in the course of construction. The stock on the Kaitimako Block as at the 31st March, 1938, comprised 1,626 ewes, 74 rams, 96 run cows, 117 bullocks, and 101 steers.

Settlers' Sections.—One settler who has been established with a dairy herd of twenty-three cows is supporting himself and his family, and his section is fully developed. The sections of the other two settlers are still in the developmental stage and will not be suitable for dairy-farming for some time. On one of these sections 700 wethers and 60 bullocks were wintered, and the wethers were sold off fat and averaged 70 lb. The other section carried 200 ewes, from which 100 per cent. lambs were obtained and sold off as fats. The stock on these sections as at the 31st March comprised 666 breeding-ewes and 103 bullocks. Blackberry and ragwort are at present a menace, and until the sections are cleared and consolidated with heavy stocking, dairying will not be practicable.

Mangatawa Section.—This new area, which was gazetted in June, 1937, as part of the Tauranga scheme, comprises some 623 acres, of which 480 acres are flat, the balance being undulating to hilly. The flats are all ploughable, but are covered in a prolific growth of heavy gorse and blackberry. When fully developed and the noxious weeds eradicated this country will be ideal for dairying.

During the year 150 acres of gorse and blackberry have been cleared, and, of this, 95 acres have been sown down in grass and 20 acres ploughed ready to sow down. Under the supervision of the Public Works Department, 50 chains of drains have been dug and stopbanks built. This drain, which measures 10 ft. by 6 ft., is the main outlet for the area. Flood-gates have been installed, and benefits are already evident. The stock carried on the section as at the 31st March, 1938, was 754 wethers and 88 run cattle.

A new house and cow-shed have been erected for a settler on this block, and a store-shed has been built on the scheme. The opening-up of this and other blocks in the Tauranga area has provided work for thirty Natives and eighty-seven dependants hitherto on relief jobs. On the Kaitimako and the settlers' blocks employment was provided for twenty-four men who supported seventy-three dependants.

Tauranga : Ngapeke.

This area, which was gazetted in July, 1937, comprises 801 acres, of which 500 acres are ploughable flats and the balance undulating steep country. On this block 300 acres have been cleared, and of this area 100 acres have been ploughed and sown down and another 100 acres surface-sown, 400 chains of fencing have been erected, 120 chains of new drains dug, 20 chains of new roads formed, three new houses and an up-to-date storeshed erected, and four huts have been built to accommodate the workers. Two settlers have been established, and the stock on the scheme comprised 129 steers, 58 M.S. yearlings, and 6 horses.

This country when fully developed should carry four ewes to the acre, and the flat portion of the block one cow to 1½ acres. Though only in the initial stages of development, the land is responding well to treatment and should develop into good farming-country. To carry out the development programme thirty-four men were employed, and these support sixty-one dependants.

Maketu Farm.

Containing an area of 1,682 acres, the Maketu farm is being administered as a development scheme by the Department on behalf of the Arawa Trust Board.

Fifteen acres were sown in grass and 10 acres in turnips; other activities included the clearing of 100 acres, 15 chains of roading, 80 chains of fencing, and the widening and cleaning of 100 chains of drains; a large wool-shed, sheep-dip, and yards were erected, also a four-stall stable and harness room, and all the houses were painted. Considerable extensions were made to the water-supply, which now reticulates over the whole area and should obviate the trouble experienced during recent dry seasons.

At the commencement of the past milking season the five milkers on the farm were placed on a share-milking basis, resulting in more efficient management of the herds and giving a greater degree of incentive to the milkers. The total production from the 430 milking-cows was 74,369 lb. of butterfat (an average of 177 lb. per cow). The wool-clip totalled 16,010 lb., and 928 lambs were sold.

In addition to the above dairy herds, the farm carried the following live-stock: 1,523 breeding-ewes, 943 dry sheep, 261 run cattle, 25 jersey bulls, as well as a number of pigs and horses.

The farm provided employment for thirty-three workers, and supported in all a total of fifty-eight adults and fifty-seven minors.

Maketu : Motiti Island.

No assistance was given during the year to the fifteen settlers engaged in maize-growing on the 852 acres which is the portion of Motiti Island gazetted as a development scheme. The farmers, however, reduced their indebtedness to the Department by the proceeds of the sale of 798 bushels of maize. With the possible exception of the supply of a few implements, no further assistance will be required by these settlers.

Maketu : Pukaingataru.

There are now four settlers on this scheme, comprising a total of 331 acres, all of which is capable of development. The whole of the area with the exception of 40 acres of swamp is ploughable.

Two of the settlers are now self-supporting and are making satisfactory progress. The other two settlers were gazetted under the Maketu scheme in September, 1936, and are included for administrative purposes under the Pukaingataru subdivision to distinguish them from the main Maketu area being developed on behalf of the Arawa Trust Board. One settler did not require assistance during the year. The fourth section of 90 acres was formerly under mortgage to the Native Trustee. During the year 50 chains of new fencing were erected on this property, 6 acres sown in lucerne, a new cow-shed and yards erected, and a milking plant installed. This settler is milking sixty cows.

In all, there are 170 cows on the scheme, and it supports a total of fourteen adults and five minors.

Maketu : Te Puke.

This scheme comprises a total area of 474 acres, all of which is capable of being developed and is all ploughable. Two settlers have been established on the property, but owing to excessive flooding these men have suffered a set-back. The Parawhenuamea Stream, which runs through this land, backs up and floods the surrounding areas, but this is being remedied by diverting and straightening out the course of the stream, 40 chains having been already completed. This drain, when completed, will allow the water to get away, and the land should then be suited for dairy-farming purposes.

During the year 85 acres were cleared, and of this 20 acres have been ploughed and sown down; 50 chains of new fencing have been erected; 160 chains of drain cleaning and deepening have been effected; a new store-shed has been erected; and a new house and cow-shed provided for one of the settlers.

The stock as at the 31st March included 27 cows, 38 other dairy stock, 79 run cattle, 357 breeding-ewes, and 552 dry sheep.

Employment was provided for sixteen men who support thirty-four dependants.

Maketu : Waewaetutuki.

Steady progress has been made in the development of this block of 767 acres, most of which is swamp country situated near Maketu, on the Waihi Estuary.

The work carried out during the year consisted of 120 chains of new drains, the cleaning of 40 chains of existing drains, 40 chains of road-formation, 75 chains of fencing, the clearing of 50 acres, 15 acres of ploughing, and the sowing of 5 acres in grass. A number of cattle from the Maketu scheme was grazed on Waewaetutuki from time to time during the year. It is proposed during the coming year to erect a cottage for the foreman and to provide a cottage and milking-shed for one settler who is being established. This project provided work for ten workmen, and in all seventeen adults and eighteen minors have been dependent on the scheme.

Pukehina.

The Pukehina development scheme, gazetted in June, 1937, comprises 590 acres, and is situated on the north and south sides of the main Whakatane—Te Puke Road. This land is ideally suited for dairy-farming, and when fully developed, will carry one cow to $1\frac{1}{2}$ acres. This block was previously farmed with assistance from the Waiariki District Maori Land Board, and when brought under the development policy, 190 acres were in grass. A further 60 acres has been cleared and sown down, 100 chains of new fencing erected, 160 chains of drains cleaned and deepened, and 40 chains of new drains dug.

Three settlers are now farming on this area, and it is proposed to establish another one during the coming year. Two of the settlers are milking, and a cow-shed has been built for the third, who will commence dairying this season.

The live-stock on the scheme comprised 95 dairy cows and 34 run cattle. It is intended during the ensuing year to graze approximately 150 sheep on this area to check and control ragwort, which is making an appearance.

Work has been provided for seven men, and the scheme supports in all eighteen adults and twenty-six minors.

Matata.

Comprising 3,559 acres, of which 2,800 acres are suitable for development, this scheme (also known as Hauani) is situated on the coast between Whakatane and Te Puke and approximately eighteen miles from the former township. The block consists of approximately 2,000 acres of flat tablelands bisected by dry gullies, 1,200 acres of flat and undulating country, and 400 acres of steep hills. The whole area is composed of a light pumiceous loam on a light sandy subsoil. Development activities are at present being confined to the subdivisions of Lot 63D, comprising some 1,390 acres.

Five settlers are established, and their dependants number ten adults and eighteen children. Their health has been good throughout the year.

There are 216 acres in permanent pasture, 80 acres ploughed and sown, and a further 100 acres ready for sowing. On the settlers' areas sufficient hay has been saved to carry stock through the winter. A length of 30 chains of new roading has been formed, and a survey of available water to give a supply to the main Hauani Block has been made; the estimates for this latter work are now being prepared.

The following was the stock carried on the scheme as at 31st March: 45 cows, 28 heifers, and 278 wethers.

Reasonably good progress is being made on this scheme, the nature and quality of the soil making development slower than in other parts of the district. Although the country is somewhat sheep and cattle sick, it is considered that the greater part of the area can be brought into good pasture suitable for dairying, and that with judicious care any sickness can be combated.

Putauaki.

This scheme, situated close to the Township of Te Teko, about fourteen miles from Whakatane, with an additional large area near Putauaki (Mount Edgecumbe), and across the Tarawera River, is making favourable progress. Of a total area of 9,565 acres, approximately 6,000 acres are suitable for development, the remainder being steep and more suitable for afforestation. There are 300 acres of good-quality swamp land with satisfactory drainage facilities, 4,000 acres of flat to undulating country with Tarawera ash on a light clay, and 800 acres of ploughable hill country. The area in its natural state was covered in light manuka and fern with patches of heavy bush on the hills. The permanent pasture extends over 500 acres; there are 40 acres in crops; while 400 acres are ready for sowing this autumn.

At present eleven settlers are established, and the holdings of an additional six are being worked this season, on which latter sections milking should commence next spring. Their dependants number thirty adults and seventy-three children. Very little sickness was reported during the year, the health of the people being good.

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.

A Pig Club has recently been formed in the area, under the auspices of the National Pig Industry Council. This is a welcome addition, as it will enlarge the scope for further systematic instruction in pig husbandry and ensure the right type of carcass being produced for export.

It is satisfactory to note that the settlers, with a very few exceptions, are responding to instructions and appreciate the advantage of supervision. Many Natives established at the inception of this scheme are now efficient farmers.

Ngatimanawa.

Gazetted in January, 1937, the Ngatimanawa (or Murupara) scheme is situated some forty miles from Rotorua on the main Rotorua-Waikaremoana Road and adjoins the Galatea Settlement. The area gazetted is 6,319 acres, of which 4,000 acres are capable of development. The country consists of tablelands of pumice formation with light scrub and fern, extensive flats of shingly formation along the Whirinaki River, and good alluvial flats along the Rangitaiki River. Of the area suitable for development, approximately 2,000 acres comprise unimproved country at present in Native grasses.

The development operations have been carried out by members of the Ngatimanawa tribe, and work has been given to thirty-seven men who support 175 dependants. The health of these people is good, and to ensure that this is safeguarded the people have generously made available a section for the District Nurse's residence. The house has now been completed and the District Nurse is in occupation. Owing to a shortage of carpenters, no scheme houses were completed during the year, but six dwellings are in the course of construction.

During the period under review 800 acres were cleared and stumped, and of this area 420 acres have been put down in permanent pasture, 175 acres were ploughed ready to sow down, and 24 acres were sown in turnips, while a heavy fencing programme was carried out, 860 chains of new fencing having been erected. The river protection and groyning works carried out during the previous year proved invaluable in safeguarding the alluvial flats during the recent heavy rain and consequent flooding of both the Rangitaiki and Whirinaki Rivers. It is intended next year to develop these alluvial flats at present in Native grasses, and to carry out further river-protection work.

The live-stock as at the 31st March, 1938, comprised 5 Hereford bulls, 203 run heifers, 60 steers, 1,302 ewes, 42 rams, and 22 horses.

Since inception this scheme has absorbed all the Native labour in the district. When fully developed the area will be subdivided into dairy-farms of some 80 acres to 100 acres, and the land should be capable of carrying one cow to $1\frac{1}{2}$ acres to 2 acres. The initiation of this project satisfied a long-felt want of the Natives, and they have shown themselves to be keen and industrious in the development of their lands. The enthusiasm shown by the Natives reflects credit, and augurs well for the success of the scheme.

Ruatahuna.

Gazetted in 1931 and comprising 12,181 acres, of which an area of 7,000 acres is capable of development, this scheme is situated in the valley at the head of the Whakatane River, in the heart of the Urewera country. It lies 1,570 ft. above sea-level. The land is of light loam with a pumice subsoil, and approximately 2,500 acres are flat to rolling with the balance rising to high and steep hills. At this high elevation winter conditions are severe, and are the cause of the heavy death-rate in young stock and of the low lambing percentage. The country is suited for sheep-farming only, and, although deaths have been fairly heavy, these losses have been reduced as compared with last year, principally as a result of top-dressing and closer subdivisional fencing.

Settlers, members of the Tuhoe tribe, have been located on twenty-three sections, and work has been found for thirty-four men, all of whom support 120 dependants. The wool output this season was forty-two bales. As the country will not stand a heavy capital liability, the Department has not erected any houses, but the workers have been encouraged to buy timber and build their own homes. These buildings, although small and with rough exteriors, are clean and comfortable inside, and are a great improvement on the dwellings which these people formerly occupied in the pa area. It is a pleasing feature to note the improvement in the health and dress of the children in this district.

The work carried out during the year comprised some 700 acres of clearing, 783 chains of fencing, 63 chains of draining, and 52 chains of roading. Of the area cleared, 232 acres were surface sown and 120 acres ploughed and sown down in grass. This year, for the first time, 30 tons of hay were harvested to provide winter feed for the stock.

The stock on hand as at the 31st March, 1938, comprised 286 run cattle, 8 Hereford bulls, 1,952 breeding-ewes, 899 M.S. hoggets, and 64 rams.

The settlers, as yet lacking in farming experience and knowledge, are amenable to instruction, and are making an endeavour to co-operate and improve their conditions.

Whakatane.

Whakatane, situated in the district surrounding the town of that name, is solely a settlers' scheme, the gazetted gross area of their respective holdings being 304 acres, and the whole area is suitable for development. With the exception of 25 acres of easy hill country, the area consists of rich loam flats capable of carrying almost a cow to the acre. The scheme started operating in April, 1937, and should increase in area gradually as various leases expire and the land reverts to the Native owners. The present number of settlers is seven, who support

ten adults and thirty minors. The whole area has at one time been in grass, but a considerable amount of reploughing and sowing is necessary to regrass cropped areas. A large area has been ploughed and sown this autumn. Only two settlers are carrying stock at present, but the remainder will be milking next season.

With the completion of the approved programme of building, all the settlers will be comfortably housed and have good dairying facilities.

Ngatiawa.

This scheme comprises 5,315 acres and was gazetted in June, 1931, the area suitable for development being 4,300 acres. The proximity of the property to the Borough of Whakatane enables profitable work to be found for the unemployed Maoris in the district.

During the year the teamster was fully employed, and 100 acres were ploughed and cultivated and 40 acres sown. Other activities included the clearing of 319 acres, 605 chains of draining, 362 chains of reconditioning or erecting new fencing, and the splitting of 500 battens: the pastures were top-dressed, and a good crop of hay saved; a number of shelter-trees were planted, and constant attention given to the eradication of ragwort and other noxious weeds; a new cottage was erected for the manager, also a stable on the scheme, and a new cow-shed and yards for one of the dairy settlers on the block; and alterations and additions were made to the wool-shed, and a number of existing buildings and gates were painted.

It is proposed to transfer 143 acres of scenic bush land on this scheme adjoining Ohope Beach to the Lands Department to ensure its preservation. This bush land is on steep faces and has little value for farming purposes.

On 31st March, 1938, the following stock was on the scheme: 38 milking-cows, 6 dairy stock, 830 run cattle, 2,148 ewes, and 1,118 dry sheep, 639 lambs having been sold off the property just prior to that date.

This scheme found employment for sixteen men, and supported a total of forty-six adults and twenty-six minors.

Whakatohea.

Embracing an area of 2,446 acres, of which approximately 2,000 acres are suitable for development, the scheme is situated approximately eight miles from Ōpotiki, on the Ōpotiki - Cape Runaway Road. The country varies from good river-flats to steep hill faces. The river-flats cover an area of 450 acres, while there is a further area of lighter flats of 300 acres. Terraces and undulating country cover an area of 800 acres, and approximately 400 acres comprise ploughable hill country. The soil grades from good silty loam to light sandy loam on the hillsides.

There are forty settlers established, of whom thirty-four are milking and supplying the factory. Their dependants number 54 adults and 153 minors. The general health of the people throughout the year has been good.

There are 1,650 acres in permanent and 100 acres in temporary pasture and rough feed. The balance of the area for development is in manuka and light bush. The remainder of the gazetted area is too steep to be brought in. The pastures threw a great amount of feed during the year, and sufficient hay and ensilage have been saved for winter requirements.

The stock as at the 31st March comprised 46 bulls, 741 cows and heifers, 126 (i/c) heifers, 175 heifer calves, and 47 working-horses. The average number of cows milked during the flush months of the season was 583.

The housing conditions of the settlers in the scheme are improving, and with the completion of the present building programme most of them will have comfortable living-quarters and suitable dairying facilities. The settlers generally are becoming good farmers, and some of them have reached a sound financial position, and, other than maintenance-costs, will require little further assistance from the Department.

Opape Farm.

Situated some eight miles from Ōpotiki, this farm contains 1,072 acres and is held under a lease expiring in June, 1962, the leasehold interest having been acquired by the Department in 1931. It was established as a central base for the Bay of Plenty district for the breeding and supply of dairy stock to Native farmers in that district.

This year a further 110 acres were cleared and grassed, and there is now a total of 539 acres developed. Other work included the erection of 100 chains of new fencing, 90 chains of internal roading, repairs to existing fences, and drain cleaning. A good quantity of hay and ensilage has been harvested, and all the stock carried, particularly the lambs, has done well. The old ewes were sold off after Christmas, and were replaced with a line of hoggets.

The dairy stock was tended to and milked this year by a Maori share-milker, and the returns were reasonably good.

Some five workers were engaged on the farm, and in all ten adults and fourteen children received support. One house and one cow-shed were erected, and this will enable another milker to be established in the near future.

The stock carried on the scheme at 31st March was 103 cows, 91 other dairy stock, and 197 breeding-ewes.

Whakatohea : Wainui.

Situated eight miles from Whakatane, near the Ohiwa Harbour, this scheme comprises 600 acres. The land is vested in the trustees for the Ringatu Church, and in 1931 they set aside $8\frac{1}{2}$ acres for Church reserves and allotted the balance to five Maori farmers. Three of these Natives, occupying 320 acres, are now settlers under the scheme, and arrangements are in hand to obtain equitable leases for them. The area occupied comprises approximately 70 acres of flats, 250 acres of easy hill country, the major portion being ploughable. Of the remaining 280 acres, one-half is suitable for development in connection with the farms of the three established settlers but not as an individual holding. The flats are composed of a heavy silty loam, and the hills of lighter loam soil. The three settlers support five adults and fourteen children on their farms.

There are 242 acres in pasture, mostly of a good sward, and this produced abundant feed during the year, from which sufficient hay has been saved for the winter feeding of stock. The following stock was carried: 110 cows, 49 heifers and calves, and 5 working-horses.

With the completion of two houses, the building of which is at present in hand, the three settlers will have good housing accommodation. Two cow-sheds have been provided, and the third is in the course of erection.

Torere.

Located fifteen miles east of Opotiki, on the Bay of Plenty, this scheme has an area of 3,508 acres, 3,000 acres being suitable for development, which portion comprises 2,000 acres of easy undulating country of a fair quality loam, 750 acres of easy ploughable hills, and 250 acres of usable hill country. The balance of the gazetted area is only suitable for tree-planting, being too steep to farm economically.

There are thirty-eight settlers established on the scheme, thirty-one of whom are dairying, the farms of the other seven being as yet unfit for milking. These holdings are supporting 91 adults and 133 children. The health of the people throughout the scheme has been good, in spite of the fact that the housing conditions of some of the Natives at Torere Pa are very inadequate. The living quarters of the settlers are quite good.

There are now 2,145 acres in permanent and good temporary pasture, 150 acres in poor grass, 160 acres of bush-fallen country ready for sowing, the balance of the area suitable for development being in bush and manuka.

The stock carried consisted of 843 dairy cows and heifers, 141 eighteen-month heifers, 187 heifer calves, 35 bulls, 36 working-bullocks, and 54 working-horses. The central water-supply for this scheme is giving good service, and two other small supplies are in the course of construction. When these are completed, the majority of settlers in the scheme area will have an adequate system of reticulation.

The settlers in the scheme are making fair progress and are becoming reasonably good farmers. Some of them are in a very sound financial position and are producing excellent returns from their farming operations.

Maraenui.

The lands comprising the Maraenui scheme are located at the mouth of the Motu River, on the Bay of Plenty, and consist of some 1,500 acres, on which development work was originally undertaken in order to combat ragwort. Control of this noxious weed is still the main work, but with judicious stocking and unemployed-labour assistance good results are being achieved. Of the 410 acres shown previously as being developed, 85 acres were ploughed and cultivated and a further 30 acres were grassed.

Nine workmen have fairly constant employment on this area in ragwort control, fence repairs, and draining, and in all sixteen adults and twenty children are dependent on the scheme, though at times many more receive some measure of assistance from casual work.

Building-accommodation is fairly satisfactory. A new set of sheep-yards was erected during the year. There are now 58 mixed dairy stock and 717 sheep on this area.

Omaio.

On the easterly coast of the Bay of Plenty, twenty-eight miles from Opotiki, and lying between Maraenui and Te Kaha schemes, is situated this property, consisting of a total area of 2,179 acres, of which it is proposed to develop 1,900 acres. The soil on the flats is of a good-quality loam, changing to a lighter loam on the encircling hills. The area embraces approximately 1,400 acres on a flat to undulating contour and 400 acres to 500 acres of ploughable hills. The balance of the block is too steep for farming, and is suitable only for afforestation purposes.

Nineteen dairying settlers are established, the number of persons dependent being 129, comprising forty-one adults and eighty-eight children. The health of the people throughout the year has been good, and with the completion of the present building programme the housing conditions will be satisfactory.

There are 1,349 acres in permanent and good temporary pasture, 250 acres in poor pasture, while it is proposed to develop a further 300 acres which are still in manuka and fern. Consequent upon the good condition of the permanent pasture, the settlers have this year saved a large quantity of hay for the winter feeding of their stock. The water-supply is giving excellent service, and a number of additional troughs have been built.

The following stock was carried: 483 dairy cows, 18 bulls, 72 eighteen-month heifers, 89 heifer calves, 28 working-horses, and 21 working-bullocks. During the flush months of the dairying season the average number of cows milked was 379.

Blackberry control still occupies a large portion of the settlers' working-time, but with improving pastures and closer subdivision this weed is not now so troublesome. It is not proposed to bring in any new areas until the part developed is fully improved and consolidated. The settlers in this scheme are showing a degree of keenness, and are becoming good farmers.

Haparapara.

This property comprises 4,101 acres. An area of 2,787 acres (being an abandoned sheep-station) was gazetted in November, 1937, the remaining portion of 1,314 acres (Awanui-Haparapara 4B) having been gazetted in January, 1932.

The property is situated on the Opotiki—East Coast Road, and the homestead and buildings are all on the road frontage. The existing buildings consist of a small cottage formerly used as men's quarters, wool-shed, and shearers' cookhouse and shed. The original homestead was destroyed by fire some time ago.

The station is subdivided into fourteen main paddocks. The only flat land—about 15 acres—is on the road frontage where all the buildings are situated, the balance being steep hills of fair-quality clay and rubble formation. Approximately 4,000 acres have been cleared, and of this about 2,000 acres are fairly clean country—chiefly danthonia and Native grasses. It is estimated that when cleaned up the property will carry 1,000 ewes, 1,000 wethers, and 500 head of cattle. A manager has been appointed to take charge of this station in conjunction with Maungaroa station, and a stockman has also been engaged.

The men's cottage has been improved and renovated and is now occupied by the manager; the cookhouse has been renovated, and sleeping-quarters provided for the shearers. Necessary implements and equipment have been provided, and a water-pump and engine available from another scheme were installed. A shearing plant was on order at the close of the year.

On 31st March, 1938, the station was carrying 367 head of run cattle.

Maungaroa.

The lease of this property was surrendered in June, 1937, and as no suitable lessee could be found, the owners asked the Department to bring the land under the development legislation, in order to protect the improvements already made and to bring the land to a stage of full productivity. An area of 22,576 acres was accordingly gazetted by the Board of Native Affairs in July, 1937.

The access is by the Kereru River bed for about eight miles from the Opotiki—East Coast Road and is a fairly difficult track. The land comprises mostly steep hill faces rising from the river-bed on both sides, with several scattered areas of flat land of approximately 400 acres. It is estimated that about 5,000 acres of the hill country have been felled and grassed, approximately 1,200 acres being fairly clean country, and the balance being badly affected with soft fern and second growth. The existing pasture of the hill country is chiefly danthonia, but on the flats where the soil is good there is a fair covering of English grasses. The station is subdivided into twenty-four paddocks and the existing fences are in good order. The buildings are exceptionally good, and consist of a six-roomed concrete dwelling with washhouse and dairy, concrete store-room and loft, cookhouse and men's quarters, wool-shed, smithy, slaughterhouse, and cow-bail.

The necessary tools and equipment have been purchased to enable work to proceed on the station, and essential stock to hold the property has been provided. Since the station was taken over, 328 acres have been cleared, 350 chains of fencing renovated, 89 chains of tracks made or repaired, and 600 battens split. The station is managed in conjunction with Haparapara station and employs a full-time stockman. In addition, eight men were employed on various activities during the period. The live-stock carried on the station at 31st March, 1938, comprised 485 run cattle, 2,314 wethers, and 8 horses.

Te Kaha.

Located on the eastern end of the Bay of Plenty district, this scheme comprises a total area of 2,963 acres, of which area 2,400 acres are suitable for development. The land consists of a good-quality loam on a porous clay, and although badly cropped out before the inception of the scheme, it is now responding excellently to treatment. The area comprises approximately 1,500 acres in terraced flats, 500 acres of easy undulating land, 400 acres of ploughable hill, and the balance consists of steep hills covered in manuka and bush.

The number of established settlers is thirty-four, and their farms support 78 adults and 109 children. The general standard of health is good; most of the settlers have good living-quarters, and the completion of the building programme now in hand will ensure that all the farmers have comfortable homes.

There are 1,549 acres in permanent and approximately 400 acres in good temporary pasture, the balance of the area for development being in poor-quality grass and manuka. There has been a plentiful supply of feed throughout the year: the stock is in good condition: and sufficient hay and ensilage have been saved for winter requirements. The stock carried on this scheme comprised 31 bulls, 673 cows, 109 eighteen-month heifers, 126 heifer calves, 38 working-horses, and 48 working-bullocks. The average number of cows milked during the flush months of the season was 514.

A good gravity water-supply is still adequate for the shed and stock requirements of the settlers, and the length of piping is being increased yearly to meet the general farming demands. Ragwort in this scheme has been very troublesome from its inception, but continued diligence in the matter of treatment is keeping the weed in check, and in places is resulting in complete eradication. The settlers in this area are gradually becoming efficient, but the improvement is not so marked as it is in nearby schemes. The stationing here of an employment overseer during the year to oversee the work on Te Kaha and contiguous schemes should have the effect of assisting and hastening progress.

Orete.

Situated on the north-east coast of the Bay of Plenty, this scheme comprises an area of 4,774 acres, of which approximately 3,600 acres are suitable for development. Originally in manuka with patches of heavy bush, the developed area consists of approximately 1,800 acres of good loam in terraced flats, 900 acres of undulating country of a lighter sandy loam, and 900 acres of easy hills, the majority of which is ploughable. The balance of the area gazetted is too steep to be brought into cultivation.

There are twenty-six settlers established as dairy-farmers, and in all 68 adults and 102 children are almost solely supported by the scheme. The health of the Natives has been good, and the housing conditions throughout are reasonably satisfactory. There are now approximately 1,856 acres in permanent and 265 acres in good temporary pasture, together with 68 acres which were used for cropping during the year. The permanent pastures are being well maintained with top-dressing and grass-harrowing and are throwing an abundance of feed; and sufficient hay and ensilage have been saved to carry the stock through the winter months.

The live-stock as at the 31st March, 1938, comprised 768 milking-cows, 26 bulls, 148 eighteen-month heifers (i/c), 173 heifer calves, 41 working-horses, 22 working-bullocks, 573 breeding-ewes, and 280 M.S. hoggets. Cream deliveries were seriously hampered after the New Year by excessive flooding in the rivers *en route* to the factory, and settlers suffered very considerable losses as a result.

During the year four milking-machines and Diesel engines were installed, and a new engine was supplied to a settler whose old engine was faulty. Two houses were built, and three new cow-sheds were erected and engine-rooms added to four others during the period under review. A new and more powerful Diesel engine was acquired for the pumping plant of the water-supply, and with a complete system of reticulation settlers are assured of a plentiful supply for their sheds and stock. Most of the Orete settlers are doing good work and are becoming efficient farmers.

Orete No. 2.

The Orete No. 2 scheme, located some sixty miles east of Opotiki, contains 6,365 acres, of which 1,200 acres are in standing bush. No new work other than the erection of 60 chains of new fencing has been effected during the past year, but the improvements have been maintained, and the stock carried has done exceedingly well. The stock at 31st March comprised 705 run cattle and 2,204 breeding-ewes.

Four workers are kept in constant employment, and in all seven adults and ten children are dependent on the scheme.

Whangaparaoa.

Whangaparaoa, situated at the north-eastern extremity of the Bay of Plenty, has a gazetted area of 3,748 acres and consists of a relatively narrow strip of sea-coast frontage backed by steep hills. The area under development comprises approximately 1,560 acres of good sandy loam, flat to undulating in nature, 700 acres of easy hill country, the balance being mostly too steep for economical farming.

Sixteen settlers have been established as dairy-farmers, and their dependants number nineteen adults and fifty-six children. The health of the people in the district has been good, and the majority have satisfactory housing accommodation. Three houses were erected last year. With the completion of the year's building programme, all settlers will have good living quarters on their farms.

There are 815 acres in permanent and 700 acres in good temporary pasture, the balance of the gazetted area being covered with manuka and bush. There has been an abundance of feed throughout the year, and sufficient hay and ensilage have been saved for winter requirements.

The live-stock carried as at 31st March, 1938, consisted of 17 bulls, 555 cows and heifers, 72 eighteen-month heifers (R.W.B.), 78 heifer calves, 21 working-bullocks, 12 working-horses, 300 breeding-ewes, and 190 M.S. lambs.

Flooded rivers again seriously interfered with cream deliveries, and settlers suffered monetary loss in consequence. Farmers on the Whangaparaoa River also lost portions of the most valuable parts of their holdings through river erosion. A large water-reticulation system was completed during the year, and a smaller one is in the course of construction. These both operate on the small dam and ram principle, whereby water is pumped into a reservoir from which reticulation is made to the holdings. Three milking-machines with Diesel engines were installed during the period under review, and are giving good service. The settlers are becoming reasonably efficient farmers, and should shortly be able to carry on without much further financial assistance from the Department.

Te Piki.

The Te Piki scheme, near Cape Runaway, contains 4,245 acres, of which it is proposed to eventually develop 1,000 acres.

During the year 160 acres were cleared and 200 acres sown down in grass, 210 chains of new fencing erected, and 60 chains of new drains dug. There are now approximately 570 acres in permanent pasture. About 2 acres were worked up this year and laid out for a tree nursery, yearling trees being obtained from the Rotorna Nursery, while a quantity of seed was also sown. This nursery will be sufficient to supply trees to all schemes eastward of Te Kaha. The situation and climate of this site is ideal, and as trees and seedlings are showing good growth it is considered that the action taken in the establishment of this nursery will be fully justified.

The stock on the scheme at the end of the year included 99 run cattle, 16 horses, 159 other dairy stock, and 508 sheep. All the stock has done particularly well, and the pasture areas have improved with the heavy stocking during the year.

There are twenty-two workers on the scheme, and in all some thirty-seven adults and forty-two children are dependent on the project.

STATISTICAL DATA ON WAIARIKI DISTRICT SCHEMES (SCHEME, UNIT, AND FARM)—continued.

Particulars.	Tairāraua : Taupo.	Tikitere : Tikitere.	Tikitere : Waikato.	Tokaamu : Ohauanga.	Tokaaunu : Tokaaunu.	Waewae- tutuki.	Watolau.	Whakata- tane.	Whakata- tohea.	Whakata- tohea : Wainui.	Whangaparaoa.	Totals.
1. Date first gazetted or acquired	Sept., 1937	Dec., 1936	July, 1931	Dec., 1932	Sept., 1931	Apr., 1931	May, 1933	Apr., 1937	Dec., 1930	Jan., 1931	Dec., 1931	.. 58
2. Number of schemes in district	..	..	..	..	..	..	..	..	..	..	..	..
3. Area—	..	..	..	..	..	..	..	..	..	..	..	..
Gazetted to date	2,913	5,212	2,743	380	3,325	2,219	7,425	304	2,446	392	3,748	197,565
Developed to date	440	3,604	1,147	337	1,260	1,150	1,130	279	1,530	272	1,560	66,056
Occupied by settlers	154	154	550	332	1,260	1,150	1,130	279	1,530	272	1,560	28,593
Suitable for further development	2,473	146	1,500	33	1,423	2,069	1,370	25	250	320	2,200	32,423
4. Number of—	..	..	..	..	..	..	..	..	..	..	..	..
Settlers	1	2	5	4	10	38	8	7	40	3	16	521
Additional labourers	41	20	8	2	28	37	15	5	36	4	11	988
Other dependants (wives and children)	152	43	47	16	108	64	92	48	310	21	75	4,580
Total dependants	194	65	60	22	146	101	122	60	386	28	102	6,099
5. Number of bureaux workers (included above)	..	..	..	..	..	..	..	..	..	..	..	..
6. Number of relief workers engaged exclusively on private Native lands	39	18	6	2	24	36	14	5	35	2	9	869
7. Live-stock—	..	..	..	..	..	..	..	..	..	..	..	..
Cows : Dairy	..	68	230	156	..	..	..	..	..	..	..	..
Other dairy stock	..	9	99	249	..	..	..	..	..	..	..	..
Run cattle	108	587	182	..	267	..	..	..	..	..	..	9,457
Ewes : Breeding	680	2,282	2,611	..	2,181	..	906	..	..	..	..	4,962
Dry sheep	36	5,072	3,315	..	1,365	..	12	..	..	..	..	8,214
Working-horses	2	14	11	6	16	..	16	3	47	5	12	30,714
8. Receipts—	..	..	..	..	..	..	..	..	..	..	..	..
Butterfat—	..	13,063	58,038	9,505	..	..	..	..	..	..	..	..
Total poundage	..	172	2,832	494	..	..	..	..	..	..	..	1,642,881
Department's proportion	..	..	..	..	..	..	..	..	..	..	..	48,004
Wood—	..	..	..	..	..	..	..	..	..	..	..	..
Bales	..	131	68	..	..	..	..	..	..	..	..	..
Net weight	3,168	46,585	23,035	..	81	..	..	..	..	..	..	825
Department's proportion	..	..	..	..	..	..	..	..	..	..	..	330,935
Live-stock	106	1,574	870	..	993	..	83	..	..	..	..	13,213
Crops and sundries	225	6,010	4,017	..	1,761	..	750	..	116	..	..	45,922
Total	28	228	152	61	396	27	112	100	54	7	1	4,726
Bulk sundries	..	..	..	..	..	..	..	..	..	..	..	..
Total cash to Department	359	7,984	7,891	555	3,150	27	1,850	273	2,999	385	1,814	1,855
9. Year's activities—	..	..	..	..	..	..	..	..	..	..	..	..
Bushfelling and clearing	..	..	..	..	..	..	..	..	..	..	..	..
Fencing : New	1,080	604	100	..	276	376	686	25	219	28	12	11,493
DRAINING : New	243	380	320	495	204	230	535	50	314	41	12	13,078
Grassing : New	60	604	120	..	36	..	48	30	..	8	..	4,206
Other cultivation : New	280	604	..	..	100	..	277	95	20	15	..	8,367
Roading : New	180	..	..	..	90	150	196	..	..	..	..	21,166
Water-supply : New	..	42	40	..	9	125	176	..	..	..	..	1,487
Splitting—	..	..	..	1	..	..	..	..	..	..	..	..
Posts	..	..	..	..	..	..	..	..	..	..	..	..
Battens	..	..	..	..	..	..	..	..	..	..	..	..
Strainers	..	..	..	..	..	..	..	..	..	..	..	..
Cottages erected—	..	..	..	..	..	..	..	..	..	..	..	..
New	..	..	..	..	..	..	..	..	..	..	..	..
Cow-sheds erected—	..	..	..	..	..	..	..	..	..	..	..	..
To date	1	2	1	5	10	4	3	1	7	1	3	47
New	1	..	7	..	..	..	6	1	18	2	14	283
Implement and manure sheds—	..	..	..	..	..	..	..	..	..	..	..	..
To date	..	..	..	..	..	..	..	..	..	..	..	..
New	..	2	6	5	8	31	12	1	7	5	5	60
Wool-sheds—	..	..	..	..	..	..	..	..	..	..	..	..
To date	..	1	2	..	..	..	1	..	..	..	6	38
New	..	..	..	..	..	..	2	..	..	..	6	51
Sheep dip and yards—	..	..	..	..	..	..	..	..	..	..	..	..
To date	..	..	..	..	..	..	..	..	..	..	..	..
New	..	..	..	..	..	..	..	..	..	..	..	..
Huts	27	..	..	..	..	31	..	..	..	..	..	110

Pukaingataru (Maketu)	..	1,182 17 6	180 0 3	52 11 6	666 2 8	..	..	2,081 11 11	2,044 3 1
Te Puke (Maketu)	..	570 10 3	2,406 12 2	2,428 0 0	811 5 0	123 10 0	..	6,339 17 5	6,203 3 10
Pukawa Bush	..	77 3 9	232 1 7	63 4 1	..	145 6 0	..	517 15 5	Cr. 155 0 1
Pukehina	..	145 11 9	302 15 4	346 10 6	604 16 9	..	..	951 7 3	1,204 18 6
Putaauaki	..	7,983 14 11	2,706 10 10	2,477 10 9	1,068 15 0	79 12 10	..	4,074 5 8	3,448 13 8
Kotoiti...	..	3,592 14 7	2,257 4 3	1,318 9 7	3,694 8 2	954 2 0	..	16,957 5 6	16,682 13 3
Koforia Nursery	..	..	36 17 10	1,358 10 3	69 8 2	920 5 2	..	8,108 2 5	Cr. 365 14 5
Ruanui	..	5,207 8 8	4,766 11 3	3,963 6 11	875 4 8	..	..	36 17 10	20 15 4
Ruatuhuna	..	26,529 11 9	11,776 18 7	4,791 0 3	13,449 19 2	..	..	13,912 11 6	11,102 9 0
Ruatoki	..	13,578 2 4	3,684 18 0	3,256 12 11	2,969 1 0	..	..	56,547 9 9	53,401 4 4
Tahake	..	3,212 14 4	5,565 8 11	3,415 6 2	4,260 12 4	2,432 17 6	..	25,921 11 9	16,456 7 7
Tauranga Proper	..	7 16 4	2,048 5 8	4,287 5 8	359 8 0	3,444 13 0	..	19,898 14 9	20,498 11 8
Tauranga-Taupo	..	5,165 0 7	2,660 1 6	6,727 4 11	7,983 15 9	..	..	6,702 15 8	6,386 2 11
Tihiotonga	..	15,929 2 1	6,593 8 10	3,236 17 10	8,110 1 8	14,791 7 3	..	37,327 10 0	12,308 19 4
Tikitere	..	6,804 3 8	7,546 17 4	2,467 16 7	3,149 10 9	3,292 13 0	..	37,162 3 5	40,962 18 4
Tokaanu	..	7,584 10 6	2,665 1 8	2,041 16 9	3,321 6 1	764 7 7	..	20,532 16 1	23,419 10 5
Torere	..	1,289 14 11	3,331 6 7	868 1 3	336 16 4	..	..	15,612 15 0	9,967 5 5
Waikato (Tikitere)	..	705 14 1	1,143 9 3	359 4 3	354 17 6	3,409 17 5	..	2,633 5 1	14,453 0 5
Waimui (Whakatohea)	..	1,960 1 5	4,610 6 10	3,739 15 1	1,850 7 3	..	..	12,160 10 7	1,010 10 5
Waiohau	..	2,542 6 5	867 11 0	..	..	..	..	3,409 17 5	10,841 19 11
Waipapa Bush	..	..	93 19 1	942 0 10	..	..	..	1,035 19 11	613 10 4
Waeuacututuki (Maketu)	..	..	..	360 10 9	272 16 7	..	..	633 7 4	448 13 4
Whakatane	..	5,633 9 7	3,267 5 7	1,751 11 9	2,999 3 9	725 11 2	..	14,377 1 10	886 18 6
Whakatohea	..	3,411 3 3	2,658 9 0	369 13 5	1,814 8 4	188 9 4	..	8,442 3 4	12,450 12 4
Whangaparaoa	..	186,539 1 8	149 7 0	..	2,650 11 3	63,515 5 1	..	252,273 5 0	13,062 9 6
Bulk stock, motor-vehicles, &c.	..	..	..	..	..	..	..	..	Cr. 24,469 4 7
Totals ..	..	449,256 5 5	144,327 15 3	107,781 16 0	111,730 11 10	159,798 9 11	..	973,094 18 5	600,255 0 5

WAIARIKI DISTRICT—continued.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1938.

Schemes.	Payments.					Total Expenditure, plus Interest, to 31st March, 1938.
	Expenditure, plus Interest, to 31st March, 1937.	Cash Expenditure, 1937-38.	Purchases from Bulk and other Schemes.	Net Interest, 1937-38.		
				£	s. d.	
Atawa ..	2,782 11 8	1,246 6 11	1,762 17 0	108 2 0	£	5,899 17 7
Brent's Farm ..	48,546 0 6	11,003 19 9	16,833 17 5	638 9 4	s.	77,022 7 0
Haparapara ..	..	2,516 19 2	39 15 0	69 6 0	d.	2,626 0 2
Horohe--- General ..	6,209 2 1	1,625 14 6	3 18 9	117 6 10	£	7,956 2 2
Haparangi Plantation ..	4,524 18 7	211 4 10	13 12 6	97 11 5	s.	4,847 7 4
Kapenga 1 ..	3,041 14 4	3,455 13 8	4,597 7 11	203 16 3	d.	11,298 6 2
Kapenga 2 ..	6,183 3 10	310 18 8	3,308 15 0	235 10 3	£	10,038 7 9
Rongomaipapa ..	46,584 15 7	2,725 16 2	3,822 17 4	1,114 14 9	s.	54,248 3 10
Ngati-Tuara ..	50,385 17 10	4,629 18 3	7,275 9 2	1,466 4 10	d.	63,757 10 1
Tuhourangi ..	22,289 0 0	1,551 11 11	8,591 12 1	885 11 7	£	33,317 15 7
Turungamui ..	6,219 6 2	321 18 0	1,129 5 8	219 0 9	s.	7,889 10 7
Waikaukau ..	19,172 8 4	2,564 17 7	4,513 8 5	801 2 0	d.	27,051 16 4
Te Kaha Proper ..	14,362 13 10	5,672 12 1	687 5 0	467 8 10	£	21,189 19 9
Korohe ..	1,875 6 6	3,009 13 7	1,089 19 8	78 10 9	s.	6,053 10 6
Maketu Farm ..	38,732 17 6	14,898 7 5	1,472 18 7	125 9 1	d.	55,229 12 7
Mangatawa (Tauranga) ..	..	4,603 14 5	901 17 2	60 7 3	£	5,565 18 10
Maraetui ..	5,217 13 4	2,237 9 8	165 19 4	113 7 0	s.	7,734 9 4
Matakana Island ..	1,160 3 6	2,794 6 3	528 6 0	51 17 3	d.	4,534 13 0
Matata ..	3,011 13 9	4,399 3 2	236 14 0	106 10 7	£	7,754 1 6
Motiti Island ..	2,030 8 4	17 2 8	..	26 9 7	s.	2,074 0 7
Maungaroa ..	..	6,307 6 9	1,062 11 1	159 18 9	d.	7,529 16 7
Ngapeke (Tauranga) ..	..	3,769 7 3	2,078 13 7	89 10 9	£	5,937 11 7
Ngatiawa ..	45,583 2 0	8,982 0 5	1,843 11 0	1,704 13 4	s.	58,113 6 9
Ngatimanawa ..	2,823 14 4	8,326 13 1	7,792 4 10	320 14 7	d.	19,263 6 10
Ohuanga (Tokaanu) ..	..	4,244 0 9	130 17 4	28 13 1	£	4,403 11 2
Okataina Bush ..	9,763 10 11	1,524 12 6	..	145 11 1	s.	11,142 12 4
Okareka ..	..	5,921 12 5	3,516 6 10	219 15 0	d.	9,657 14 3
Okere ..	30,196 13 3	9,440 3 3	6,516 8 5	976 1 1	£	47,129 6 0
Omaio ..	15,707 7 7	3,405 6 6	560 9 1	558 10 5	s.	20,231 13 7
Opape Farm ..	11,848 8 2	1,739 3 7	462 5 10	233 11 2	d.	14,283 8 9
Orete ..	15,470 6 4	3,483 11 11	100 18 11	433 2 0	£	19,487 19 2
Orete 2 ..	3,784 13 4	6,708 13 0	2,393 10 8	150 15 1	s.	13,037 12 1
Oruanui Bush ..	445 7 5	3,029 14 5	21 0 1	43 0 8	d.	3,453 1 3
Parekarangi ..	34,517 3 10	2,120 15 7	11,682 19 6	1,335 17 4	£	49,656 16 3
Parekarangi Extension ..	2,799 4 11	982 5 4	1,892 18 10	134 11 8	s.	5,809 0 9
Peka ..	14,833 7 10	1,096 6 3	2,297 7 3	481 8 10	d.	18,708 10 2
Te Piki ..	12,617 15 3	6,083 6 9	644 2 2	387 15 5	£	19,732 19 7
Pukaingataru (Maketu) ..	3,034 10 6	933 6 6	58 8 9	99 9 3	s.	4,125 15 0
Te Puke (Maketu) ..	7,885 1 1	3,456 19 9	943 10 4	257 10 1	d.	12,543 1 3

TAIRAWHITI MAORI LAND DISTRICT.

The boundary of this district encloses all the country east of a line drawn roughly from Hicks Bay, along the Raukumara, Motu, and Huiarau Ranges, including Lake Waikaremoana, and then following the course of the Mohaka River to the Pacific Ocean. Within its confines are the ancestral territories of the Ngati-Porou, Te Aitanga-a-Hauiti, Te Aitanga-a-Mahaki, Rongowhakaata, and a section of the Ngati-Kahungunu tribes.

This past year has seen developmental undertakings pursued further, three new schemes having been gazetted and additional areas added to existing projects, so that at the 31st March, 1938, there were eleven development schemes embracing a gross area of 70,678 acres.

Outlines of the various schemes are shown in the individual reports following, but, generally speaking, development has proceeded satisfactorily. The price ruling for dairy-produce has been sufficient to return a living to most settlers, especially to those whose sections are fully developed, but the returns for wool have declined, due to the fall in market prices, although the quality has been up to standard. As far as the two principal sheep stations under development in this district are concerned, Whareponga and Uruahi, dividends were available to the beneficial owners for the first time.

The cash receipts for the year ended 31st March, 1938, totalled £43,180, which is a 34-per-cent. increase on last year's figure.

Severe flooding in the Tairawhiti district in February, 1938, caused considerable silting up of pastures and the destruction of fences. In the Tikitiki area some thirty farms were affected, and in three instances the dairy herds had to be distributed amongst other settlers, as the whole of the pasture was lost, and there was no hope of regassing until next season. Action was immediately taken to re-erect fences and resow the silted areas, some conception of the state of which may be seen from photographs (Nos. 38 and 39) at the end of the report. The majority of the sheep stations, particularly Uruahi and Ngamahanga, suffered severe damage through slips and erosion, but the loss of stock was light. Apart from scheme lands, numerous other Maori farmers were financially crippled through damage caused by these floods. Labour provided through the Employment Promotion Fund was made available to these settlers by the State for rehabilitating their properties. The little Maori community of Waiomatatini also suffered damage, owing to their fine marae building, their cultivations and houses being inundated by flood-waters and debris.

Under the State's schemes in this district are 227 established settlers upon whom are dependent 1,139 persons, while further employment thereon was given to 578 men. On privately owned Native land 485 workmen were engaged on contracts subsidized from the Employment Promotion Fund.

Wharekahika.

This is one of the new schemes in the Tairawhiti district, which runs from the Maraehara River to a point four miles past Potaka, eight miles from Cape Runaway, and takes in scattered country over practically the whole area of the Matakaoa County. It comprises 11,684 acres, of which one-fifth is mixed-quality flat country with approximately the same area of easy sheep and cattle hill country, whilst the balance is steep hard hill country in standing bush, scrub, and fern, none of which has been cleared. As this is a new scheme just recently taken over, little has been done so far. The existing pastures are poor, as also is the stock. There are thirty-six settlers, occupying 10,934 acres of the scheme, with 123 dependants, and they appear to be a good hardy type of people.

Live-stock carried totalled 451 milking-cows, 188 other dairy stock, 645 run cattle, 5,100 breeding-ewes, 3,900 dry sheep, and 31 working-horses. Housing conditions are poor, but an extensive programme is being planned. One dwelling and four cow-sheds were built last year. With close and careful supervision these settlers should develop into self-supporting farmers. Owing to shortage of labour, boundary fences are being concentrated on, and until these are completed very little other work can be contemplated, although the year's work embraced 527 acres of bushfelling, 462 chains of fencing, 126 chains of draining, 259 acres of grassing, 24 acres of cultivations, and 10 chains of roading.

The returns for wool and live-stock are high, owing to the fact that five established Waiapu-Matakaoa scheme properties, comprising 3,417 acres of sheep country, have been transferred to Wharekahika for administrative convenience.

Takatahu.

This property is situated approximately three miles inland from the mouth of the Karakatuwhero River, just north of Te Araroa. It comprises 418 acres, most of which is rich dairy flats. The entire area, which was covered in heavy bush prior to development, has now been cleared and sown in good English grasses. It is farmed as two dairy-farms, one of which (258 acres) is managed by a Maori manager with a staff of two, whilst the other section is occupied as a settler's property by one of the owners of the block. These two workers have seven dependants. Seventeen labourers were also employed on this scheme. Development has reached an advanced stage, but heavy logging and stumping requires to be carried out, and river-protection work, draining, and willow planting are also necessary. Herd testing was carried out on the whole dairy herd of 130 cows during the current season. There were also 200 breeding-ewes and 38 run cattle on the scheme at 31st March, 1938.

Waiapu-Matakaoa.

Waiapu-Matakaoa is the name given to a large number of scattered holdings in the Waiapu and Matakaoa Counties. The sections are divided roughly into groups: Hahau is at the mouth of the Waiapu River, and following up the river's course are Hinetiraha, Pohooterangi, Tikitiki, and Herupara on the northern bank, Tikapa and Herenga on the south-eastern bank, and Mangaoporo ten miles to the north of the Tikitiki group on the Poroporo River. The actual gazetted area is 13,464 acres, but of this, 3,417 acres, which are situated in the Wharekahika (Matakaoa) scheme, have been separated from the balance and grouped with the latter scheme for the purposes of this report. An area of 3,168 acres of dairying country, which consists mostly of good river-flats, has been developed. The condition of the land in the several groups before development and at the present day is as follows:

Hahau (fifteen sections totalling 845 acres) was practically all covered with heavy gorse and tawhinu, but now is all cleared and one-third has been ploughed and sown in good English grasses, whilst the balance in ratstail and native grasses is gradually being ploughed and treated in the same manner.

Hinetiraha and Pohooterangi (708 acres of dairying land) were badly infested with rushes and inclined to be swampy. To-day of the eighteen sections in this group, a considerable acreage has been brought into good pasture.

Tikitiki and Herupara (thirty-four sections).—On these sections, of which approximately 1,315 acres comprise dairying country, 600 acres were in standing bush, whilst the balance was all in scattered scrub. The bush has been felled and grassed, and all excepting 200 acres of the scrub area has been cleared and sown.

Tikapa (sixteen dairy sections covering approximately 300 acres) was in fair condition before development. An area of 76 acres has been cleared of scrub. One-third of the block is good flat dairy land, whilst the remainder is easy hill grazing-country. The sheep area of 3,215 acres is worked as twelve farms, of which three, covering 1,567 acres, are entirely sheep stations, the balance being mixed sheep and dairy farms. On the three main farms 750 acres were in bush prior to development, but this has now been felled, burnt, and sown down in good English pasture. The balance of these areas comprises good easy hill country in native grasses.

The number of settlers located in the entire scheme total ninety-six, whilst their dependants number 463. Generally speaking, the health of the community is good. Housing conditions are better than those of any other scheme in the district, as evinced by the number of new houses erected since development began—namely, thirty-two. Three more are at present under construction.

Live-stock figures at the 31st March, were: Milking-cows, 1,661; other dairy stock, 495; run cattle, 332; breeding-ewes, 2,778; dry sheep, 1,735; working-horses, 217.

Herd testing was undertaken last season, the figures for the year showing an improvement on the previous period. A feature was the attainment of Mrs. H. Nepia to fourth place in the Ahuwhenua Trophy Competition. A progressive move was made during the year in the formation of pig clubs in this district. The flood of February, 1938, adversely affected about thirty settlers, but steps have been taken to rectify the damage. Details of the year's work and other information is given in the tables at the end of this section of the report.

Taken on the whole, the future prospects of the settlers are exceedingly promising, as they have the advantage of possessing good fertile country and the necessary incentive to work this land with success.

Poroporo.

Uruahi Station, situated between the Mangaoporo and Poroporo Rivers, and fronting the East Coast main highway six miles from Ruatoria, comprises 2,103 acres of moderately easy hill country, about 200 acres of which were originally in fern and scrub, the balance being covered in standing bush. The quality of land is good, being of a light loamy nature. The planting of willows and poplars has been carried out to check erosion and slipping, and about 100 acres have been resown in paspalum and subterranean clover. The station is efficiently managed by a European and three permanent hands. Pastures are in good order, and the stock continues to improve as the percentage of bred stock increases. The live-stock figures at the end of the year are as follows: 3,121 breeding ewes, 1,971 dry sheep, 608 run cattle, and 3 pack-horses. This farm can definitely be classed as a successful venture, although the prospects of subdivision, owing to fencing difficulties, are remote.

The balance of the scheme comprises ten dairy-farms which are situated on the Whenuakura flats half-way between Ruatoria and Tikitiki, on the East Coast main highway. The 501 acres occupied are all good river-flats with the exception of 80 acres of easy hills. Before development the area was covered with heavy tree-manuka and was of a swampy nature. The soil is a good heavy loam with a proportion of both peaty and shingle formations. The whole acreage is ploughable, and the development of the land is well advanced, with practically all the properties carrying their full quota of dairy stock. Cropping for winter feed is undertaken. The pastures are in good order. Dairy stock comprises 235 milking-cows and 74 other dairy beasts. The ten settlers maintain seventy-five dependants, and these people are of a good healthy type. Their housing conditions are fair, four new cottages having been erected for them since the scheme commenced, whilst the remaining dwellings are in reasonably good order. These settlers will shortly be entirely self-supporting.

Rotokautuku.

Located on the Tapuwaeroa Valley Road, close to the Waiapu River, and about two miles from Ruatoria, this scheme of 53 acres was only gazetted for development in January, 1938. The land consists of light arable soil which should respond to treatment, and should carry a good sole of grass when ploughed and resown. There are 4 acres of flat land along the Tapuwaeroa road frontage, and the land then rises rather sharply to the main portion of the farm, comprising mostly flat to sloping ground broken only by two watercourses. Springs furnish a good water-supply, and one of these springs is particularly strong and capable of reticulating the whole area if a ram or windmill is installed. There are no buildings on the property.

One settler with five dependants is established, but no development work had been embarked on as at 31st March, 1938, although, however, the country has well been farmed for over twenty years by a European.

Tuparoa.

The scheme, gazetted with an area of 10,286 acres, bearing this name is situated five miles south of Ruatoria on the East Coast main highway, and comprises the Whareponga station (5,376 acres), Akuaku Station (563 acres), Totaramui A 1 Block (439 acres), and seven dairying settlers (1,626 acres), a total of 8,004 acres under active development. The Whareponga station live-stock, numbering 7,899 sheep and 989 cattle, was, by resolution of the owners of the land, sold in March last. The property is now divided into six separate holdings, and two private sections which have been withdrawn from development. These new settlers have been stocked with sheep and cattle from the old Whareponga station. Most of Whareponga is easy hill country, which before development commenced was in pasture, but a large portion was overgrown in manuka and tauhinu scrub, which has since been all cleared, and the property fenced. Nearly two-thirds of the pastures are in native grasses, the remaining portion being in good grass. Prior to subdivision, the station was run by a Maori manager with a staff of six Natives. Workmen numbering twenty-two were also engaged on this scheme.

The seven dairying areas comprise 200 acres of good loamy flat country in good pasture and 1,426 acres of easy hills in mixed pasture. Approximately 450 acres are ploughable. The hill area is of shale-clay formation. The dependants of the settlers total fifty-five, and the health of the people is satisfactory. The settlers are making satisfactory progress, though much remains to be done before returns are commensurate with the quality of the land. Housing conditions are fair, although a good deal of repair work is required. These settlers have a bright prospective future if they continue to work with the zeal and energy which they are at present showing.

The live-stock tally as at 31st March, 1938, was 187 milking-cows, 90 other dairy stock, 1,025 run cattle, 6,054 breeding-ewes, and 3,668 dry sheep.

Whareongaonga.

This is a new scheme gazetted in January last. It is situated on the main highway some 20 miles south of Gisborne and comprises an area of 494 acres which has reverted to scrub and blackberry. It is typical sheep and cattle country unsuited for dairying. A nice patch of bush of about 40 acres will be preserved. Some 83 acres have been cleared and sown, and will be stocked when the fencing has been repaired. This work is in hand.

Mahia.

Located on the north-eastern portion of the Mahia Peninsula and approximately three miles from the port and railway-station at Waikokopu, the total area gazetted in this scheme was 2,854 acres, of which 363 acres are being farmed by five settlers as dairy sections. A further area of 450 acres of the Whangawehi Block is being sown, and will be farmed as a grazing and cropping proposition in the meantime. The Whangawehi section and the Kaiwaitau area (400 acres) comprise good undulating country of a silty soil, while the balance of the area is sandy in nature and is at present being planted with marram grass and lupin to arrest sand encroachment. Practically the whole scheme area is ploughable. The health of the people is excellent.

Forty acres were sown in oats during the past season and a good crop of 55 tons was harvested and stacked. The existing housing accommodation, when sundry small repairs are executed, will be satisfactory. With adjoining lands which it is proposed to bring into the scheme, this area should ultimately develop into fifty self-contained farms.

Mohaka.

Situated on the East Coast main highway twenty-six miles south of Wairoa, this scheme comprises 19,709 acres, of which 11,600 acres have been brought under development. It is practically all light scrub country running into light pumice in the back (inland) portion, and is divided into 3,000 acres of flat land and 3,000 acres of easy undulating country, the balance being of a hard hilly nature. Almost the whole area prior to development was covered in scrub and was badly infested with blackberry, but to date nearly 6,000 acres have been cleared and brought into a reasonable state of pasture. The grass is holding fairly well, but, as in all areas of this class of country, top-dressing and careful stocking will have to be continued to prevent deterioration.

Sixty settlers, who support 322 dependants, have been established—fifty-six are dairying, and at the same time running a few sheep; while the remaining four are exclusively sheep-farming. The general health of the people is good. Satisfactory progress has been made with the establishment of permanent water-supplies for settlers, but as lack of water is the chief drawback on this block considerable work in this direction remains to be done.

Live-stock tallies at 31st March, 1938, were 943 milking-cows, 260 other dairy stock, 78 run cattle, 3,533 breeding ewes, 1,458 dry sheep, and 71 horses. The butterfat produced totalled 87,300 lb. Five new dwellings and four cow-sheds were erected during the year, and although much remains to be done in regard to housing, this work is being pursued as speedily as conditions permit. The settlers are gradually realizing their responsibilities and are paying more attention to the welfare of their dairy herds. Progress is naturally slow, but the interest being shown augurs well for the future prospects of these Maori farmers.

Waihua.

Known also as Ngamahanga, this scheme is situated seven miles inland from the main East Coast highway and approximately twenty miles south of Wairoa. It covers 4,300 acres, of which 4,130 acres have been cleared and surface sown. The country is light and of pumice formation, fairly steep, and extensively cut up by deep gullies. There are 200 acres only of flats, and these are being felled, stumped, ploughed, cropped, and laid down in good-quality pasture. The entire block was covered with mixed scrub and light bush prior to development, and will require careful management and efficient stocking to prevent deterioration. The area is being farmed as a sheep station.

The live-stock comprises 400 run cattle, 3,039 breeding-ewes, and 3,213 dry sheep.

Kahungunu.

Located four miles inland from Raupunga Railway-station, at the southern end of the Mokaka scheme, this block of 8,230 acres comprises approximately 4,000 acres of developable land, of which 1,500 acres have been settled, the balance being in fern and scrub with the exception of 200 acres of light bush. The land is poor light undulating country, difficult to hold, but is responding well to top-dressing and careful management.

The settlers, who are of a good type, and whose health is satisfactory, total ten, with sixty-one dependants. Better housing accommodation is an immediate necessity and is being provided with all possible expedition. The developed sections are all dairy-farms, and, although only established last year, they are showing reasonable returns. There was ample feed last year, and sufficient hay was harvested for the winter months.

The live-stock at 31st March, 1938, totalled 90 milking-cows, 37 other dairying stock, 989 breeding-ewes, and 238 dry sheep. The butterfat production amounted to 10,184 lb., and three new cottages and four new cow-sheds were erected during the year. The settlers' prospects are quite bright, and they should eventually be able to earn a good living for themselves and their families on their holdings.

STATISTICAL DATA ON TAIRAWHITI SCHEMES (SCHEME AND UNIT).

Particulars.	Kahungunu.	Mahia.	Mohaka.	Poroporo.	Rotokau-tuku.	Takatahu.	Tuparoa.	Waipapa-Matakaua.	Waihua.	Wharekahu-ka.	Whareonga-onga.	Totals.
1. Date first gazetted	Sept., 1933	Feb., 1937	Jan., 1930	Jan., 1930	Jan., 1938	May., 1930	Mar., 1931	June, 1931	Sept., 1933	July, 1937	Jan., 1938	11
2. Number of schemes	..	..	..	..	..	..	..	..	..	..	..	..
3. Area—												
Gazetted to date	8,230	2,854	19,709	2,604	52	418	10,286	10,047*	4,300	11,684*	494	70,678
Developed to date	1,568	813	11,598	2,604	..	418	8,004	6,799	4,130	10,934	83	46,951
Occupied by settlers	1,568	363	11,598	2,604	52	418	8,004	6,799	4,130	10,934	..	46,470
Suitable for further development	2,500	1,958	5,400	..	52	..	996	3,000	170	1,500	411	15,987
4. Number of—												
Settlers	10	5	60	10	1	2	7	96	..	36	..	227
Additional labourers	23	48	43	30	..	17	29	317	10	48	13	578
Dependants (wives, children, &c.)	61	26	322	75	5	7	55	463	2	123	..	1,139
Total dependants	94	79	425	115	6	26	91	876	12	207	13	1,944
5. Number of Bureaux workers (included above)	23	47	40	26	..	14	22	314	6	44	12	548
6. Number of relief workers engaged on private Native lands	..	..	140	19	..	..	77	67	..	136	46	485
7. Live-stock—												
Cows milked during season	90	16	943	235	..	130	187	1,661	..	451	..	3,713
Other dairy stock	37	4	260	74	..	38	90	495	..	188	..	1,186
Run cattle	..	..	78	608	..	..	1,025	332	400	645	..	3,088
Pigs : Breeding	989	..	3,533	3,121	..	200	6,054	2,778	3,039	5,106	..	24,814
Dry sheep	238	..	1,458	1,971	..	..	3,668	1,735	3,213	3,900	..	16,183
Horses : Working	6	1	71	23	..	1	4	217	7	31	1	362
8. Receipts—												
Butterfat—												
Poundage	10,184	1,785	87,300	24,842	..	18,467	16,955	170,384	..	1,713	..	331,630
Department's proportion	176	44	1,612	465	..	1,153	406	2,798	..	29	..	6,683
Wool—												
Bales	19	..	47	96	..	..	63	36	143	103	..	507
Weight	6,771	..	16,232	33,661	..	..	22,218	13,179	55,725	36,726	..	184,512
Department's proportion	434	..	806	1,952	..	..	963	640	1,874	2,064	..	8,733
Cattle sales	13	..	309	6	..	67	4,754	736	843	323	..	7,051
Sheep sales	397	..	188	1,519	..	..	8,780	819	5,488	1,506	..	18,697
Crops and sundries	8	2	564	30	..	154	342	66	1	16	..	1,183
Bulk sundries	..	..	..	..	..	..	..	..	..	..	..	833
Total cash to Department	1,027	46	3,479	3,972	..	1,374	15,245	5,059	8,206	3,938	..	42,347
9. Year's activities—												
Bushfelling and clearing	271	80	716	30	..	..	50	271	370	527	83	2,398
Fencing : New	320	191	750	297	..	..	154	2,621	30	462	10	4,835
Draining : New	36	40	45	52	..	66	..	216	25	126	..	600
Grassing : New	50	..	510	93	..	..	30	152	30	259	..	1,124
Other cultivations : New	51	40	260	33	..	..	11	169	31	619	..	619
Roading : New	70	20	20	..	..	..	..	16	..	10	..	136
Cottages erected—												
New	3	..	5	..	..	..	..	7	..	1	..	16
To date	7	..	48	6	..	2	3	32	..	1	..	99
Cow-sheds erected—												
New	4	..	4	..	..	1	..	1	..	4	..	14
To date	7	..	53	6	..	2	5	50	..	4	..	127
Other buildings—												
New	..	1	..	..	..	..	..	..	1	..	..	2
To date	..	1	..	..	..	..	..	..	1	..	..	3

* A block of 3,417 acres gazetted under Waiapu-Matakaua scheme has been shown under Wharekahu scheme for convenience of administration, and all other figures relative to that particular block have been so classified above.

TAIRAWHITI DISTRICT.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1938.

Schemes.	Receipts.									
	Receipts, excluding Employment Grants, to 31st March, 1937.	Employment Promotion Subsidies.		Cash Collections, Scheme Produce, 1937-38.		Sales to other Schemes.		Total Receipts, including Employment, to 31st March, 1938.		Net Liability as at 31st March, 1938.
		£	s. d.	£	s. d.	£	s. d.	£	s. d.	
Kahungunu	8,518 5 10	1,695 9 4	1,290 11 4	1,028 9 1	373 11 0	£	s. d.	12,906 6 7	£	s. d.
Mahia .. .. .	.. .. .	78 10 0	1,535 12 1	46 12 1	25 17 1	1,686 11 3	1,006 9 4	.. .. .	1,006 9 4	.. .. .
Mohaka	22,647 17 7	6,090 18 0	3,354 4 4	3,479 5 11	517 4 10	36,089 10 8	43,602 12 5	.. .. .	43,602 12 5	.. .. .
Poroporo	19,750 2 3	861 9 2	265 3 4	3,971 12 1	906 17 0	25,755 3 10	6,318 17 3	.. .. .	6,318 17 3	.. .. .
Putorino Nursery	1,101 13 2	79 2 6	.. .. .	3 0 6	0 5 6	1,184 1 8	2,171 2 3	.. .. .	2,171 2 3	.. .. .
Takatahu	3,522 6 9	95 14 0	370 16 0	1,373 14 2	48 4 8	5,410 15 7	4,098 0 5	.. .. .	4,098 0 5	.. .. .
Tuparoa	32,834 2 4	2,006 17 0	84 4 2	15,244 19 9	2,624 17 9	52,795 1 0	1,881 2 11	.. .. .	1,881 2 11	.. .. .
Waapu-Matakaoa	36,638 8 0	6,345 14 2	4,027 9 9	5,058 12 7	797 7 3	52,867 11 9	41,514 16 2	.. .. .	41,514 16 2	.. .. .
Waihua	29,392 12 2	754 12 8	293 9 8	8,206 4 4	15 6 5	38,662 5 3	14,641 17 0	.. .. .	14,641 17 0	.. .. .
Wharekahika .. .. .	.. .. .	.. .. .	411 19 0	3,938 1 3	361 15 4	4,711 15 7	3,981 6 5	.. .. .	3,981 6 5	.. .. .
Whareongaonga .. .. .	.. .. .	.. .. .	41 0 10	.. .. .	.. .. .	41 0 10	44 2 5	.. .. .	44 2 5	.. .. .
Bulk stock, &c.	71,212 2 7	1,712 17 11	663 15 5	829 15 2	43,185 8 11	117,604 0 0	1,671 4 9	.. .. .	1,671 4 9	.. .. .
Totals	225,617 10 8	19,721 4 9	12,338 5 11	43,180 6 11	48,856 15 9	349,714 4 0	134,099 2 10	.. .. .	134,099 2 10	.. .. .
Payments.										
Schemes.	Expenditure, plus Interest, to 31st March, 1937.		Cash Expenditure, 1937-38.		Purchases from Bulk and other Schemes.		Net Interest, 1937-38.		Total Expenditure, plus Interest, to 31st March, 1938.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Kahungunu	21,388 7 0	1,567 6 8	2,473 7 9	644 16 8	26,073 18 1	.. .. .	.. .. .	26,073 18 1	.. .. .	.. .. .
Mahia	81 15 5	2,139 17 1	443 14 0	27 14 1	2,693 0 7	.. .. .	.. .. .	2,693 0 7	.. .. .	.. .. .
Mohaka	69,574 19 0	3,790 2 7	4,164 5 5	2,162 16 1	79,692 3 1	.. .. .	.. .. .	79,692 3 1	.. .. .	.. .. .
Poroporo	29,183 17 8	1,586 2 4	904 14 0	399 7 1	32,074 1 1	.. .. .	.. .. .	32,074 1 1	.. .. .	.. .. .
Putorino Nursery	3,354 3 11	1 0 0	.. .. .	.. .. .	3,355 3 11	.. .. .	.. .. .	3,355 3 11	.. .. .	.. .. .
Takatahu	7,532 14 6	977 1 9	787 14 9	211 5 0	9,508 16 0	.. .. .	.. .. .	9,508 16 0	.. .. .	.. .. .
Tuparoa	42,807 5 3	2,714 12 10	8,783 6 7	370 19 3	54,676 3 11	.. .. .	.. .. .	54,676 3 11	.. .. .	.. .. .
Waapu-Matakaoa	74,296 11 2	7,298 5 8	10,938 4 2	1,849 6 11	94,382 7 11	.. .. .	.. .. .	94,382 7 11	.. .. .	.. .. .
Waihua	46,202 12 5	1,345 17 1	4,934 1 1	821 11 8	53,304 2 3	.. .. .	.. .. .	53,304 2 3	.. .. .	.. .. .
Wharekahika .. .. .	.. .. .	2,469 7 10	6,170 3 1	53 11 1	8,693 2 0	.. .. .	.. .. .	8,693 2 0	.. .. .	.. .. .
Whareongaonga .. .. .	.. .. .	62 8 0	21 11 8	1 3 7	85 3 3	.. .. .	.. .. .	85 3 3	.. .. .	.. .. .
Bulk stock, &c.	70,299 3 6	46,329 0 0	2,686 17 4	Cr.	119,275 4 9	.. .. .	.. .. .	119,275 4 9	.. .. .	.. .. .
Totals	364,721 9 10	70,281 1 10	42,307 19 10	6,502 15 4	483,813 6 10	.. .. .	.. .. .	483,813 6 10	.. .. .	.. .. .

AOTEA MAORI LAND DISTRICT.

The boundaries of Aotea commence in the north from White Cliffs (Parinihinihi), south of Mokau on the North Taranaki Bight, across country bordering on the thermal regions and beyond the volcanic peak of Ngauruhoe, through the inland sea of Taupo to Tarawera, and thence to the south and west by an uneven diagonal line following the Ruahine Range and the Rangitikei River to the sea. Almost the whole of Taranaki and a large slice of the Wellington Province lies within the district, which was the ancestral domain of the tribes of Ngati-Hau, Whanganui, Ngarauru, Ngati-Ruanui, Taranaki, Ati-Awa, and Ngati-Tama.

The Taranaki Province, in which there are now six development schemes, is well known for its fertility, particularly the Waimate Plains, once the scene of many battles and now the richest of dairying-lands. Although there is not here the scope for the promotion of extensive development, it has been possible during the past year to commence operations on a small scale, and numerous other sections are being offered, and these will be investigated as soon as possible. It will be seen from the statistical tables appended that the returns from these new schemes are most satisfactory, especially when it is considered that most of them have been under the Department's control for only two or three months.

That portion of the Aotea district outside of the Taranaki Province is less closely settled, and for the most part the land remaining to the Natives is more suitable for sheep-farming than dairying. Embracing as it does the full length of three large rivers—Wanganui, Whangaehu, and Rangitikei—this district contains many areas, mostly river-flats, capable of development into first-class dairy-farms and the prospects of further intensive settlement are encouraging, many new proposals having been investigated. It is pleasing to note the enthusiasm displayed by all concerned.

Development is in hand both on the lands bordering the beautiful Wanganui River and on those previously neglected pumice belts on the southern shores of Lake Taupo and reaching to the foot of Mount Ruapehu. An area of 21,214 acres was offered to the Department and was gazetted during the year as the Manunui scheme. Numerous other blocks in the same locality have also been offered, but, pending the launching of the Manunui proposal, they have not yet been investigated: but this will be attended to during the ensuing year. There are great possibilities in this district, and the developmental policy will be the means of rehabilitating large numbers of young Maoris who, up to the present, have had no prospects apart from casual labour.

It will be seen that the advantages of placing their lands under the State's control are now becoming more widely known and appreciated in the Aotea district, and, judging by the numerous inquiries and applications made, there is ample room for further development. Nine new schemes have been launched during the past year, thus making the total number of State development schemes in the Aotea district twelve, covering an area of 27,709 acres. There are 49 established settlers and 249 labourers, upon all of whom are dependent 1,045 Maori people. The average number of men employed on employment-promotion contracts on private Native lands was 220.

Ranana.

This scheme is situated about forty miles up the Wanganui River, and has roughly a five-mile frontage on to the river, with an average depth of one mile and a half. It comprises a total area of 4,516 acres, of which 3,104 acres are actually in occupation by settlers, while the remaining area is in the course of development and is being used for grazing sheep and cattle. The whole property is well sheltered, and consists for the most part of easy hills. There are 25 settlers established, and these, together with 114 labourers, support 563 persons.

When the area was handed to the Department in 1930 for development, ragwort and other noxious weeds had obtained a very strong hold and were spreading rapidly. The dairy herds were of poor quality, while the pastures previously sown, when the area formed part of Morikau station, were run out, and the debts due to the dairy company had reached such a figure that the suppliers' equity had, in many cases, almost disappeared. In the early stages of development, therefore, expenditure was necessarily heavy, many of the liabilities being taken over, while heavy purchases of live-stock, building and fencing materials, manures, grass-seed, and implements and equipment of all descriptions were required.

The morale and health of the people improved immediately, and this improvement still continues. There have been no epidemics of any consequence for some years, and with the continual progress in housing and sanitation, there should be no fear of future serious outbreaks.

A heavy programme of work was undertaken during the year, but work at one stage was held up owing to shortage of posts. This was remedied by the construction of a concrete-post making plant on the scheme, and some thousands of posts were manufactured. During the year nine new cottages, and substantial additions to existing cottages, were erected, and all settlers are now well housed, although some still require larger buildings. Other work included 610 acres of clearing, 784 chains of fencing, 435 chains of draining, 227 acres of grassing, 185 acres of other cultivation, 315 chains of roading, the erection of four cow-sheds, and the installation of four small water-supply systems.

Consequent upon the application of a sufficiency of fertilizer in the autumn of 1937, there was a phenomenal growth of feed, and some settlers now have several stacks of hay for the first time in their farming experience. Over the whole scheme, feed was abundant throughout the year.

On account of the ragwort menace it was necessary to resort to heavy culling and reduce the numbers of dairy cows. Extra sheep were purchased, and the scheme is now carrying 4,800 breeding-ewes, an increase of approximately 1,400 over the past year. Despite the big reduction in dairy cows, the butterfat production for this settlement only dropped 2 per cent. It is anticipated that, as the ragwort becomes diminished, the dairy herds will be gradually increased to the former capacity of the properties, but at present the scheme is only carrying 453 dairy stock in addition to the sheep.

The prospects for the future are bright, and with the closer supervision now possible, the success of the scheme appears to be assured.

Manunui.

This scheme of 21,214 acres, constitutes by far the largest area in this district brought under the provisions of Part I of the Native Land Amendment Act, 1936. It is situated on the eastern side of the Main Trunk Railway, commencing at Manunui, about four miles south of Taumarunui, thence running easterly for upwards of seventeen miles. A very large area is still under bush, although portions have been milled and have reverted to second-growth. There are large areas of flat to rolling country, with some hilly country, but, with the exception of a few acres of steep rough faces, the whole block is suitable for development. If labour is available, it is proposed to clear up to 1,000 acres each year and stock with sheep and cattle. Some of the settlers had cleared portions of their sections prior to coming under the State scheme, but in many cases their efforts had not been a success, and a considerable amount of cleaning up is necessary.

During the year 777 acres of bush were felled, but, with the larger number of workers now available, future clearing works will be accelerated. Twenty huts have been erected, and are now occupied by workers and their families. It was found necessary owing to shortage of labour locally, to transfer workers from other areas where sufficient work was not offering, and these men are now settled in their new homes and are quite happy. An adequate water-supply has been installed—the settlement is within a few yards of a school—and generally the living conditions are quite satisfactory.

Live-stock as at 31st March comprised 120 dairy cows, 65 other dairy stock, 103 run cattle, 1,786 ewes, 40 rams, and 10 horses. These figures will be heavily increased during the coming year.

There are 10 settlers established, and 75 workmen employed, dependent upon all of whom are 264 persons.

Patea.

Gazetted for development on 30th September, 1937, this property is situated three miles from Patea, and comprises a total area of 36 acres. The whole area is easy rolling country, all ploughable, and is in good pasture except for about 1 acre of gorse and second-growth. The occupier is established as a dairy-farmer, and the scheme supports a family of six persons. Work on fence repairs and additions to the dwelling have not yet been commenced, but will be attended to in the near future.

The live-stock as at 31st March comprised 38 dairy cows, 8 other dairy stock, and 3 horses.

This property is an excellent one, and, as it is anticipated that the settler will acquire further land adjoining, the holding should develop into a really good farm.

Pihama.

Situated about eight miles from Opunake Railway-station, and comprising a total area of 600 acres, this scheme is practically flat, with good fertile soil, and comprises some of the best land in the district. The owner is a recognized chieftainess in the Taranaki District. She had become perturbed at the inroads which gorse and fern had made on the property owing to the neglect of share-milkers, and realized that the developmental policy provided the quickest and most economical method of combating this growth and of completing the settlement of the whole area. It is intended to divide the section into four separate holdings, and pending the selection of these settlers, and various other matters, no work has yet been commenced. The scheme was only gazetted under the Act on 23rd March, 1938.

Opunake.

This scheme is situated three miles from Opunake, adjoining the Waiteika railway-siding, and comprises a total area of 158 acres, which is practically all flat, with several small hillocks. Except for about 10 acres of waste land along the Waiteika Stream, the whole block is ploughable. Gravel is plentiful in this stream, and has been used for the making of a number of concrete posts. There is one settler established as a dairy-farmer, and he supports three adults. Although he is an old man, he is assisted by his son and grandson, and they are making a success of the farm. The liabilities were heavy when the section was handed to the Department for development, but these are being reduced, while there is ample margin of security.

The work carried out by the settler and eight additional labourers embraced 32 acres of clearing, 77 chains of fencing, 12 acres of cultivation: and an implement-shed was built.

Live-stock as at 31st March comprised 41 dairy cows, 15 other dairy stock, and 4 horses.

The settler has a new house, and the living conditions are very satisfactory. He was the first Native in the Taranaki Province to place his lands under the control of the State.

Oaonui.

Two miles from Oaonui is situated this scheme, which comprises a total area of 189 acres. The whole property is practically flat, well watered, and will be all ploughable when cleared of scrub and light bush. The soil is mostly of a light volcanic loam of good quality.

There are two settlers now established as dairy-farmers, and the scheme supports four adults and three children. These settlers have not yet had the benefit of a full year's supervision and instruction, but both are particularly keen and energetic, and are anxious to make a success of their holdings.

Live-stock as at 31st March comprised 45 dairy cows, 21 other dairy stock, and 2 horses.

A house was erected for one settler, and another dwelling will be provided during the ensuing year. Further work undertaken included 59 acres of clearing, 12 chains of new fencing, and the erection of a cow-shed.

Okaiawa.

Comprising a total area of 60 acres, this scheme is situated two miles from Okaiawa Township. The whole property is practically flat and is all ploughable. There was a small area under fern and blackberry, but this has been cleared, and other noxious weeds are being eradicated. The occupier has now been established as a dairy-farmer, and he supports two adults and two children. He and his wife are young and energetic and are quite capable of making this property into a first-class dairy farm.

Live-stock as at 31st March comprises 44 dairy cows, 4 other dairy stock, and 2 horses.

During the year a cottage was erected, and as there was already a six-bail cow-shed on the property, the position as regards buildings is very satisfactory. Work undertaken included the clearing of 28 acres, 41 chains of new fencing, and 28 acres of grassing.

Tikorangi.

This scheme is situated five miles from Waitara, and comprises a total area of 117 acres, of which 55 acres consist of rich loam and river-silt, while practically the whole of the remaining area is easy rolling country, all ploughable. There are two settlers now established as dairy-farmers, supporting nine persons. The health of the Natives in this district has been reasonably good and there have been no outbreaks of disease. The pastures are fairly good, but some resowing will be necessary during the coming year.

Live-stock as at 31st March comprised 41 dairy cows, 15 other dairy stock, and 3 horses.

One settler requires a new house, while the dwelling of the other requires additions. This will be attended to before the winter sets in, and both settlers will then be suitably housed. This is the only scheme in this locality at present, and its progress will naturally be closely watched by other Natives in the district.

Whangaehu.

Situated up to five miles from Whangaehu Railway-station, and comprising a total area of 367 acres, this scheme contains about 205 acres of rich river-flats, while the balance is mostly hilly. With the exception of some steep faces on one section, the whole area is ploughable. There is a portion of 40 acres to 45 acres in light bush and scrub, and 50 acres in gorse, all of which will be cleared during the coming season. There are three settlers now established as dairy-farmers, and these, together with eighteen labourers, support ninety dependants. The area formerly subject to flooding has now been drained and ploughed, and when sown in pasture will greatly increase the carrying-capacity. The block is situated in one of the most fertile areas on the west coast, and owing to its close proximity to a dairy factory, railway-station, and main road, will develop into very valuable holdings. Ragwort and other noxious weeds are in evidence, but are under control and will gradually be eliminated. The year's work included 4 acres of clearing, 88 chains of fencing, 65 chains of draining, and the erection of one house and one cow-shed.

Live-stock as at 31st March, 1938, comprised 35 dairy cows, 499 ewes, 15 rams, and 2 horses. The cows are of a particularly good stock, while the ewes were purchased from the well-known Morikau flock. With such good stock to commence with, and with careful management, the success of the project should be assured.

The experiment of making concrete posts was first tried on this scheme, with very successful results. Apart from being considerably cheaper than the totara posts formerly used, the appearance of the fences is much improved, those upon this property exciting the admiration of all who have seen them.

The three settlers are young, keen, and most energetic, and are very anxious to make the venture a success. It is probable that more Natives in this locality will come under the developmental policy in the near future.

Ohinepuhiawe.

Located half a mile from Bulls Township, this farm comprises a total area of 96 acres which is all flat, being mostly river-silt, while gravel is fairly close to the surface on 15 acres to 20 acres.

There are two settlers now established as dairy-farmers, supporting five adults and four children. This is a healthy locality, and there have been no outbreaks of disease. Except for a small area under gorse, which it is not proposed to eradicate owing to the close proximity

of gravel to the surface, the whole area is now under permanent pasture. The year's work embraced 18 acres of clearing of gorse, 44 chains of new fencing, 4 chains of draining, 16 acres of grassing, and the installation of an electric water-pump.

Live-stock as at 31st March comprised 30 dairy cows, 9 other dairy stock, and 2 horses.

Both settlers are young and energetic and are making every endeavour to become efficient farmers. They have comfortable houses.

Reureu.

Gazetted on 27th January, 1938, this scheme is situated seven miles from Halcombe, and comprises a total area of 309 acres. The lands comprised in this block are mostly rich river-flats, with some undulating country. No developmental work has yet been commenced, all efforts being centred on river-protection works, on which ten men with thirty-eight dependants have been engaged. As some of the sections adjoin the Rangitikei River, where there has been steady erosion for some considerable time, the construction of stone groynes, the planting of willow trees, and the erection of fences will prevent the further loss of rich land, and will also have the effect of greatly minimizing the risk of erosion on other land farther down the river. This work is being carried out under the supervision of the County Engineer.

On the completion of the protection work a start will be made on general development, and as these lands are particularly rich, there is no doubt that a successful scheme will result.

Mangaweka.

Situated one mile from Mangaweka Railway-station, and comprising a total area of 43 acres, this scheme contains mostly undulating land which is all ploughable. There is already a fair-quality pasture, but resowing will be necessary on portion of the block. There is one dairying settler established, and the scheme supports two adults and three children. Apart from the erection of a cottage and a cow-shed, no work has yet been commenced, but during the coming season it is expected that the balance of the work will be completed.

The live-stock as at 31st March, 1938, comprised 16 dairy cows, 1 bull, and 2 horses.

As the section was only gazetted on 25th January, 1938, no returns have yet been received. The established settler was the first one in this locality to bring his land under the developmental policy, and the effects of the State's administration will be closely watched by neighbouring Native farmers, many of whom may desire to follow his example in the near future.

STATISTICAL DATA ON AOTEA SCHEMES (SCHEME AND UNIT).

Particulars.	Mangaweka.	Manuui.	Oaonui.	Ohinepū- hiawe.	Okaiawa.	Opunake.	Patea.	Pihama.	Ranau.	Reuten.	Tikurangi.	Whangāhū.	Totals.
1. Date first gazetted or acquired	Jan., 1938	July, 1937	Aug., 1937	Oct., 1933	Aug., 1937	July, 1937	Sept., 1937	Mar., 1938	Apr., 1930	Jan., 1938	Jan., 1938	June, 1937	12
2. Number of schemes	..	..	..	..	..	..	..	..	..	..	..	..	..
3. Area—	..	..	..	..	..	..	..	..	..	..	..	..	..
Gazetted to date	44	21,215	189	96	60	158	37	601	4,516	309	117	367	27,709
Developed to date	..	777	189	96	60	148	37	3,601	3,601	..	115	213	5,236
Occupied by settlers	44	3,278	189	96	60	148	37	601	3,104	309	115	213	8,194
Suitable for further development	44	20,400	..	..	..	..	..	601	915	309	..	154	22,423
4. Number of—	..	..	..	..	..	..	..	..	..	..	..	..	..
Settlers	1	10	2	2	1	1	1	1	25	..	2	3	49
Additional labourers	..	75	9	8	..	10	..	..	114	10	..	23	249
Dependants (wives, children, &c.)	3	264	3	27	4	35	6	3	563	38	9	90	1,045
Total dependants	4	349	14	37	5	46	7	4	702	48	11	116	1,343
5. Number of Bureau workers (included above)	..	64	6	8	..	8	..	..	96	10	..	18	210
6. Number of relief workers engaged on private Native lands	..	..	..	..	..	..	..	..	..	..	..	..	220
7. Live-stock—	..	..	..	..	..	..	..	..	..	..	..	..	..
Cows milked during season	16	120	45	30	44	41	38	..	237	..	41	35	647
Other dairy stock	1	65	21	9	4	15	8	..	216	..	15	1	355
Run cattle	..	103	..	..	..	..	..	..	..	..	..	..	103
Ewes: Breeding	..	1,786	..	..	..	..	..	..	4,800	..	..	499	7,085
Dry sheep	..	40	..	..	..	..	..	..	114	..	..	15	169
Horses: Working	2	10	2	2	2	4	3	..	54	..	3	2	84
8. Receipts—	..	..	..	..	..	..	..	..	..	..	..	..	..
Butterfat—	..	..	..	..	..	..	..	..	..	..	..	..	..
Poundage	..	2,442	3,349	4,185	6,999	6,008	2,708	..	53,303	..	..	4,898	83,892
Department's proportion	..	38	48	95	129	162	30	..	1,056	..	..	71	1,629
Wool—	..	..	..	..	..	..	..	..	..	..	..	..	..
Bales	..	24	..	..	..	..	..	..	31	..	..	..	55
Weight	..	7,520	..	..	..	..	..	..	11,081	..	..	..	18,601
Department's proportion	..	282	..	..	..	..	..	..	485	..	..	..	767
Cattle sales	..	..	..	5	..	..	..	..	1,112	..	..	..	1,117
Sheep sales	..	654	2	..	..	..	..	..	3,670	..	..	..	4,326
Crops and sundries	..	46	..	..	..	..	..	..	327	..	..	32	405
Total cash to Department	..	1,020	50	100	129	162	30	..	6,450	..	..	103	8,244
9. Year's activities—	..	..	..	..	..	..	..	..	..	..	..	..	..
Bushfelling and clearing	..	..	..	..	..	..	..	..	..	..	..	..	..
Fencing: New	..	777	59	18	28	32	..	..	610	..	..	4	1,528
Draining: New	..	421	12	44	41	78	..	..	784	..	..	88	1,468
Grassing: New	..	34	..	4	..	..	..	..	435	..	..	65	538
Other cultivations: New	..	347	..	16	28	..	..	..	227	..	..	..	618
Roading: New	..	66	..	2	..	12	..	..	185	..	..	..	265
Water-supply: New	..	1	..	1	1	..	..	..	315	..	..	..	315
Cottages erected—	..	..	..	..	..	..	..	..	4	..	..	..	7
New	1	..	1	..	1	..	..	..	9	..	..	1	13
To date	1	..	1	2	1	..	..	..	27	..	..	1	33
Cow-sheds—	..	..	..	..	..	..	..	..	..	..	..	..	..
New	1	..	1	..	..	..	..	..	4	..	..	1	7
To date	1	..	1	..	..	..	..	..	5	..	..	1	8
Other buildings—	..	..	..	..	..	..	..	..	..	..	..	..	..
New	..	1	..	..	..	1	..	..	..	..	..	..	2
To date	..	1	..	..	..	1	..	..	2	..	..	..	4
Hutments—	..	..	..	..	..	..	..	..	..	..	..	..	..
New	..	20	..	..	..	..	..	..	..	..	..	..	20
To date	..	20	..	..	..	..	..	..	..	..	..	..	20
Bridges: New	..	..	..	..	..	1	..	..	..	..	..	..	1

AOTEA DISTRICT.
SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31ST MARCH, 1938.

Schemes.	Receipts.											
	Receipts, excluding Employment Grants, to 31st March, 1937.		Employment Promotion Subsidies.		Cash Collections, Scheme Produce, 1937-38.		Sales to other Schemes.		Total Receipts, including Employment, to 31st March, 1938.		Net Liability as at 31st March, 1938.	
			1937-38.									
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Mangaweka	..	..	2,587 17 5	1,019 15 5	..	..	3,607 12 10	6,722 14 3	90 0 2	6,722 14 3	..	..
Manunui	..	..	211 0 6	50 8 0	..	..	261 8 6	631 5 6	..	631 5 6	..	..
Oaonui..	..	..	293 17 5	99 14 9	..	..	39 16 1	1,184 9 10	..	774 5 8	..	..
Ohinepuhiawe	..	87 8 1	500 16 0	129 4 6	..	..	630 0 6	1,364 5 7	..	1,364 5 7	..	..
Okaiawa	..	..	366 17 0	161 16 3	..	..	29 17 2	1,135 3 10	..	1,135 3 10	..	..
Opunake	..	..	..	29 17 2	..	..	30,150 10 5	236 13 5	..	236 13 5	..	..
Patea ..	..	12,750 14 6	5,795 9 11	6,649 17 8	..	5 10 0	6 7 2	32,980 15 2	..	32,980 15 2	..	..
Ranana	..	..	5 5 0	..	..	..	..	39 1 10	..	39 1 10	..	..
Reureu	..	..	..	..	..	..	..	3,248 6 2	..	3,248 6 2	..	..
Tikorangi	..	..	1,615 8 8	102 15 10	..	..	1,516 14 4	1,476 13 5	..	1,476 13 5	..	..
Whangaeahu	..	..	..	..	..	..	..	..	..	..	..	..
Bulk stock, &c.	..	..	..	..	..	..	..	..	..	..	..	..
Totals ..	12,838 2 7	5,685 13 7	11,376 11 11	8,243 9 7	1,522 4 4	39,666 2 0	48,705 12 2					

Schemes.	Payments.						
	Expenditure, plus Interest, to 31st March, 1937.	Cash Expenditure, 1937-38.		Purchases from Bulk and other Schemes.	Net Interest, 1937-38.	Total Expenditure, plus Interest, to 31st March, 1938.	
		£	s. d.				
	£	s. d.	£	s. d.	£	s. d.	£
Mangaweka	..	..	89 9 3	776 15 0	0 10 11	90 0 2	
Manunui	..	..	9,434 18 6	53 14 9	118 13 7	10,330 7 1	
Oaonui	..	..	830 6 1	..	8 13 2	892 14 0	
Ohinepuhiawe	..	..	340 17 4	21 12 6	39 16 1	1,958 15 6	
Okaiawa	..	1,378 2 1	1,935 14 3	46 7 0	36 19 4	1,994 6 1	
Opunake	..	..	1,582 9 4	..	35 0 9	1,663 17 1	
Patea ..	..	..	259 13 10	586 15 11	6 16 9	266 10 7	
Ranana	..	38,431 9 10	22,800 7 11	6 3 5	1,312 11 11	63,131 5 7	
Reureu ..	..	..	5 8 9	18 10 5	..	11 12 2	
Tikorangi	..	..	20 9 11	61 15 4	0 1 6	39 1 10	
Whangaeahu	..	33 5 8	4,844 8 6	..	60 6 10	4,999 16 4	
Bulk stock, &c.	..	..	2,931 17 9	..	61 10 0	2,993 7 9	
Totals ..	39,842 17 7	45,276 1 5	1,571 14 4	1,681 0 10	88,371 14 2		

Schemes.

Payments.

Total Expenditure,
plus Interest,
to 31st March, 1938.Net Interest,
1937-38.Purchases from Bulk
and
other Schemes.Cash Expenditure,
1937-38.Expenditure, plus
Interest, to
31st March, 1937.

Schemes.

IKAROA MAORI LAND DISTRICT.

The confines of this district, commencing at the capital city, Wellington, extend up the west coast of the North Island to the Rangitikei River, thence the boundary-line follows approximately a north-easterly direction touching the Ruahines and crossing the Ahimanawa Range, when the line turns east and follows the Mohaka River to the sea. Within the district are located the Manawatu, the greater part of Hawke's Bay, and the Wairarapa, the ancient domains of the Ngati-Apa, Rangitane, Muaupako, and Kahungunu tribes, afterwards dispossessed of much of their land by the invading Ngati-Toa and their allies led by Te Rauparaha.

Development of Land.—There has been a very substantial increase in developmental activities in this district during the year just closed, as evidenced by the fact that two new major schemes have been commenced—Rakautatahi and Makirikiri—comprising some 2,800 acres, together with a number of smaller blocks in the Hawke's Bay aggregating 1,600 acres. The gross area gazetted is 7,247 acres, of which 4,525 acres are occupied by thirty-three settlers. The additional labourers number forty-five, and the dependants of the settlers and workmen total 176. The number of Bureaux workers engaged on privately owned Native lands was 267.

It is most apparent that an old prejudice against allowing the Department to develop their lands is being dissipated amongst the Maoris, who are now becoming more and more convinced of the benefits of State aid towards improving their farms and developing virgin country. Several further blocks are being offered for development in the Hawke's Bay district, and will be investigated as soon as possible. Altogether development has taken its normal course, with the usual setbacks occasioned by floods in Hawke's Bay and the vicissitudes of farming generally. Owing to the wide area over which the various schemes are scattered in this district, certain difficulties are experienced in supervision, which necessitates extensive travelling by the supervisors.

Employment Promotion.—The total number of Maoris assisted from the Employment Promotion Fund in this district for the year under review was 323 men, who were engaged in all classes of work. Of special interest is the attempt to train unemployed Maoris in the use of carpentering tools, as is mentioned in the section of this report dealing with Native housing (Part I).

The total amount of wages paid for the Ikaroa district was £14,142, of which £373 was expended on development schemes, while £13,769 was paid in respect of private contracts on Native lands.

Heretaunga.

This is a "blanket" scheme extending over a wide area in Hawke's Bay from Takapau to Tangoio, and comprising 2,462 acres, with nineteen holdings supporting 102 people in all. Most of the land is of good quality, and in the year under review 60 chains of new drains have been completed together with 460 chains of new fencing and repairs. Three new settlers have been established.

The live-stock tallies are as follows: 164 cows, 30 other dairy stock, 1,082 breeding-ewes, and a few dry sheep.

Very little trouble is experienced with noxious weeds, which are kept well under control. Most of the settlers are established farmers, and an increase in production can be anticipated as the herds are improved. One bad flood occurred, and damage was caused to the extent of £600 through loss of fences, crops, and silting of pastures.

Manawatu.

Comprising six settlers' holdings in the Manawatu district embracing 645 acres, and the Matakara Block of 368 acres, this scheme contains land of good quality and is practically all ploughable. One new settler was established last year, making the total of established farmers six who, together with twenty additional labourers, support sixty-two dependants.

A certain amount of trouble is still evident on Matakara Block in regard to flooding and the difficulty of adequately draining the area. The land, however, is of excellent quality and will ultimately provide four holdings, although at present only two share-milkers are employed.

The live-stock tallies for the whole scheme are as follows: 177 cows, 38 other dairy stock, and a number of pigs. The year's work included 270 chains of fencing, 38 acres of grassing, and other farm-maintenance work.

Rakautatahi.

Gazetted in September, 1937, this is a new scheme comprising 1,945 acres of second-class land situated about four miles from Norsewood, towards the Ruahine Ranges. It is all fairly easy country, but is traversed by two steep-sided gorges. The bush was milled and burned some twenty-five years ago and poorly sown, and as the property has been unoccupied for about six years the fern has taken charge. It was previously leased to a Native sheep-farmer, who was forced to abandon the property during the slump. Development has just commenced, and the place when fully improved should support twelve to fourteen settlers. An area of 120 acres has been stumped and logged-up and a start made with the fencing of the area. All the present work is being accomplished with eight Bureaux workers under the direction of one prospective settler, and the men have been provided with three hutments, which will ultimately be shifted as required, and used for outbuildings on the farms. With the exception of two working-horses there is no stock on the property.

Makirikiri.

This is another new scheme inaugurated in April, 1937, and comprises 806 acres in the Wairarapa about four miles from Mangamahoe Railway-station and two miles from the settlement of Hastwells. The land varies in quality from good second-class flats and easy hills to rough hilly country of poor quality. The ploughable land consists of approximately 450 acres of flats and easy hills. Six settlers have been settled, but little progress with development has been made, as five of them have only recently taken up residence in new houses which have been provided. The settlers and additional labourers support twenty-three dependants, the health of all of whom is good. The scheme is not yet fully stocked, as fencing is incomplete, and only one settler has commenced milking with eight cows supplied late in August. In addition to the five houses, three cow-sheds and one hutment have been erected.

The live-stock carried at the end of year under review consisted of 8 cows, 46 other dairy stock, 4 horses, and 140 ewes.

Tahoraite.

Gazetted in January, 1938, this is a small one-settler scheme situated on the Weber Road about three miles from Dannevirke, consisting of 144 acres of rolling to hilly country of good quality suitable for sheep with a few cows. A new house is required, but little work has been done up to the close of the year owing to the fact that the block is not yet surveyed.

The total dependants on the area at the close of the year were eleven.

Mangaorapa.

Comprising 877 acres, this new scheme is situated about nine miles from Porangahau. The property has been abandoned for several years, during which time it has been grazed only at odd periods, with consequent deterioration, so that it has now almost reverted to its wild state, being covered with scrub and large patches of gorse. A fairly large expenditure will be required to make this land productive, but when developed it should prove good sheep-country. Arrangements have been made to let scrub-cutting contracts as a preliminary step, but operations had not commenced at the close of the year. The scheme was only gazetted for development in March, 1938.

SOUTH ISLAND MAORI LAND DISTRICT.

The whole of the South Island is included in this Maori Land District, which, although larger in area than the North Island, contains the small Native population of just over 3,000 persons, together with a certain number possessing some degree of Maori blood who are beneficially interested in Native land. These people comprise the remnants of the tribes of Ngai-Tahu, Ngati-Toa, Ngati-Koata, Ngati-Raraua, Ngati-Tawa, and Te Ati-Awa.

Development of Land.—This phase of the work in the South Island is restricted by reason of the fact that what little Native land is capable of development is scattered over a wide area, rendering the economic aspect of supervision difficult. The problem has been overcome in part by utilizing the services of officers of the Lands Department in the cases of the Wairau and Southland schemes, and the good offices of an adjoining settler in respect of Kaiwhare, which are the only schemes operating at present, although the possibilities of developing and settling a large tract of land in Southland are being investigated.

Employment Promotion.—Assistance in this district from the Employment Promotion Fund was extended to 115 men, over an area reaching from D'Urville Island to Invercargill, and the difficulty experienced in providing adequate supervision, already referred to, operated equally in the matter of administering employment-promotion works, which were almost entirely confined to labour on development schemes. The only other works of any importance were extensive operations on D'Urville Island and surrounding districts under the honorary supervision of a local Justice of the Peace, and the forming of a road at Waikawa under the control of the local body.

The total amount of wages paid in the South Island was £6,898, of which £4,781 was expended on development schemes while £2,117 was paid in respect of private contracts on Native lands.

Southland (Oraka and Kawhakaputaputa).

Comprising the Oraka and Kawhakaputaputa Blocks, this scheme is situated at Colac Bay, thirty miles from Invercargill, and contains an area of 2,500 acres, of which 1,900 acres are settled by farmers on holdings ranging from 40 acres to 192 acres in extent. Approximately 280 acres have been developed for dairying, but another rotation of crops will be required before the land will come into full production. The remainder of the settled area is in bush burn, some of which is rapidly reverting to second-growth. There is a total of eighteen settlers with eighty-six dependants, and the health of the people is good. There was a shortage of feed during the year, as bush fires were frequent during the spring months, when fully 500 acres were ravaged by fire, and although this area was resown the grass strike was not good.

The live-stock at 31st March was as follows: 292 cows, 107 dry stock, 426 sheep, and 15 horses.

One house and two cow-byres were erected, and one house was destroyed by fire. The progress made by the settlers is not up to expectations. A sufficiency of labour for clearing, stumping, and laying down permanent pastures is not available, and many of the settlers lack the necessary tenacity of purpose to make progress under the conditions. Eighteen settlers are established, who, with 18 labourers and 86 dependants, make a total population of 122 persons supported by the scheme.

Wairau.

This scheme comprises an area of 828 acres of low-lying alluvial flats on the banks of the Wairau River about seven miles from Blenheim. During this past year the Department's activities were turned towards grassing down as large an area of the land under development as could be wisely and economically handled in one season, while restricting cropping to a minimum that would allow for a sufficient return to meet current outgoings such as pumping, cartage, interest costs, &c. The result was that only 44 acres were cropped, and this was sown in wheat, while 94 acres were cultivated and sown down in rye-grass and white clover. In addition to this area, approximately 30 acres carrying a volunteer crop of white clover are now being surface sown with rye-grass, while approximately 40 acres of the land which was sown in wheat are now being prepared for autumn sowing of rye-grass and red clover. To bring this grassing under control it has been necessary to erect a considerable amount of new fencing and to renovate old existing fences, and the work entailed is more particularly set out under the appropriate headings in the statistical table at the end of this section.

Approximately five hundred breeding-ewes will be carried through this winter. The ultimate object is to gradually bring the land set aside for occupation under grass and establish a number of settlers on dairy-farms of from 50 acres to 60 acres, which in this highly fertile country should support herds large enough to provide each farmer with a comfortable living. It should be mentioned that, although no settlers are as yet established, this scheme is supporting twenty-five unemployed Natives of Wairau Pa, together with their wives and families, numbering forty-five.

Kaiwhare.

Situated on the main south road about eighty miles from Blenheim and ten miles from Kaikoura, this scheme aims at bringing into production an area of scrub land which has in the past been used only for casual grazing. Of the total area of 514 acres, there are 25 acres of flats, 250 acres of easy hills, and the balance of a steeper character, and after fencing, bushfelling, clearing second-growth and manuka, all except 150 acres of the steeper faces are in a fairly advanced stage of development. The land generally has a good depth of black soil on a clay subsoil and carries a good sward of grass (cocksfoot, rye, and clover), especially on flats, but good grass is also showing growth on the fern country, which is being consolidated by cattle. The land is being top-dressed and is responding satisfactorily. During the year two manuka patches of approximately 55 acres were fired and made a good burn, on which the grass is now showing good growth. Owing to excessive rainfall in this locality, some difficulty is experienced in obtaining really satisfactory burns.

The ewes produced over 100 per cent. of lambs, which realized extremely good prices. Live-stock tallies are as follows: 121 ewes, 69 lambs, and 84 head of cattle. The scheme supported nine workers with ten dependants, and is supervised by a neighbouring farmer in an honorary capacity, to whom credit is due for his altruistic labours on behalf of the State.

STATISTICAL DATA ON IKAROA AND SOUTH ISLAND SCHEMES (SCHEME AND UNIT).

Particulars.		Heretaunga.	Kaiwhare.	Makirikiri.	Manawatu.	Mangorapa.	Rakautahi.	Tahorite.	Southland.	Waikau.	Totals.
1. Date first gazetted .. .. .	.. .. .	Aug., 1931 ..	Dec., 1935 ..	April, 1937 ..	Aug., 1931 ..	Mar., 1938 ..	Sept., 1937 ..	Jan., 1938 ..	July, 1930 ..	April, 1931 ..	.. 9
2. Number of schemes .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. 9
3. Area—											
Gazetted to date .. .. .	.. .. .	2,462	514	806	1,013	877	1,945	144	2,500	828	11,089
Developed to date .. .. .	.. .. .	2,072	364	..	642	..	..	..	1,900	233	5,211
Occupied by settlers .. .. .	.. .. .	2,462	..	806	1,013	..	100	144	1,900	..	6,425
Suitable for further development .. .. .	.. .. .	388	150	806	371	800	1,945	144	600	100	5,304
Native area improved by flood-protection .. .. .	.. .. .	..	..	..	..	..	..	..	..	828	828
4. Number of—											
Settlers .. .. .	.. .. .	19	..	6	6	..	1	1	18	..	51
Additional labourers .. .. .	.. .. .	6	9	7	20	..	8	4	18	25	97
Dependants (wives, children, old people, &c.) .. .. .	.. .. .	83	10	23	62	..	2	6	86	45	317
Total dependants .. .. .	.. .. .	108	19	36	88	..	11	11	122	70	465
5. Number of Bureaux workers (included in above) .. .. .	.. .. .	6	9	7	20	..	8	4	18	25	97
6. Number of relief workers engaged on private Native lands .. .. .	.. .. .	95	..	7	134	..	20	11	..	46	313
7. Live-stock tallies—											
Cows milked during season .. .. .	.. .. .	164	..	8	177	..	..	..	292	..	641
Other dairy stock .. .. .	.. .. .	30	..	46	38	..	..	..	..	..	114
Run cattle .. .. .	.. .. .	..	84	..	..	..	..	..	107	..	191
Ewes : Breeding .. .. .	.. .. .	1,082	121	140	..	..	..	..	406	480	2,229
Dry sheep .. .. .	.. .. .	22	69	..	..	..	..	..	20	15	126
Horses : Working .. .. .	.. .. .	9	..	4	8	..	2	..	15	3	41
Pigs .. .. .	.. .. .	..	..	..	35	..	..	..	..	1	36
8. Receipts—											
Butterfat—											
Foundage .. .. .	.. .. .	21,739	..	1,280	35,846	..	..	..	48,013	..	106,878
Department's proportion .. .. .	.. .. .	430	..	17	934	..	..	..	617	..	1,998
Wool—											
Weight .. .. .	.. .. .	..	..	620	..	..	..	..	2,087	483	3,190
Bales .. .. .	.. .. .	..	..	2	..	..	..	..	5	2	9
Proceeds : Total .. .. .	.. .. .	..	..	31	..	..	..	..	114	17	162
Live-stock .. .. .	.. .. .	224	38	..	94	..	..	..	421	880	1,415
Crops and sundries .. .. .	.. .. .	225	24	28	30	..	..	..	245	863	1,415
Total cash to Department .. .. .	.. .. .	879	62	76	1,058	..	..	..	1,397	983	4,455
9. Year's activities—											
Bushfelling and clearing .. .. .	.. .. .	..	55	..	..	..	120	..	420	5	600
Fencing—											
New .. .. .	.. .. .	160	15	40	70	..	..	..	80	135	500
Repairs .. .. .	.. .. .	300	..	400	200	..	..	..	185	..	1,085
Draining : New .. .. .	.. .. .	60	..	..	..	..	..	..	146	..	206
Grassing : New .. .. .	.. .. .	30	55	..	38	..	..	..	510	150	783
Other cultivation : New .. .. .	.. .. .	45	..	..	8	..	..	..	77	18	18
Roading : New .. .. .	.. .. .	..	..	..	..	..	..	..	..	30	30
Cottages erected—											
New .. .. .	.. .. .	..	..	5	..	..	..	..	1	..	6
To date .. .. .	.. .. .	4	..	5	6	..	..	..	5	..	20
Cow-sheds .. .. .	.. .. .	..	..	3	..	..	..	..	..	..	8
New .. .. .	.. .. .	..	..	3	4	..	..	..	..	..	15
To date .. .. .	.. .. .	8	..	..	..	..	..	..	..	..	..
Other buildings—											
New .. .. .	.. .. .	..	..	1*	..	..	3*	..	3†	..	7
To date .. .. .	.. .. .	..	..	1	..	..	3	..	6	..	10

* Hutments.

† One stable and two sheds.

PART III.—MAORI LAND BOARD UNDERTAKINGS.

The Maori Land Boards are empowered by statute to make advances from their Common Funds for the purpose of assisting Maori farmers to develop and improve their lands, and a Board may, out of funds at its disposal, purchase and farm lands, and may guarantee the accounts of Native dairy-farmers with any co-operative dairy company. In addition to advancing money on mortgage to Natives, a Maori Land Board may, with the consent of the beneficial owners, carry on any agricultural or pastoral business, or any other business or occupation connected with land and the produce thereof, on behalf of and for the benefit of the owners or such Natives as may be interested in the business carried on.

As in the case of the Native Trustee, the Board of Native Affairs exercises control over the investment on mortgage, or otherwise, of moneys in the account of a Maori Land Board, and the management of all such investments, and over the expenditure on all farming operations undertaken by a Maori Land Board.

Since coming into operation the policy of the Board of Native Affairs has been to exercise a general measure of control over the expenditure incurred on the schemes and farming ventures undertaken by the Maori Land Boards, and for this purpose an annual budget, or estimate of expenditure, for the ensuing year is submitted, together with the trading accounts for the past year. The direct management of these farming operations is left to the discretion of the Maori Land Board concerned, and the services of field officers attached to the Department are always available for supervision purposes. With regard to advances upon mortgage to individual Natives, the securities submitted are subject to the approval of the Board of Native Affairs, and the subsequent management of these investments is generally delegated to the particular Maori Land Board concerned.

Two sheep-stations and a dairying scheme are being carried on under this heading, and the following is an account of the activities for the past year :—

Anaura Station.

This property, which is farmed as a sheep and cattle station by the Tairāwhiti District Maori Land Board, comprises an area of 5,865 acres situated on the East Coast seven miles north of Tolaga Bay.

Anaura is chiefly hill country of a sandstone and clay formation, and was originally covered with light bush and manuka scrub which has been cleared, and the land sown down in pasture. During the year 450 acres were cleared of young scrub, and 40 acres of rushes, while gorse, variegated thistle, and other weeds received attention.

Unfortunately, the fences which had been thoroughly renovated during the year suffered considerable damage as a result of the severe floods experienced in the autumn, and the Board will incur fairly heavy expense in effecting the necessary repairs. The floods were responsible also for a considerable amount of silting on the flats, and it will be necessary to regrass about 40 acres or 50 acres. Although the low-lying country was flooded several times, the stock was removed in time to higher country and no losses were reported as a result of the heavy rains experienced.

Despite the wet season, sheep have done fairly well, lambs fattened in anticipated numbers, and the annual draft of aged ewes was up to the usual standard. The station is carrying 4,905 breeding-ewes and 930 head of cattle. The ewes are a particularly good line. The cattle are in good condition, and no difficulty is anticipated in carrying through the winter the number now on the station.

The wool-market has been disappointing, the proceeds from 180 bales only realizing about two-thirds of the amount of the last season's clip, but the quality was up to the usual standard.

Te Kao Dairy Scheme.

As mentioned in previous reports, the development of this isolated area was undertaken in order to provide some avenue of work for the local Natives, who up to that time had been able to earn a livelihood on the gum-fields. As a result of the collapse of the market for kauri-gum, these people were in distress and, although their lands were extremely poor in quality, the situation demanded the development of these lands. Work was undertaken in 1925, under the control of the Tokerau Maori

Land Board. Financially the scheme has been anything but a success, but from a humanitarian point of view the expenditure incurred has no doubt been the means of rehabilitating a tribe who were formerly living in abject poverty. It has provided wholesome work and a means of livelihood for a population of 320, who are entirely dependent on the scheme. To-day these people are a healthy and happy community with some hope of future independence.

The Maori Land Board maintains a cream-transport service to Awanui—forty-five miles—incidentally supplying the wants of the scattered European settlers *en route*, and also runs a store which supplies the needs of the settlement. It has, in addition, erected a communal hall with dining-room and kitchen attached to meet the social requirements of the people. Much further capital is required to complete the development, and in order not to overstrain the finances of the Maori Land Board the scheme has been taken over by the Board of Native Affairs, who will complete it. The financial loss rests with the Maori Land Board, who are asking the Government to compensate them for their efforts in what was in reality a national responsibility.

The scheme comprises 4,325 acres, and of this 1,346 acres have been grassed. There are fifty-two settlers, and of these thirty-nine are supplying the factory. Altogether the area is carrying 501 dairy cows, 460 other cattle, 21 working-bullocks, and 57 horses. The rainfall this season was deficient, and the pastures suffered accordingly. This autumn a further area of 146 acres was cultivated and sown in grass.

Expenditure in the future will be largely for the erection of houses and the purchase of manure, while development work will be found for all available labour. A progressive housing programme is planned for the ensuing year.

Dairy returns are insufficient to provide a livelihood for the people, and as a temporary measure, the deficiency is made up by the granting of employment-relief contracts, but a policy of gradual reduction in this form of assistance is aimed at in order to ensure an increased production of butter-fat and to instil a spirit of self-reliance amongst members of the community.

Morikau Station.

This station, containing 11,806 acres, is situated on the Wanganui River, about forty-seven miles from Wanganui, and adjoins the Ranana development scheme. The lands comprising the station, being portions of the Morikau No. 1, Ranana, and Ngarakauwhakarara Blocks, are vested in the Aotea Board, by whom it has been farmed since 1910. The area under pasture is 5,987 acres, and further areas of bush totalling 107 acres were felled during the year, the Board's policy being to fell a limited portion each year and thus gradually extend the station's activities.

The live-stock as at 31st March, 1938, comprised 13,883 sheep, 1,205 cattle, and 32 horses. During the year 6,623 sheep, 423 cattle, and 361 bales of wool were sold at satisfactory prices. Morikau stock continues to be sought after by buyers, while entries in the Wanganui Agricultural and Pastoral Show, and fleece competitions, were again most successful. The station and stock are in excellent condition and are a valuable reproductive asset for the Maori beneficiaries. The heavy programme of fencing has been continued and all fences are now in an excellent state of repair.

MAORI LAND BOARDS : ADVANCES TO NATIVE SETTLERS.

In addition to major undertakings of the Maori Land Boards, the following table indicates the measure of assistance granted to individual Native farmers for the purpose of developing and cultivating their lands.

Board.	Total Advances to Native Settlers under Mortgage as at 31st March, 1938.	Number of Native Mortgagors.
	£	
Tokerau	2,902	7
Waikato-Maniapoto	6,586	25
Wairiki	10,517	25
Tairāwhiti	60,119	83
Aotea	16,977	29
Ikarua	24,727	47
South Island	3,897	8
Totals	125,725	224

STATISTICAL DATA ON MAORI LAND BOARD SCHEMES.

Particulars.			Anaura.	Te Kao.	Morikau.	Totals.
1. Maori Land Board district	..	Name	Tairawhiti	Tokerau	Aotea	..
2. Date commenced	..	Date	1929	Aug., 1925	Aug., 1910	..
3. Number of schemes	..	Number	..	..	..	3
4. Total area	..	Acres	5,865	4,325	11,806	21,996
Area developed	..	Acres	5,865	4,325	5,987	16,177
Area developable	..	Acres	5,865	4,325	11,806	21,996
5. Settlers	..	Number	..	52	..	52
Employees under schemes	..	Number	12	31	8	51
Other dependants (wives and children)	..	Number	20	239	1	260
Total dependants	..	Number	32	322	9	363
6. Bureaux workers (included above)	..	Number	6	80	..	86
7. Live-stock tallies—						
Cows in milk at flush season	..	Number	9	501	7	517
Other dairy stock	..	Number	5	460	..	465
Run cattle	..	Number	931	21	1,198	2,150
Sheep—						
Ewes: Breeding	..	Number	4,905	..	8,405	13,310
Dry sheep	..	Number	..	..	5,478	5,478
Horses: Working	..	Number	10	57	32	99
8. Carrying-capacity—						
Sheep	..	Per acre	1 $\frac{1}{4}$ /1	..	2 $\frac{1}{2}$ /1	..
Cattle	..	Per acre	1/6	1/2 $\frac{1}{4}$	1/5	..
9. Receipts—						
Butterfat—						
Total poundage	..	lb.	..	65,538	..	65,538
Board's proceeds	..	£	..	1,048	..	1,048
Board's percentage	..	Per cent.	..	32	..	..
Wool—						
Bales	..	Number	180	..	361	541
Weight	..	lb.	66,168	..	132,354	198,522
Proceeds	..	£	4,359	..	4,415	8,774
Sheep sales	..	£	..	..	6,865	6,865
Cattle sales	..	£	..	86	2,380	2,466
Sundries	..	£	1,413	..	105	1,518
Total cash to Board	..	£	5,772	1,134	13,765	20,671
10. Year's activities—						
Bushfelling and clearing	..	Acres	450	..	118	568
Fencing—						
New	..	Chains	156	..	138	294
Repairs	..	Chains	..	..	144	144
Draining: New	..	Chains	200	..	..	200
Grassing—						
New	..	Acres	..	146	108	254
To date	..	Acres	5,665	1,720	5,998	13,383
Cottages erected—						
Year	..	Number	..	1	..	1
To date	..	Number	1	4	2	7
Cow-sheds: To date	..	Number	..	1	..	1
Wool-sheds and quarters: To date	..	Number	1	..	1	2
Sheep-dips: To date	..	Number	1	..	1	2
Implement and stores sheds: New	..	Number	..	..	1	1
Hutments: To date	..	Number	2	..	..	2

PART IV.—NATIVE TRUST ACTIVITIES.

Extensive powers are conferred upon the Native Trustee to engage in farming operations on Native lands, the control and management of which have been vested in him by statutory authority for the benefit of the beneficial owners. The Trustee may occupy the whole or any part of such lands as a farm and may carry on any agricultural or pastoral business thereon, and where it is deemed expedient, several areas may be occupied and farmed conjointly notwithstanding that such areas or blocks are owned by different groups of owners under separate titles or otherwise. Out of moneys under his control the Trustee may expend such sums as he thinks expedient for the purpose of effectually carrying on farming operations in the manner aforesaid, and may purchase and sell live-stock and other personalty and raise money on the security of such chattels owned by him.

By virtue of the Board of Native Affairs Act, 1934–35, the Board exercises a general control over the financial operations of the Native Trustee, including the investment on mortgage or otherwise of moneys available in the Trustee’s Account, and over the expenditure on all farming activities undertaken or approved by the Trustee either before or after the passing of this Act.

The farming operations of the Native Trustee are classified as follows :—

- (1) On Native lands vested under section 25 of the Native Trustee Act, 1930, and occupied for the purpose of carrying on any agricultural or pastoral business for the benefit of the owners.
- (2) On farm properties which have been acquired under mortgage, or in respect of which the Native Trustee is mortgagee in possession.
- (3) On Native lands in respect of which pooling schemes have been arranged in accordance with the provisions of the legislation dealing with the relief of mortgagors and tenants.
- (4) On Native estates in respect of which the Native Trustee has been appointed administrator or trustee.

In 1934 the Native Trust Office was amalgamated with the Native Department, and, in accordance with the policy of the Department, decentralization proposals are now being given effect to, under which arrangement the administration, supervision, and detailed management of the properties farmed by the Native Trustee are being transferred to the District Offices at Auckland, Wanganui, Gisborne, and Wellington, subject to the general control of Head Office.

The following statistical information is supplied in respect of farms and stations under administration and which are vested in the Native Trustee :—

Number of properties	..	..	..	..	..	8
Area (acres)	..	..	..	..	..	38,140
Number of sheep	..	..	..	..	..	57,486
Number of cattle	..	..	..	..	..	6,278
Wool-clip, 1937–38 (bales)	..	..	..	..	..	1,312
Average net price per bale	..	..	..	..	..	£13 3s. 1d.
Average net price per pound	..	..	..	..	..	8·58d.

In addition to the above, the departmental field organization is responsible for the supervision of mortgaged lands subject to pooling schemes, the total area of which is 8,622 acres. Recent returns indicate that the financial position of these farms is steadily improving, and the arrangements entered into are satisfactory to all parties concerned.

The bulk of the Native Trust Office investments is in mortgage securities over Native lands. The policy of the Department is to assist Maori farmers on their own properties by providing the necessary finance, and supervision in developing and working their holdings, with the object of making each individual a self-supporting member of the producing community. Such advances are subject to the approval of the Board of Native Affairs and are limited to three-fifths of the capital value of the security offered. At the 31st March, 1938, there were 442 loan accounts covering investments totalling £399,510, and during the year under review twenty-three new mortgages and advances were approved amounting to £21,073.

Particulars of each station farmed under authorities Nos. (1) and (2) aforementioned are appended hereunder, but separate details concerning trusts and pooling schemes are omitted, for the reason that private estates are involved.

Aohanga Station.

This is a large station situated on the East Coast in the Akitio County, and comprises three blocks of land—namely, Mataikona Nos. 1, 2, and 3—containing an area of 17,723 acres, of which 907 acres are reserved for the occupation of the Native beneficial owners, leaving 16,816 acres which are farmed as a sheep and cattle run.

Despite the deteriorated condition of the improvements on this property and the reversion to scrub and second-growth at the commencement of occupancy, the policy adopted by the Native Trustee over a period of eight years has doubled the stock-carrying capacity, and with a continuance of the progressive programme laid down for the complete restoration and development of Aohanga, the Native owners should ultimately benefit in the distribution of profits.

Further improvements have been effected during the past year, the principal item being a new and up-to-date wool-shed with ample night-pen accommodation, and a circular concrete tank with a capacity

of 20,000 gallons for storing rain-water drained from the roof. A whare, six miles from the homestead, has been converted into a four-roomed cottage for a married shepherd, shearer's accommodation has been brought up to award requirements, and a killing-shed has been rebuilt. Further accommodation for married shepherds is contemplated during the ensuing year.

As experienced by neighbouring farmers, the past season has proved unsuitable for fattening wethers, the feed having lacked the substance necessary despite fairly prolific growth. Wethers, numbering 17,000, and 2,500 head of cattle have been carried, with the object of improving the pastures for breeding, and the results are satisfactory as regards ewes and hoggets, the property presenting a clean appearance in readiness for an increase in the number of breeding-ewes. The best ewe lambs bred on the property are all retained for the purpose of building up the flock. The stock tallies at the 31st March were 29,356 sheep and 3,276 cattle, and the wool-clip amounted to 632 bales.

The question of the two general reserves set aside for the beneficiaries is being clarified, and definite areas are to be fenced and allocated to family groups in accordance with the desires of the Native owners.

Although it is not anticipated that the year's working will show a profit, the station is fully stocked, and the good condition of the property generally should ensure future returns.

Hoia Station.

This property, containing an area of 6,514 acres, situated at Hicks Bay, in the Matakaoa County, comprises part of the assets of the East Coast Maori Soldiers' Fund. The major portion of this station is extremely hilly and includes about 2,000 acres of bush which it is considered uneconomic to fell, but the Waikohu Block of 1,393 acres, which was acquired some years ago to offset the proportion of unworkable hill country, is reasonably easy land and includes some 450 acres of good flats, part of which is alluvial. This block is being gradually ploughed and sown down in English grasses.

The main improvement effected during the year was 300 acres of second-burn, and the sowing of grass over this area. Particulars of other works carried out are given in the schedule following, and, wherever possible, unemployed Natives in the district are given suitable employment on the station.

This property is now producing sufficient sheep to meet its requirements for flock renewals, and 657 ewes and 645 wethers were sold to development schemes in the Rotorua district in accordance with the policy of the Department to use its own resources in the various phases of development of Native lands. The wool-clip for the season amounted to 113 bales.

Compensation has been assessed on three of the leases which have already expired, and during the next two years the leases of Wharekahika 8A and 18L will also expire. Under the terms of both of these last-mentioned leases, the lessee is entitled to full compensation for all improvements of a permanent character, or, in the alternative, to a right of renewal for a further term of twenty-one years. The remaining lease over Wharekahika 8c, comprising 1,054 acres, continues until 1953.

Hereheretau Station.

This station comprises an area of 3,838 acres, situated eighteen miles from Wairoa and six miles off the main highway through Whakahi. In the main the land is very hilly but well-watered fertile country with a small area of ploughable flats. Over half the area is now sown down in English grasses, the pastures being in good condition, and the balance is mostly cleared of scrub. Goats have been used to check the growth of blackberry, which in the past infested the property, and by this means the weed is kept under control and should eventually be eradicated.

The working of this property, which is of great potential value, is hampered by poor roading-facilities, and the County Council is being approached with regard to the formation of a road in a better location. One mile of the present route has never been properly formed and has been maintained by the station.

Owing to the contour of the country and the many small streams flowing through it, fences and floodgates have been severely damaged as a result of the heavy rainfall experienced in the autumn and require considerable attention. In some cases tracks have been completely washed out.

During the year a further 150 acres of bush were burned and sown, a good strike of grass following, and this area has been fenced. The stock carried comprises 6,584 sheep and 522 cattle, and the wool-clip amounted to 162 bales.

Hakurenga Station.

This farm, which is located near Waipiro Bay, on the East Coast, comprises several subdivisions of the Waipiro Block, and contains a total area of 2,817 acres. The contour of the country is fairly easy hills but the pastures generally require constant crushing with cattle to be kept in order. Each season a portion is ploughed and sown in swedes, and the following year is laid down in English grasses.

The programme of rehabilitation has been continued during the past year, and the stock is in a much more healthy condition. An abundance of feed, due to plentiful rains experienced, has necessitated additional purchases of cattle, and at the 31st of March the station was carrying 578 head and 3,704 sheep.

Motuweka Station.

This station comprises five blocks of Native land, mortgaged to the Native Trustee and farmed conjointly—three under section 25 of the Native Trustee Act, 1930, and two under lease. The total area represented by these properties is 4,789 acres, and the lands are situated near Porangahau. A further block, known as Whawhakanga F 4, which had been held as a grazing-run, was vacated at the end of the year in pursuance of the terms of the agreement.

The extensive amount of ploughing which is required on this class of country necessitated the purchase of a caterpillar tractor and other implements, and the work of preparing the land for permanent pasture has been greatly facilitated by the use of this machinery. It is proposed to plough up to 200 acres each year for sowing down in good grasses.

The stock on Motuweka has done well, and the result of the year's working should bring appreciably nearer the full restoration of these securities, which in the past have unfortunately been allowed to deteriorate and revert to second-growth. A new 3-ton truck, which replaced an old vehicle worn out, enables all cartage, including wool, to be undertaken on the station.

At the 31st March the station was carrying 7,922 sheep and 671 head of cattle, and the wool-clip for the season amounted to 248 bales.

Tawanui Station.

This property, which is a Crown leasehold (L.I.P.) of 916 acres, was acquired by the Native Trustee in 1931 as mortgagee, and represents a Common Fund asset. It is situated near Ngapaenga, thirty miles from Te Kuiti.

For years the area was "sheep sick" and it was impossible to raise fat lambs. During the past two autumns, however, heavy manuring has been resorted to, and a large fencing programme has been carried out for the better control of stock. By this means it is expected to salvage a doubtful security and eventually to create a productive asset. Experiments are now being made for the beneficial treatment of the young sheep, and carefully recorded cobalt tests are giving indications of successful methods, as the station can now breed its own stock.

Two new huts have been erected during the year for housing workmen, and other buildings have been renovated. The property is carrying 1,098 sheep and 214 cattle, and the wool-clip totalled 21 bales.

Tiratu Station.

This is a well-developed block of 733 acres of rolling downs, situated about four miles from Dannevirke, and carrying 2,231 sheep and 204 head of cattle.

By use of ample top-dressing and liming, the pastures are rapidly becoming well established and are very healthy in appearance. Before the Motuweka tractor was despatched to its destination, use was made of it on Tiratu to sow 56 acres of grass in ground which had previously been ploughed, but which, owing to wet weather, could not be worked in time with the horse team. A further 12 acres was ploughed and sown in swedes, and, although a good strike resulted, the ultimate value was halved by the ravages of white butterfly.

While the financial position of the farm is sound, it is deemed necessary to conserve the funds and reduce liabilities, rather than extend further allowances to the Native owner, and thus eventually leave a debt-free property.

Hikuwai Station.

This property, comprising 810 acres of fairly easy hills with a small proportion of flat country, situated on the main highway between Tokomaru and Waipiro Bays, was vested in the Native Trustee under section 25 of the Act in May, 1937. Over twenty Natives are beneficially interested in the land.

Previously, this area was used for mixed dairying and sheep-farming by the owners, but the property was in a deteriorated state when taken over by the Trustee, and the pastures were mostly in Native grass. A comprehensive programme of clearing of second-growth, repairing fences, sowing, crushing, and stocking lies ahead, and will be carried out as labour becomes available. One of the owners has been retained as working-manager under the supervision of departmental field officers.

When improved and developed, this block should be a good asset, and with careful farming and management should return sufficient to pay current and arrears of interest, and gradually reduce other liabilities, thus restoring it to its original sound financial position.

STATISTICAL DATA REGARDING STATIONS OWNED BY THE NATIVE TRUSTEE OR VESTED IN THE NATIVE TRUSTEE IN TERMS OF SECTION 25 OF THE NATIVE TRUSTEE ACT, 1930.

Particulars.	Aohangu.	East Coast Maori Soldiers' Fund.		Hakurenga.	Motuweka.	Tawauhi.	Tiratu.	Hikuwai.	Totals.
		Hereheretau.	Hoia.						
1. Date commenced	Dec., 1930	1925	1925	March, 1931	July, 1930	Sept., 1931	Sept., 1930	May, 1937	..
2. Number of stations	..	..	..	..	..	..	..	..	8
3. Total area	17,723	3,838	6,514	2,817	4,789	916	733	810	38,140
4. Employees on stations	18	4	6	3	5	1	3	1	41
5. Bureau workers	20	9	15	8	13	10	1	1	77
5. Live-stock tallies—									
Sheep—									
Breeding-cwes	8,509	2,850	3,000	1,842	3,244	843	1,650	785	22,723
Rams	255	100	90	63	102	29	45	26	710
Wethers	15,144	1,800	220	616	3,333	..	84	23	21,220
Others	5,448	1,834	1,980	1,193	1,243	226	452	457	12,833
Cattle—									
Breeding-cows	808	244	305	102	220	77	105	76	1,937
Bulls	39	7	7	5	8	3	3	2	74
Others	2,429	271	344	471	443	134	96	79	4,267
Horses	44	9	17	9	10	..	9	..	98
6. Receipts—									
Wool—									
Bales	632	162	113	75	248	21	45	16	1,312
Weight	248,203	52,362	40,617	27,014	85,628	7,337	15,004	5,938	482,692
Proceeds	£ 8,758	£ 1,758	£ 1,364	£ 1,028	£ 3,340	£ 241	£ 588	£ 183	£ 17,260
Sheep	12,800	1,708	1,711	1,142	4,892	472	2,200	352	25,277
Cattle	45	..	635	6	594	165	16	446	1,907
Sundries	118	9	23	26	..	15	..	..	191
Total Receipts	£ 21,721	£ 3,475	£ 3,733	£ 2,262	£ 8,826	£ 893	£ 2,804	£ 981	£ 44,635
7. Year's activities—									
Bushfelling and clearing	..	150	20	..	..	30	..	..	200
Scrub-cutting, gorse-grubbing, &c.	..	150	120	100	1,700	..	..	..	4,170
Ploughing	30	30	60	70	100	37	12	30	339
Chipping thistles	..	1,000	..	..	..	..	..	..	1,000
Fencing—									
New	160	150	..	110	10	..	20	..	450
Repairs	60	40	160	40	..	160	..	..	460
Post and batten splitting	..	5,000	3,000	550	..	13,000	..	..	21,550
Draining : New	90	..	100	15	30	51	..	5	256
Manuring	60	..	6	12	..	80	70	..	263
Grassing : New	..	180	300	..	..	..	56	..	536
Trackmaking	..	80	..	..	..	48	..	..	128
Buildings erected : New	Wool - shed ; killing-shed ; cottage	..	..	..	..	..	..	..	..
Stockyards, &c.	..	..	..	..	..	..	1	..	1

PART V.—EAST COAST NATIVE TRUST LANDS.

In pursuance of section 7 of the Board of Native Affairs Act, 1934–35, the East Coast Trust lands and the Mangatu Trust were brought under the control of the Board as far as the operations of the trusts relate to the expenditure or investment of any moneys or to the giving of mortgages over any property vested in the East Coast Commissioner are concerned. The Commissioner is a trustee appointed by the Governor-General by Order in Council under the enactments of Part IV of the Native Purposes Act, 1931, and is charged with the management and control of certain lands in the interests of the beneficial owners thereof, all of whom are aborigines of New Zealand.

The genesis of the title of the East Coast Commissioner arose from the chaotic condition of the settlement of Native land in the Gisborne district in the seventies and eighties of the last century, as a result of the titles of the large areas of Native lands in that district not having been fully investigated. Consequent upon the state of affairs then prevailing, a special Validation Court was constituted by Act of Parliament in 1893 and endowed with sufficient powers and jurisdiction to finally settle all conflicting interests, claims, and debts arising out of land transactions affecting the district. In an attempt to preserve to the original Native owners certain of the lands which otherwise may have been alienated, trustees for the owners beneficially interested in large blocks were appointed, these appointments ultimately being confirmed by order of the Validation Court.

In 1902 the East Coast Native Trust Lands Act was passed which provided a method of salvaging the East Coast blocks from realization by the mortgagees. This Act provided for the postponement of the sale by mortgagees of certain lands held by the trust for Natives upon the East Coast of the North Island, and made other provisions relating thereto. A Board of three persons was appointed to administer the trusts, and this Board afterwards became a body corporate under the name of "The East Coast Native Trust Lands Board" with perpetual succession and a common seal. In 1906 the Board was dissolved and a Commissioner was appointed with extended powers, which included the farming of lands and the setting-aside of sites for villages. Acting under his increased powers, the Commissioner commenced farming operations in 1907, his policy being to employ Native owners for the purpose of breaking in and developing the lands.

In 1921 the affairs of the trust came more under the control of officers of the Native Department with the appointment of a late Judge of the Native Land Court as Commissioner and the then Registrar of the Native Land Court at Gisborne as his agent. The present Chief Judge of the Native Land Court assumed the office of Commissioner in 1933, but retired in 1935 from the Commission, and was succeeded by the present holder of the office, who is also a member of the Board of Native Affairs. The Judge of the Native Land Court at Gisborne is the Deputy Commissioner.

The total area of the trust vested in the Commissioner comprises 223,422 acres. It is divided into two portions—the East Coast Native Trust lands and the Mangatu No. 1 Block. The East Coast Native Trust lands comprise 114,513 acres, of which 61,907 acres are divided into eleven stations. The Mangatu No. 1 Trust comprises 108,909 acres, of which 43,701 acres, divided into seven stations, are at present being farmed by the Commissioner. Each farm is controlled by a resident manager who is under the direct personal supervision of a farm supervisor. These lands are scattered from Tolaga Bay in the north to Wairoa in the south, and extend from the extreme point of the Mahia Peninsula on the east to over a hundred miles inland. In the Wairoa district several large areas lie at the headwaters of the Ruakituri and Hangaroa Rivers. The remaining lands comprise 96,835 acres, which are leased in thirty farms and stations, principally to Europeans. There are also 20,979 acres of undeveloped land. The number of permanent employees on the stations of the Commissioner total ninety-one.

Consequent upon the exigencies of the presentation of this report and the fact that the financial year of the trusts ends on 30th June of each year, it has not been possible to supply many details concerning the year's operations.

The live-stock returns at the 30th June, 1937, were as follows: 100,549 sheep and 12,510 head of run cattle. The wool-clip for the 1937–38 season was 2,128 bales. A table is appended to show further details relative to the trusts.

STATISTICAL DATA ON EAST COAST TRUST STATIONS.

(N.B.—As the financial year of the East Coast Trusts ends on 30th June, limited information only is available for this report).

1. Number of stations	18	
Number of farms on leased land	30	
	—	48
2. Area—	Acres.	
Stations	105,608	
Leased	96,835	
Undeveloped	20,979	
	—	223,422
3. Number of employees : Stations		91
Other dependants : Wives and children (approximate)		309
		—
Total dependants (approximate)		400
		—
4. Workmen engaged through Employment Promotion Contracts (average per month) ..		7
		—
5. Number of beneficial owners—		
East Coast Trusts	6,433	
Mangatu Trusts	938	
	—	7,371

6. EAST COAST TRUST STATIONS.

Stations.	Area.	Live-stock Tallies, 30th June, 1937.			Wool, 1937-38 Season.	Permanent Employees.
		Sheep.	Run Cattle.	Horses.		
	Acres.				Bales.	
Kokomoko	2,495	2,644	711	18	54	5
Mangatahu	4,019	7,150	863	12	172	7
Okaihau	3,230	3,278	277	8	77	4
Pukutarewa	6,437	6,530	957	99	154	12
Tarndale	5,729	4,734	682	13	104	3
Waitangirua	11,911	4,144	586	12	80	5
Wairere	9,880	12,577	1,833	47	298	9
Iwinui	1,222	2,226	495	15	44	2
Kopua	3,459	3,946	635	6	99	2
Mahurangi	4,638	6,742	858	11	134	5
Mangaotane	13,608	6,648	511	12	152	4
Onenui	4,376	7,766	1,040	38	180	6
Patemaru	2,004	3,613	533	11	106	2
Papuni	9,096	9,158	749	24	81	7
Pakowhai	367	676	33	3	12	1
Pohaturoa	7,354	7,302	619	14	140	3
Paroa	3,683	6,323	539	37	117	9
Waimaha	12,100	4,906	586	18	124	5
Totals	105,608	100,363	12,507	398	2,128	91

TABLE 1.—TOTAL SUMMARIZED RECEIPTS AND PAYMENTS ACCOUNTS FOR YEAR ENDED 31st MARCH, 1938.

Districts.	Receipts.										Districts.	Payments.									
	Receipts, excluding Employment Grants, to 31st March, 1937.		Employment Promotion Subsidies.				Cash Collections, Scheme Produce, 1937-38.		Sales to other Schemes.			Total Receipts, including Employment, to 31st March, 1938.		Net Liability as at 31st March, 1938.		Total Expenditure, plus Interest, to 31st March, 1938.					
			1937-38.																		
			1937-38.																		
£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.				
Tokerau	141,564	5 10	89,531	15 5	44,355	2 0	32,804	0 5	7,446	14 0	315,701	17 8	179,201	2 1	8,896	4 0	8,440	7 5	370,927	2 6	
Waikato-Maniapoto ..	60,962	9 6	12,800	3 10	20,948	12 5	23,085	8 5	12,289	11 8	130,086	5 10	134,279	18 7	6,908	10 11	13,264	13 8	182,532	0 2	
Waiairiki	449,256	5 5	144,527	15 3	107,781	16 0	111,730	11 10	159,798	9 11	973,094	18 5	600,255	0 5	25,718	0 2	164,040	5 0	1,058,753	12 3	
Tairāwhiti	225,617	10 8	19,721	4 9	12,338	5 11	43,180	6 11	48,856	15 9	349,714	4 0	134,099	2 10	6,502	15 4	42,307	19 10	364,721	9 10	
Aotea	12,838	2 7	5,685	13 7	11,376	11 11	8,243	9 7	1,522	4 4	39,666	2 0	48,705	12 2	1,681	0 10	1,571	14 4	39,842	17 7	
Ikaroa	6,700	1 5	1,688	17 6	873	6 10	2,013	2 1	..	..	11,275	7 10	7,616	13 5	294	10 6	..	..	12,908	18 2	
South Island	5,144	4 0	12,054	9 0	5,046	15 3	2,441	14 0	..	..	24,687	2 3	19,459	9 5	882	15 6	..	..	35,099	3 9	
Head Office (unallocated) ..	..	..	..	..	..	..	377	10 5	6,279	8 8	6,656	19 1	..	..	..	..	..	..	..	..	
Totals	902,082	19 5	286,009	19 4	202,720	10 4	223,876	3 8	236,193	4 4	1,850,882	17 1	1,143,616	18 11	50,883	17 3	230,225	0 3	2,064,785	4 3	

Districts.		Total Expenditure, plus Interest, to 31st March, 1938.	
Tokerau	..	494,902	19 9
Waikato-Maniapoto ..	..	284,366	4 5
Waiairiki	..	1,573,349	18 10
Tairāwhiti	..	483,813	6 10
Aotea	..	88,371	14 2
Ikaroa	..	18,892	1 3
South Island	..	44,146	11 8
Head Office (unallocated) ..	..	6,656	19 1
Totals	..	2,994,499	16 0

TABLE 2.—AREA AND STATE OF DEVELOPMENT OF SCHEMES, STATIONS, AND FARMS.

	Number of Schemes.	Area Gazetted for Development.	Area Developed to 31st March, 1938.	Area occupied by Settlers.	Area suitable for Further Development.	Buildings erected to 31st March, 1938.				
						Cottages.*	Cow-sheds.	Wool-sheds, &c.	Sheep-dips, &c.	Implement and Store sheds.
I Districts—										
Tokerau ..	14	450,866	73,845	106,025	211,028	152	197	2	2	3
Waikato-Maniapoto ..	22	43,183	16,605	17,189	20,860	67	80	3	3	23
Wairiki ..	58	197,565	66,956	38,055	52,423	283	287	7	9	51
Tairāwhiti ..	11	70,678	46,951	46,470	15,987	99	127	1	1	2
Aotea ..	12	27,709	5,236	8,194	22,423	33	8	1	1	3
Ikaroa ..	6	7,247	2,714	4,525	4,454	15	15	..	..	4
South Island ..	3	3,842	2,497	1,900	850	5	..	..	..	6
Sub-total ..	126	801,090	214,804	222,358	328,025	654	714	14	16	92
II. Maori Land Boards ..	3	21,996	16,177	4,325	5,819	7	1	2	2	1
III. Native Trustee ..	8	38,140	38,140	..	..	13	..	8	8	8
IV. East Coast Trust ..	18	105,608	105,608	..	..	N/A	..	N/A	N/A	N/A
Totals ..	155	966,834	374,729	226,683	333,844	674	715	24	26	101

N/A = Not supplied by East Coast Commissioner.

* In addition, approximately 200 huts have been erected.

TABLE 3.—POPULATION UNDER SCHEMES, STATIONS, AND FARMS.

	Total Maori Population : Census, 1936.	Individual Settlers established, 31st March, 1938.	Total Additional Labourers.	Dependants.	Total Persons dependant on Scheme or Farm.	Labourers and Settlers subsidized or Employed through Employment Promotion Fund.	
						Scheme Lands.	Private Lands.
I. Districts—							
Tokerau ..	20,642	739	979	7,273	8,991	917	208
Waikato-Maniapoto ..	14,845	135	272	1,459	1,866	260	112
Wairiki ..	13,423	521	988	4,590	6,099	869	30
Tairāwhiti ..	12,479	227	578	1,139	1,944	548	485
Aotea ..	9,507	49	249	1,045	1,343	210	220
Ikaroa ..	8,506	33	45	176	254	45	267
South Island ..	3,262	18	52	141	211	52	46
Sub-total ..	82,664	1,722	3,163	15,823	20,708	2,901	1,368
II. Maori Land Boards ..	Included above	52	51	260	363	86	..
III. Native Trustee ..	"	..	41	159	200	77	..
IV. East Coast Trusts ..	"	..	91	309	400	70	..
Totals ..	82,664	1,774	3,346	16,551	21,671	3,134	1,368

TABLE 4.—PRINCIPAL DEVELOPMENT AND FARMING ACTIVITIES UNDERTAKEN DURING THE YEAR.

	Bushfelling and Clearing.	Grassing.	Other Cultivations.	Fencing : New.	Draining : New.	Roading : New.	Installation of Water-supplies.	Erection and Construction of:			
								Cottages.*	Cow-sheds.	Wool-sheds.	Other Sheds, Sheep-dips.
I. Districts—											
Tokerau ..	Acres. 10,566	Acres. 3,000	Acres. 852	Chains. 10,810	Chains. 6,928	Chains. 1,009	Number. 2	Number. 94	Number. 142	Number. ..	Number. ..
Waikato-Maniapoto ..	4,729	3,754	756	3,952	2,074	255	10	17	17	1	8
Waairiki ..	11,493	8,367	2,166	13,078	4,206	1,487	3	67	60	4	38
Tairāwhiti ..	2,398	1,124	619	4,835	600	136	..	16	14	1	1
Aotea ..	1,528	618	265	1,468	538	315	7	13	7	..	2
Ikaroa ..	120	68	53	270	60	..	..	5	3	..	..
South Island ..	480	715	18	230	146	30	..	1	..	..	3
Sub-total ..	31,314	17,646	4,729	34,643	14,552	3,232	22	213	243	6	52
II. Maori Land Boards ..	568	254	..	294	200	..	..	1	..	..	1
III. Native Trustee ..	4,370	536	339	450	256	128	..	1	..	1	1
Totals ..	36,252	18,136	5,068	35,387	15,008	3,360	22	215	243	7	54

* In addition, numerous huts or hutments were built.

TABLE 5.—STATEMENT SHOWING LIVE-STOCK RETURNS AS AT 31st MARCH, 1938.

	Dairy-stock.			Run Cattle.		Sheep.				Working-horses.	
	Tallies at 31st March, 1938.			Tallies at 31st March, 1938.		Tallies at 31st March, 1938.		Wool.			
	Cows.	Other stock.	Butterfat Poundage for Year.	Number.	Ewes : Breeding.	Dry Sheep.	Poundage for Year.	Bales.			
I. Districts—											
Tokerau ..	Number. 10,361	Number. 6,765	Lb. 1,365,080	2,434	Number. 5,219	Number. 4,333	Lb. 15,405	Number. 46	Number. 800		
Waikato-Maniapoto ..	2,370	1,016	361,611	1,623	10,176	3,825	49,020	125	272		
Waairiki ..	9,657	4,962	1,642,881	8,214	30,714	35,454	330,935	885	771		
Tairāwhiti ..	3,713	1,186	331,630	3,088	24,814	16,183	184,512	507	362		
Aotea ..	647	355	83,892	103	7,085	169	18,601	55	84		
Ikaroa ..	349	114	58,865	..	1,222	22	620	2	23		
South Island ..	292	..	48,013	191	1,007	104	2,570	7	18		
Sub-total ..	27,389	14,128	3,891,972	15,653	80,237	60,090	601,663	1,627	2,330		
II. Maori Land Boards ..	517	165	65,538	2,150	13,310	5,478	198,522	541	99		
III. Native Trustee ..	..	..	..	6,278	22,723	34,763	482,693	1,312	98		
IV. East Coast Trusts ..	..	..	..	12,500	100,000*	*	760,300†	2,128	400		
Totals ..	27,906	14,893	3,957,510	36,581	216,270*	100,331*	2,043,178	5,608	2,927		

* Live-stock tallies as at 30th June, 1937; dry sheep are included in breeding-ewes tally.

† An approximate figure estimated from the number of bales supplied.

TABLE 6.—ANALYSIS OF CASH RECEIPTS FOR THE YEAR 1937-38.

—		Butterfat.	Wool.	Live-stock.	Sundries.	Totals.
I. Districts—		£	£	£	£	£
Tokerau ..	..	25,786	491	5,991	536	32,804
Waikato-Maniapoto ..	..	9,741	1,537	9,997	1,810	23,085
Waiaiki ..	..	48,004	11,213	45,932	6,581	111,730
Tairāwhiti ..	..	6,683	8,733	25,748	2,016	43,180
Aotea ..	..	1,629	767	5,443	405	8,244
Ikaroa ..	..	1,381	31	318	283	2,013
South Island ..	..	617	131	562	1,132	2,442
Unallocated ..	..	..	..	..	378	378
Sub-total ..	..	93,841	22,903	93,991	13,141	223,876
II. Maori Land Boards		1,048	8,774	9,331	1,518	20,671
III. Native Trustee		..	17,260	27,184	191	44,635
Totals		94,889	48,937	130,506	14,850	289,182

NOTE.—Butterfat receipts for Part I State schemes denote only that proportion of cream cheques which are assigned to the Department in repayment of advances and interest due thereon. On settled schemes the policy is to accept an assignment of a percentage of the farmers' monthly milk cheque, leaving the balance for maintenance and living expenses. On those dairying schemes which have not yet been individualized, the full amount received for butterfat is retained, the workers being paid wages, but in the majority of cases a proportion only of the cream returns is actually paid to the Department. Similarly, the wool proceeds shown above do not represent quite the full amount realized at the wool-sales.

TABLE 7.—COMPARATIVE RETURN FOR DISTRICTS OF TOTAL RECEIPTS : STATE SCHEMES.

District.	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	Totals.
Tokerau ..	£ 1,908	£ 5,312	£ 11,092	£ 12,559	£ 13,726	£ 22,070	£ 29,186	£ 32,804	£ 128,657
Waikato-Maniapoto ..	202	316	3,180	7,301	6,871	14,348	17,635	23,085	72,938
Waiaiki ..	2,667	5,578	17,246	36,318	29,472	63,585	81,730	111,730	348,326
Tairāwhiti ..	..	650	9,143	16,886	20,253	23,610	32,999	43,180	146,721
Aotea ..	413	1,070	916	1,404	2,180	2,687	3,988	8,244	20,902
Ikaroa ..	..	288	992	888	727	1,377	1,651	2,013	7,936
South Island ..	5	143	294	391	506	1,631	2,127	2,442	7,539
Head Office (unallocated) ..	352	72	12	..	5,480	479	274	378	7,047
Totals	5,547	13,429	42,875	75,747	79,215	129,787	169,590	223,876	740,066

TABLE 8.—NATIVE HOUSING : RETURN OF OPERATIONS COMPLETED DURING THE YEAR ENDED 31st MARCH 1938.

NOTES.—(1) For the total number of authorizations covering the same period, see Table 9 ; (2) The figures in parentheses indicate additional works in progress but not completed at 31st March, 1938.

District.	Under Native Housing Act, 1935.						Totals.		
	Ordinary.			Indigent.			Under Native Land Development.		
	Erected.	Purchased.	Renovated.	Erected.	Purchased.	Renovated.	Erected.	Erected.	Renovated.
Tokerau	Number. .. (1)	Number. ..	Number. ..	Number. 1 (9)	Number. ..	Number. ..	Number. 94	Number. 95 (10)	Number. ..
Waikato-Maniapoto	.. (3)	..	..	2 (2)	..	.. (3)	17	19 (5)	.. (3)
Wairariki	1 (1)	1	..	4 (1)	..	1	67	72 (2)	1
Tairāwhiti	.. (1)	..	..	1 (4)	..	..	16	17 (5)	..
Aotea	.. (3)	1	3 (2)	.. (2)	..	1 (1)	13	13 (5)	4 (3)
Ikaroa	2	1	2 (4)	.. (1)	1	1	5	7 (1)	3 (4)
South Island	2 (2)	..	.. (1)	..	..	..	1	3 (2)	.. (1)
Totals..	5 (11)	3	5 (7)	8 (19)	1	3 (4)	213	226 (30)	4
									8 (11)

TABLE 9.—NATIVE HOUSING : RETURN OF AUTHORIZATIONS TO 31st MARCH, 1938, SHOWING THE NUMBER OF DWELLINGS TO BE ERECTED, PURCHASED, OR RENOVATED.

NOTE.—For the actual work completed at 31st March, 1938, see Table 8.

District.	Under Native Housing Act, 1935.						Under Native Land Development.				Totals.	
	Ordinary.			Indigent.			Erections.				Totals.	
	Erections.	Purchases.		Erections.	Purchases.		Inception of Schemes to 31st March, 1937.	For Year 1937-38.			Erections.	Purchases.
		Number.	Number.		Number.	Number.		Number.	Number.	Number.		
Tokerau	Number. 2	Number. 1	Number. ..	Number. 33	Number. 4	Number. 58	Number. 94	Number. 187	Number. 1	Number. 4	Number. 187	Number. 1
Waikato-Maniapoto	6	..	1	34	8	50	17	107	..	9	107	..
Wairariki	4	..	..	6	4	216	67	293	..	4	293	..
Tairāwhiti	28	..	25	20	13	83	16	147	..	38	147	..
Aotea	19	6	15	7	2	20	13	59	6	17	59	6
Ikaroa	15	1	9	15	3	10	5	45	2	12	45	2
South Island	9	1	3	2	2	4	1	16	3	5	16	3
Totals	83	9	53	117	36	441	213	854	12	89	854	12

TABLE 10.—NATIVE HOUSING ACT, 1935 : FINANCIAL RETURN OF OPERATIONS TO 31st MARCH, 1938.

District.	Ordinary.			Indigent.			Totals.		
	Authorized.		Expended.	Authorized.		Expended.	Authorized.		Expended.
	Number of Advances.	Amount.		Number of Advances.	Amount.		Number of Advances.	Amount.	
Tokerau ..	3	£ 754	£ ..	37	£ 8,385	£ 183	40	£ 9,139	£ 183
Waikato-Maniapoto ..	7	2,775	..	42	11,455	138	49	14,230	138
Wairiki ..	4	895	874	10	3,193	360	14	4,088	1,234
Tairāwhiti ..	53	13,339	40	33	7,705	383	86	21,044	423
Aotea ..	40	12,716	681	9	2,250	452	49	14,966	1,133
Ikaroa ..	25	10,525	2,515	19	6,045	114	44	16,570	2,629
South Island ..	13	6,627	1,778	6	1,750	350	19	8,377	2,128
Totals ..	145	47,631	5,888	156	40,783	1,980	301	88,414	7,868

KEY TO NORTH ISLAND SCHEMES, ETC.

SCHEMES (ALPHABETICAL).	NUMBER.	SCHEMES (ALPHABETICAL).	NUMBER.
Anaura (Board)	1	Orete 1 and 2	60
Aohanga (Native Trust)	2	Oruanui	61
Aramiro	3	Otorohanga	62
Arawa	4	Panguru	63
Awahou	5	Parekarangi	64
Bay of Islands, <i>vide</i> boundaries.		Patea	65
Brents	6	Peka	66
Hakurenga (Native Trust)	7	Pihama	67
Hangatiki	8	Te Piki	68
Haparangi	9	Piopia	69
Haparapara	10	Pirongia, including Kopua	70
Harataunga (4)	11	Poroporo (2)	71
Hauraki (4)	12	Pouto	72
Herchetau	13	Pukaingataru	73
Heretaunga (13)	14	Pukehina	74
Hoia (Native Trust)	15	Te Puke	75
Hokianga, <i>vide</i> boundaries.		Putaruru	76
Te Kaha Proper	16	Putauaki	77
Kahungunu	17	Rakautatahi	78
Kaihau	18	Ranana	79
Kaipara, <i>vide</i> boundaries.		Reureu	80
Te Kao	19	Rongomaipapa	81
Kapenga 1 and 2	20	Rotoiti	82
Kawhia (3)	21	Rotokautuku (2)	83
Korohe	22	Rotorua Nursery	84
Te Kuiti	23	Ruatihuna	85
Mahia (3)	24	Ruatoki	86
Mahoenui	25	Taheke	87
Maketu Farm	26	Takatahu	88
Makirikiri	27	Tahoraite	89
Manawatu	28	Tauranga (3)	90
Mangapu	29	Tauranga-Taupo	91
Mangaweka	30	Tautoro	92
Mangonui, <i>vide</i> boundaries.		Tawanui	93
Manikau	31	Tihiotonga (2)	94
Manunui	32	Tikitere	95
Maraenui	33	Tikorangi	96
Matakana Island	34	Tiratu	97
Matata	35	Tokaanu	98
Maungaorapa	36	Torere	99
Maungaroa	37	Tuhourangi	100
Mohaka	38	Tunacke	101
Morikau (Board)	39	Tuparoa (5)	102
Motatau	40	Turanganui	103
Motiti Island	41	Waahi (2)	104
Motuweka (5)	42	Waeawaetutuki	105
Ngahape	43	Waiapu-Matakaua (5)	106
Ngatiawa	44	Waihua	107
Ngatimanawa	45	Waikaretu	108
Ngati-Tuara	46	Waikato (4)	109
Oaonui (2)	47	Waikaukau	110
Ohinepuhiawe	48	Waima	111
Okaiawa	49	Waimiha	112
Okareka	50	Waiohau	113
Okaroro	51	Waipipi	114
Okataina	52	Waitomo (5)	115
Okere	53	Whakatane	116
Omaio	54	Whakatohea	117
Onewhero (8)	55	Whakatohea-Wainui	118
Opapaki	56	Whangaehu (3)	119
Opape	57	Whangaparaoa	120
Oparure	58	Wharekahika (4)	121
Opunake	59	Whareongaonga	122

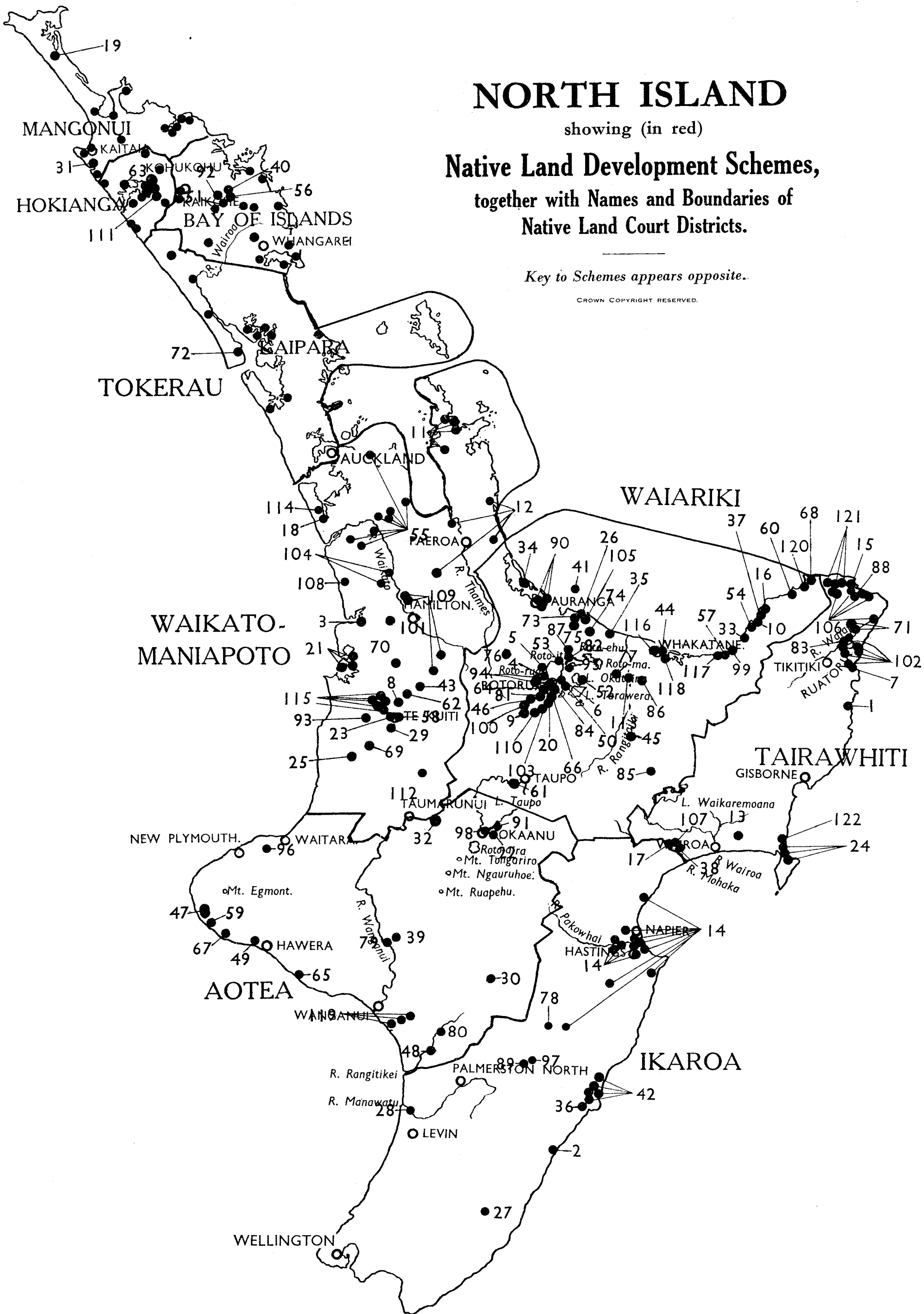
NORTH ISLAND

showing (in red)

Native Land Development Schemes, together with Names and Boundaries of Native Land Court Districts.

Key to Schemes appears opposite.

CROWN COPYRIGHT RESERVED



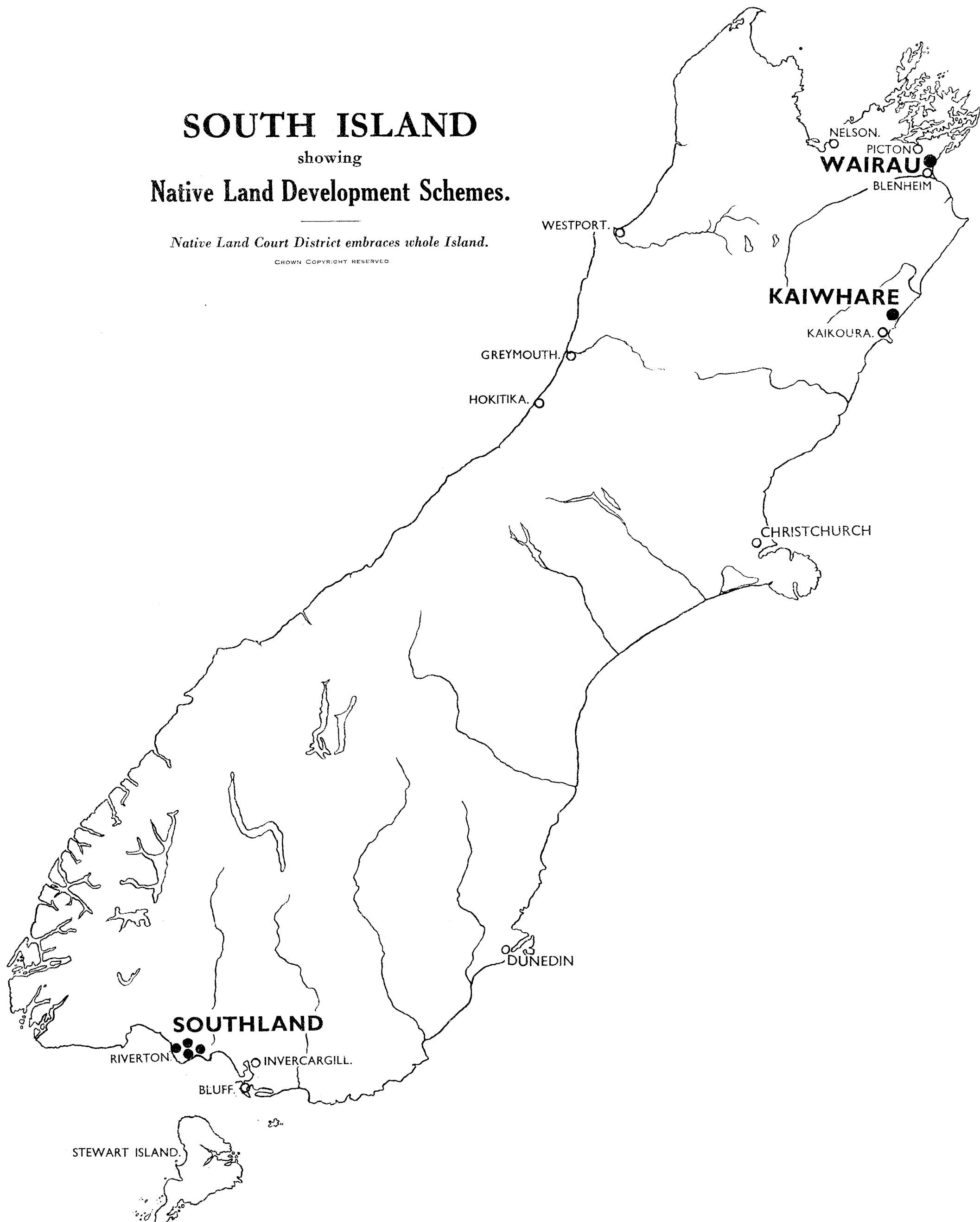
SOUTH ISLAND

showing

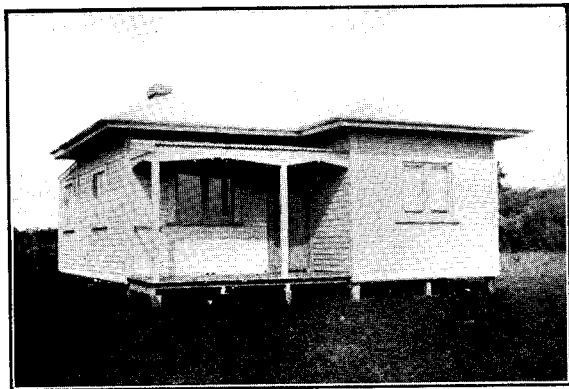
Native Land Development Schemes.

Native Land Court District embraces whole Island.

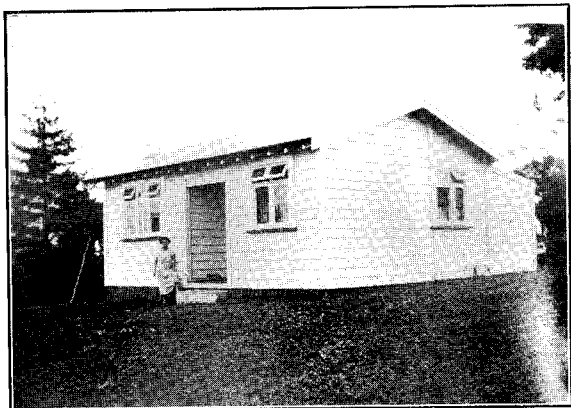
CROWN COPYRIGHT RESERVED



TOKERAU (NORTH AUCKLAND) DISTRICT.



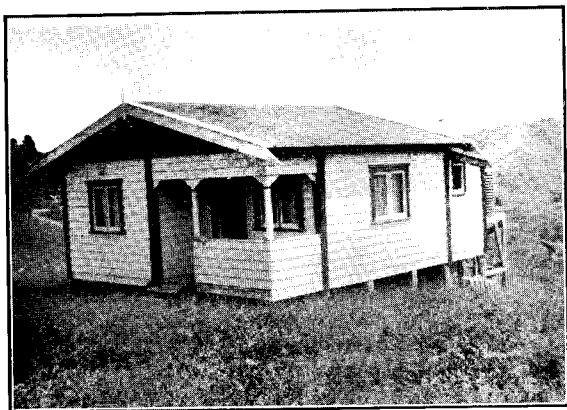
1. HOUSING SCHEME: BUILDING ERECTED BY SETTLER UNDER DEPARTMENT'S SUPERVISION.



2. HOUSING SCHEME: BUILDING FOR SETTLER ERECTED UNDER PUBLIC WORKS DEPARTMENT CONTRACT.



3. HOKIANGA SCHEME: TYPE OF COUNTRY UNDER DEVELOPMENT IN THE WAIMAMAKI VALLEY.

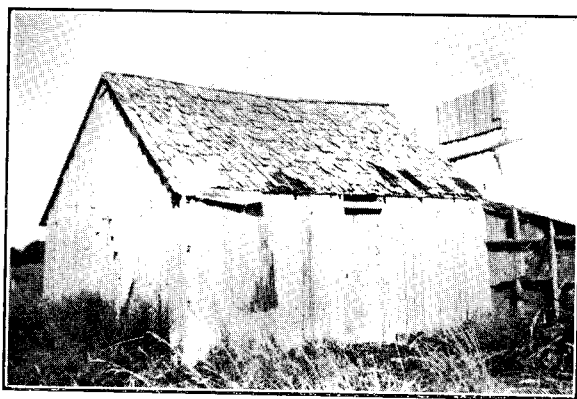


4. HOUSING SCHEME: BUILDING ERECTED WITH MAORI LABOUR.

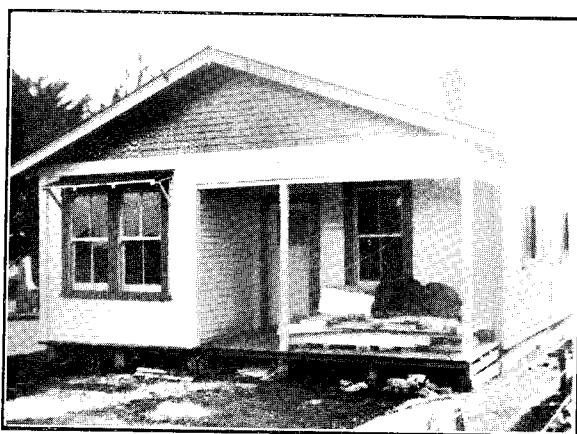


5. MANGONUI: A BULLOCK TEAM.

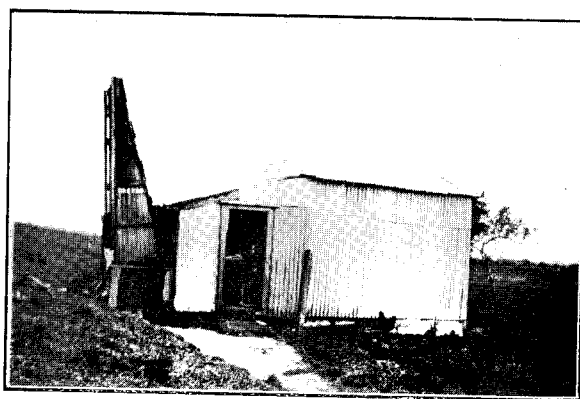
TOKERAU (NORTH AUCKLAND) DISTRICT.



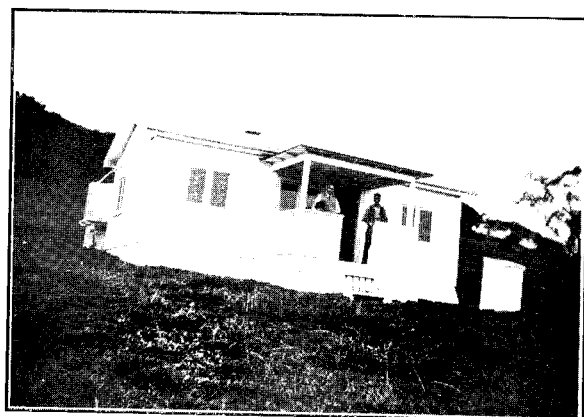
6. NATIVE HOUSING: FORMER DWELLING OCCUPIED BY A SETTLER.



7. HOUSING SCHEME: SAME SETTLER'S NEW RESIDENCE, ERECTED WITH MAORI LABOUR.

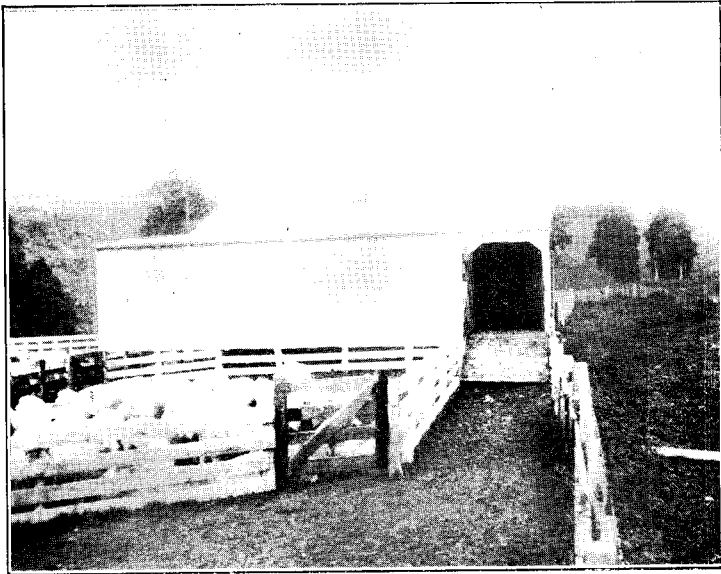


8. NATIVE HOUSING: FORMER DWELLING OF ANOTHER SETTLER.

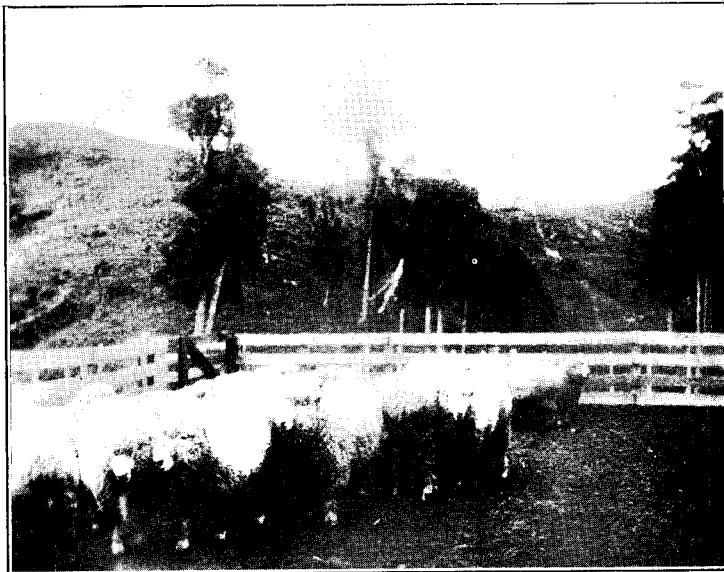


9. HOUSING SCHEME: SAME SETTLER'S NEW RESIDENCE, COMPLETED WITH MAORI LABOUR.

WAIKATO-MANIAPOTO (SOUTH AUCKLAND) DISTRICT.

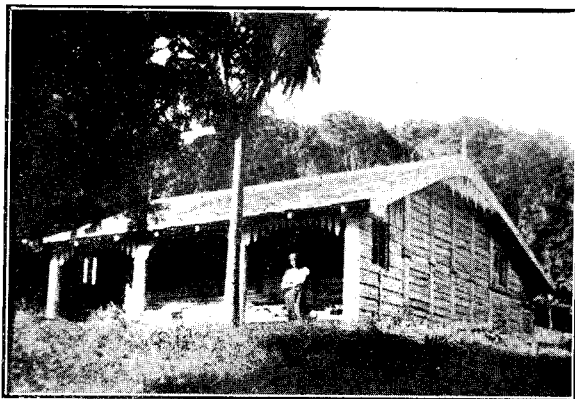


10. TE KUITI BASE FARM: NEW WOOL-SHED AND YARDS.

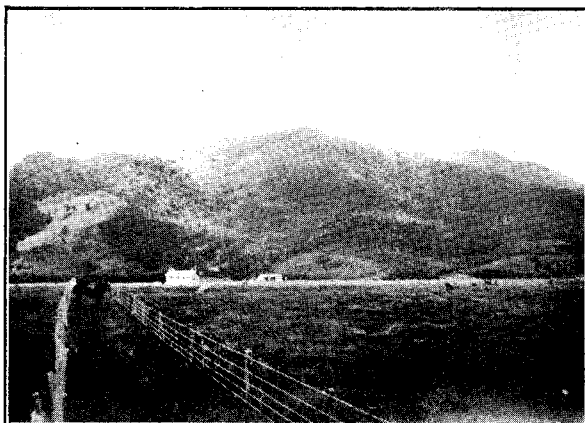


11. TE KUITI BASE FARM: A PEN OF RAMS.

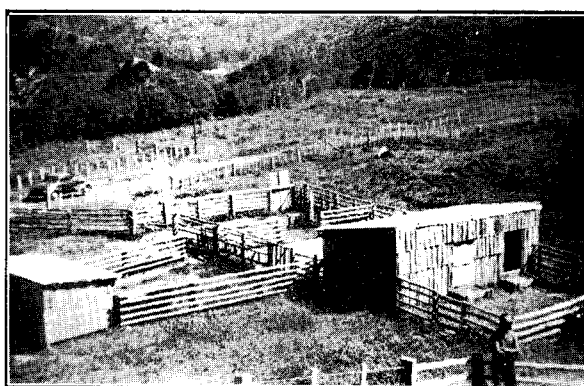
WAIKATO-MANAPOTO (SOUTH AUCKLAND) DISTRICT.



12. HARATAUNGA SCHEME: A HOUSE BUILT OF SPLIT KAURI TIMBER BY A SETTLER AT KENNEDY'S BAY.



13. HARATAUNGA SCHEME: CLASS OF COUNTRY UNDER DEVELOPMENT AT KENNEDY'S BAY.

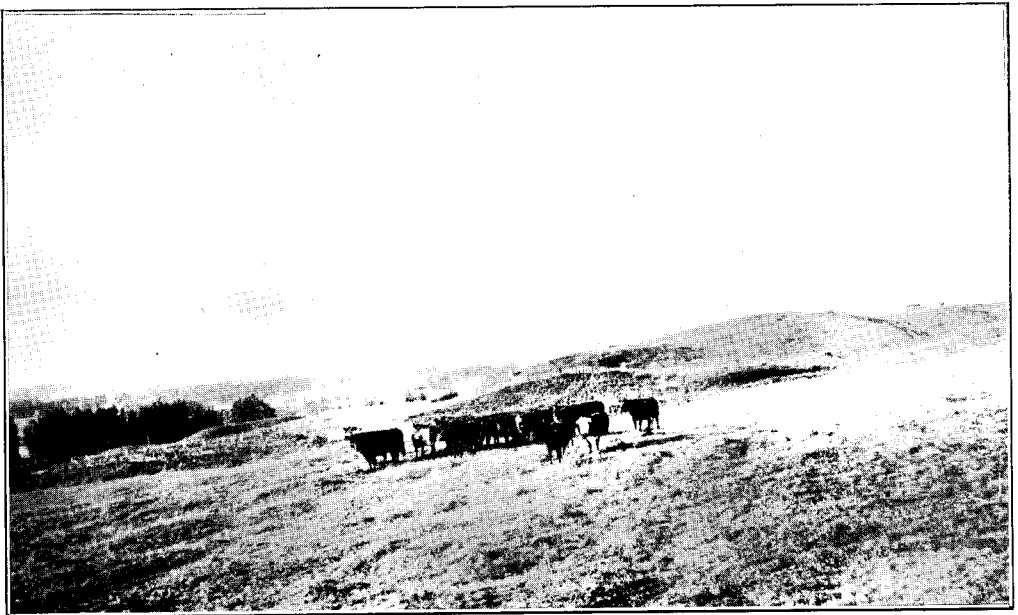


14. HARATAUNGA SCHEME: COW-SHED AND YARDS ERECTED BY SETTLER, THE SHEDS BEING BUILT OF SPLIT KAURI SLABS.

WAIARIKI (ROTORUA) DISTRICT.

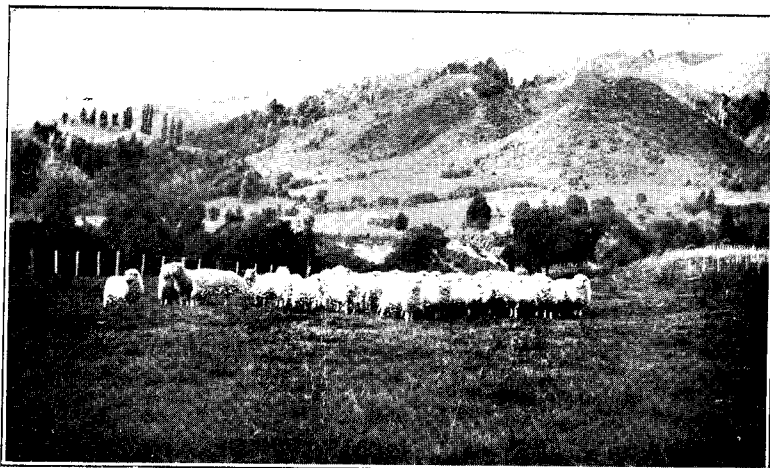


15. THIBOTONGA STATION: PORTION OF THE FLOCK.



16. THIBOTONGA STATION: A GENERAL VIEW.

WAIARIKI (ROTORUA) DISTRICT.



17. RUATAHUNA SCHEME (UREWERA COUNTRY): HOGGETS GRAZING ON TOP-DRESSED LAND.

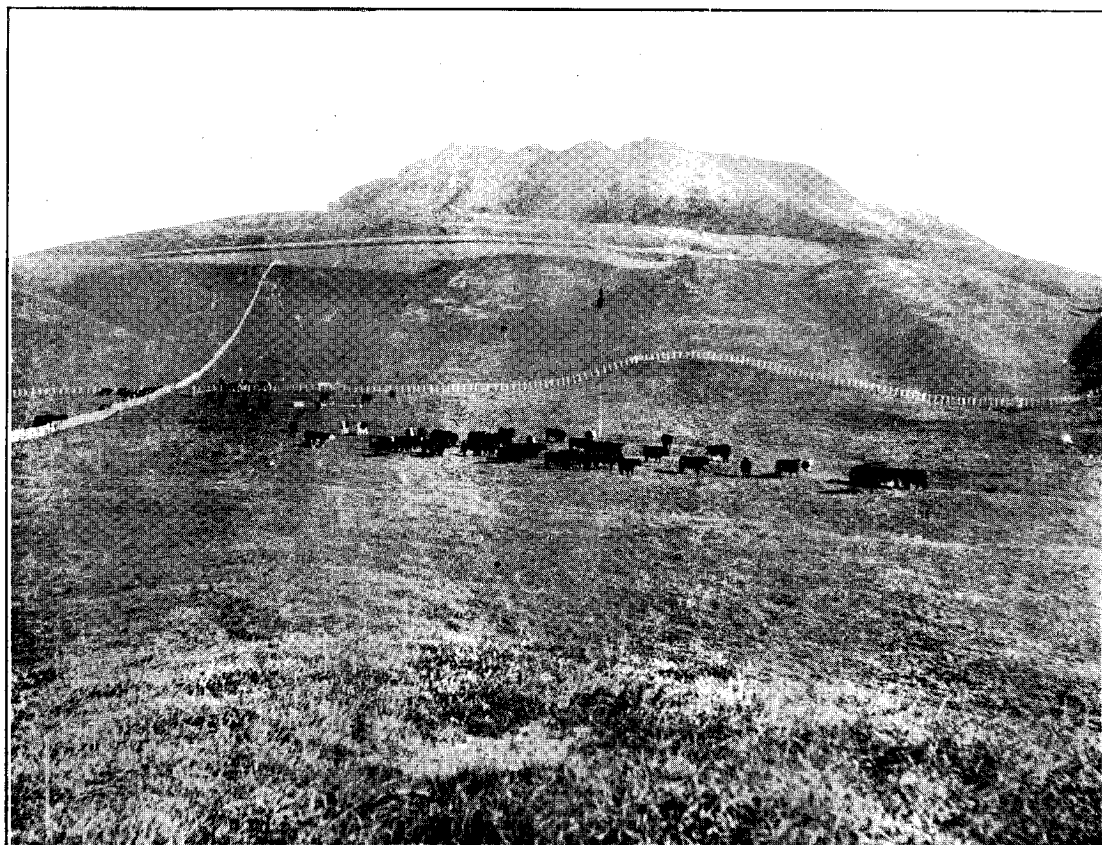


18. RUATAHUNA SCHEME (UREWERA COUNTRY): PASTURE LAND WHICH WINTERED THREE SHEEP AND OCCASIONAL CATTLE TO THE ACRE.

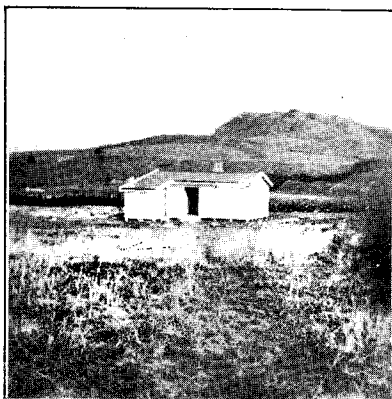


19. RUATAHUNA SCHEME (UREWERA COUNTRY): SHOWING UNDEVELOPED LAND AND A CORNER OF A Paddock SOWN IN PASTURE.

WAIARIKI (ROTORUA) DISTRICT.



20. HOROHORO: KAPENGA No. 2: A VIEW WITH HAPARANGI MOUNTAIN AND PLANTATION IN THE BACKGROUND.

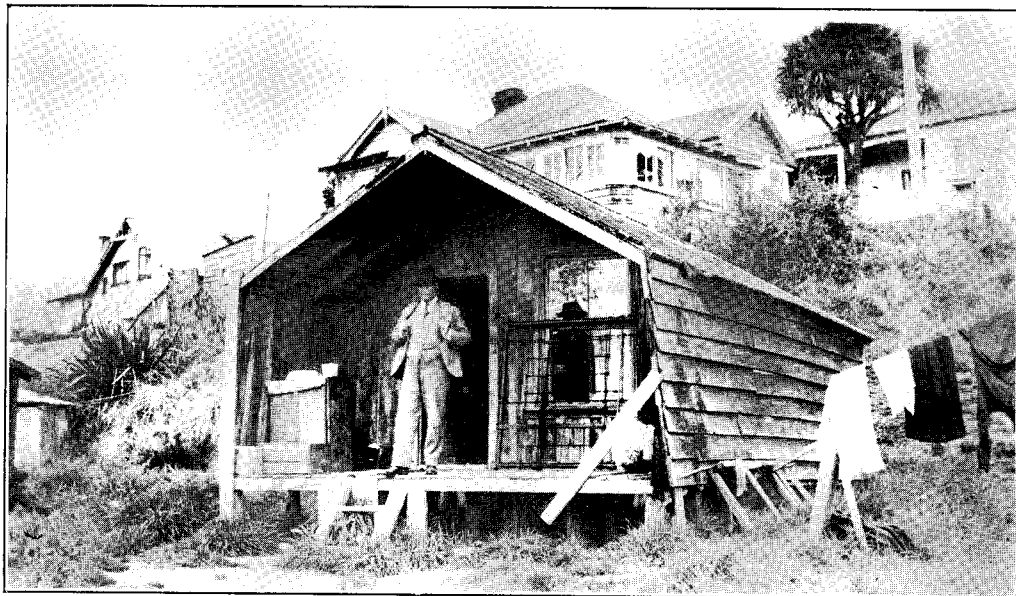


21. HOROHORO VALLEY: TYPES OF COTTAGES ERECTED FOR SETTLERS.



22. HOROHORO: A. AND P. SHOW, SHOWING ENTRANTS IN CATTLE COMPETITIONS.

WAIARIKI (ROTORUA) DISTRICT.



23. OHINEMUTU VILLAGE: OLD TYPE OF SHACK WHICH WAS REPLACED BY BUILDING BELOW.



24. OHINEMUTU VILLAGE: MAORI TYPE OF SINGLE-UNIT HOUSE RECENTLY ERECTED UNDER THE INDIGENT HOUSING SCHEME.

TAIRAWHITI (GISBORNE) DISTRICT.

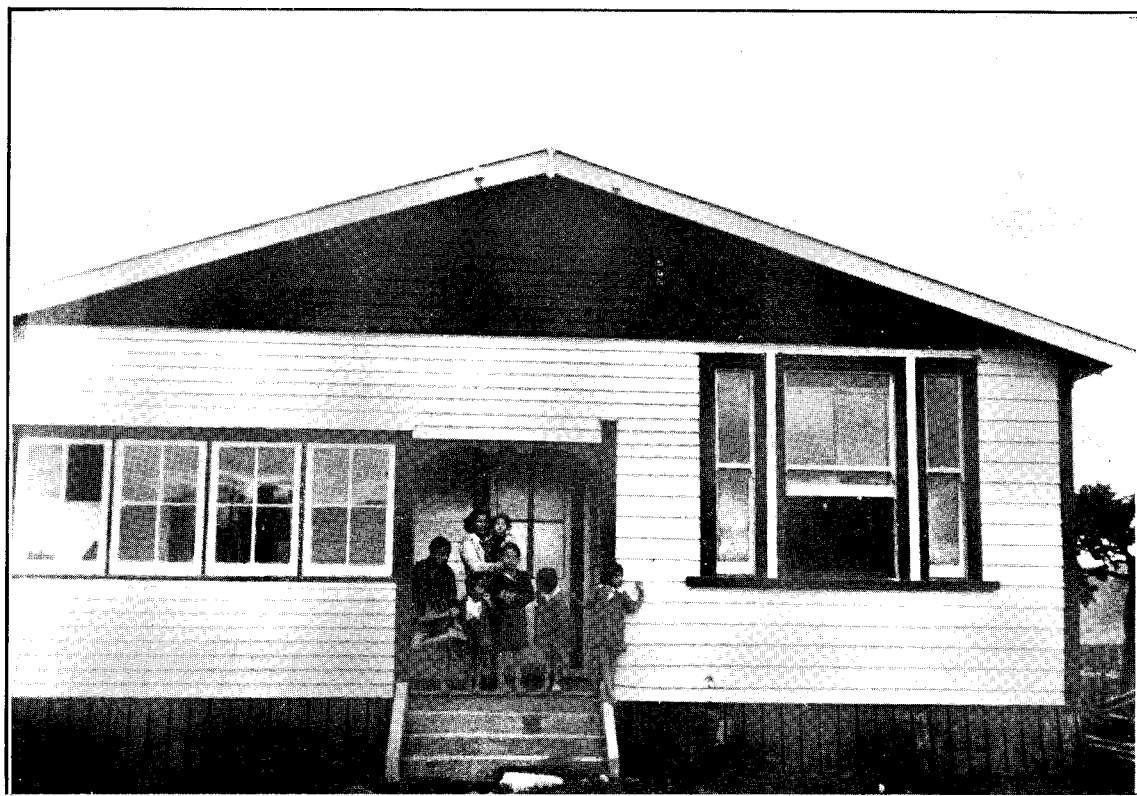


25. NATIVE HOUSING: OLD TYPE OF DWELLING AT MANUTAKE.

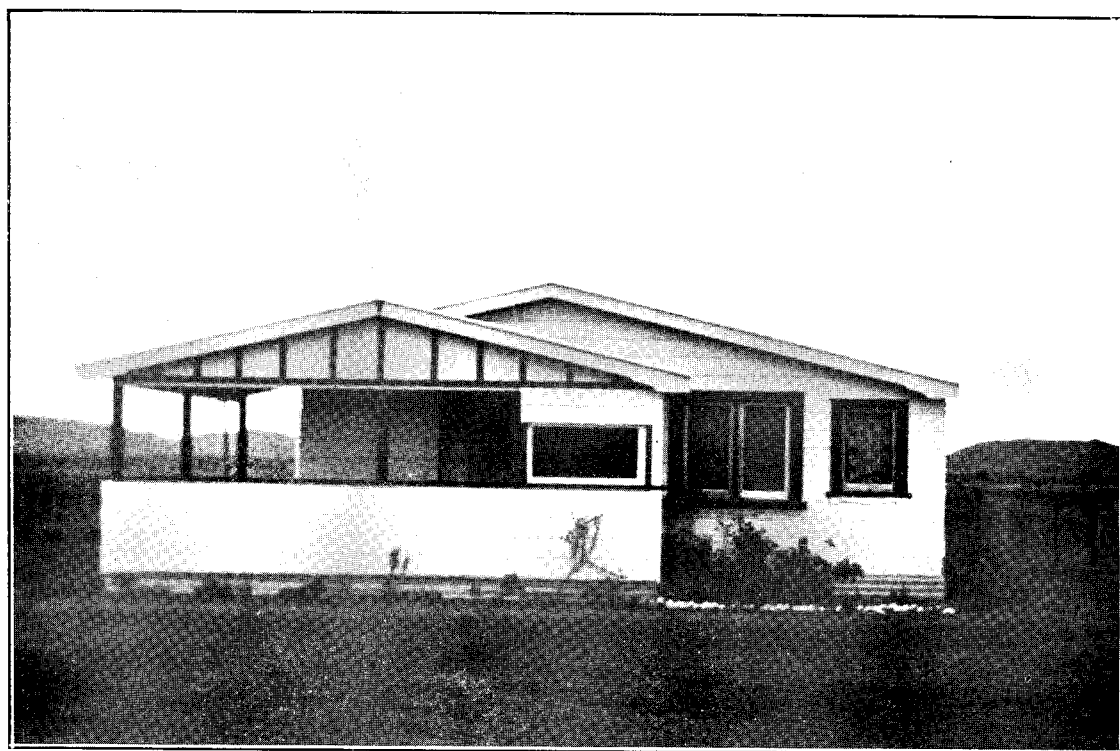


26. HOUSING SCHEME: NEW COTTAGE NEARING COMPLETION, BUILT ON THE SAME SETTLER'S SECTION.

TAIRAWHITI (GISBORNE) DISTRICT.

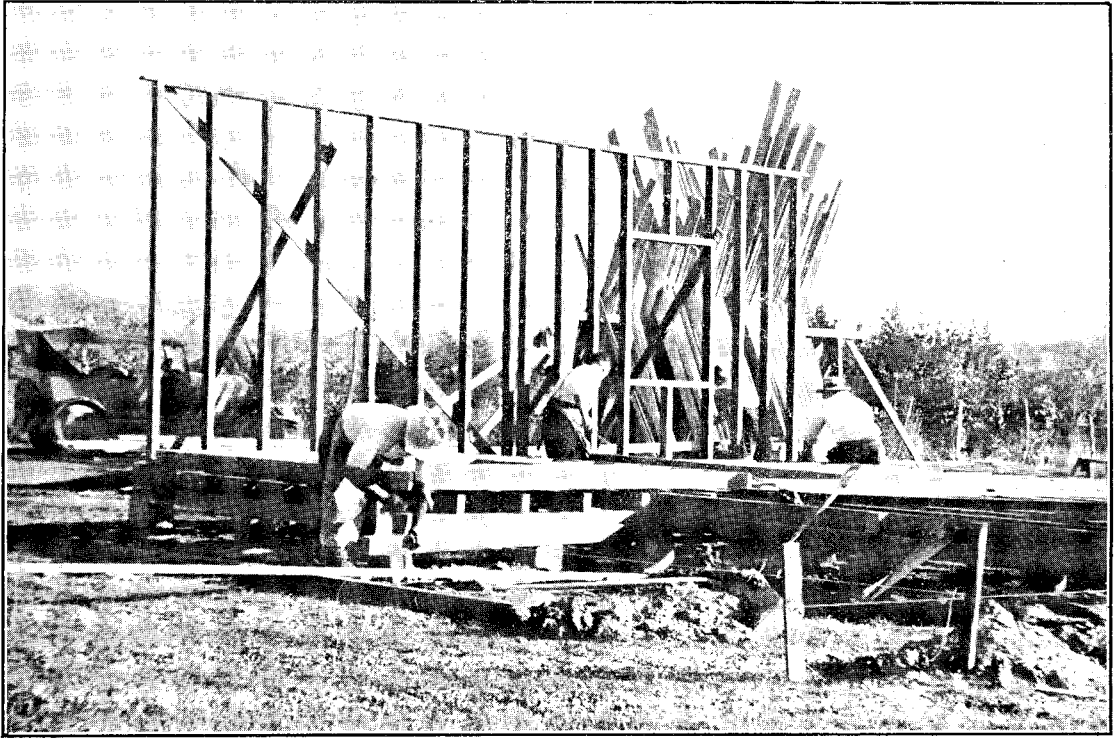


27. HOUSING SCHEME: NEW HOUSE ERECTED FOR A SETTLER UNDER THE WAIAPU-MATAKAOA SCHEME.

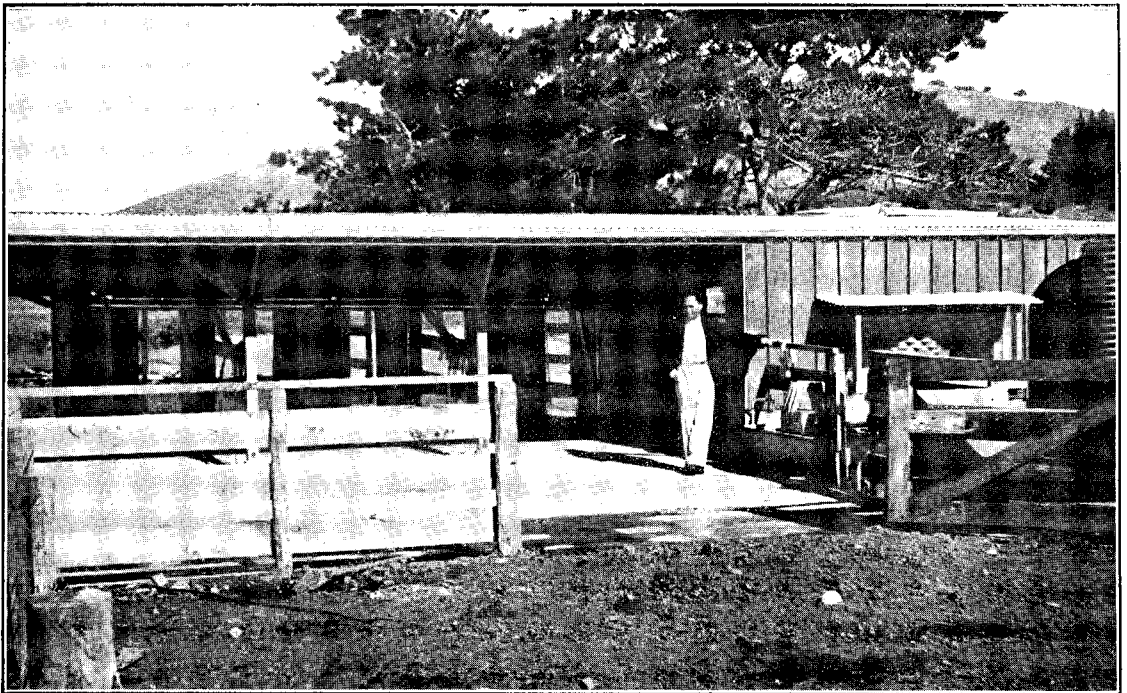


28. HOUSING SCHEME: ANOTHER NEW HOUSE ERECTED FOR A SETTLER UNDER THE WAIAPU-MATAKAOA SCHEME.

TAIRAWHITI (GISBORNE) DISTRICT.

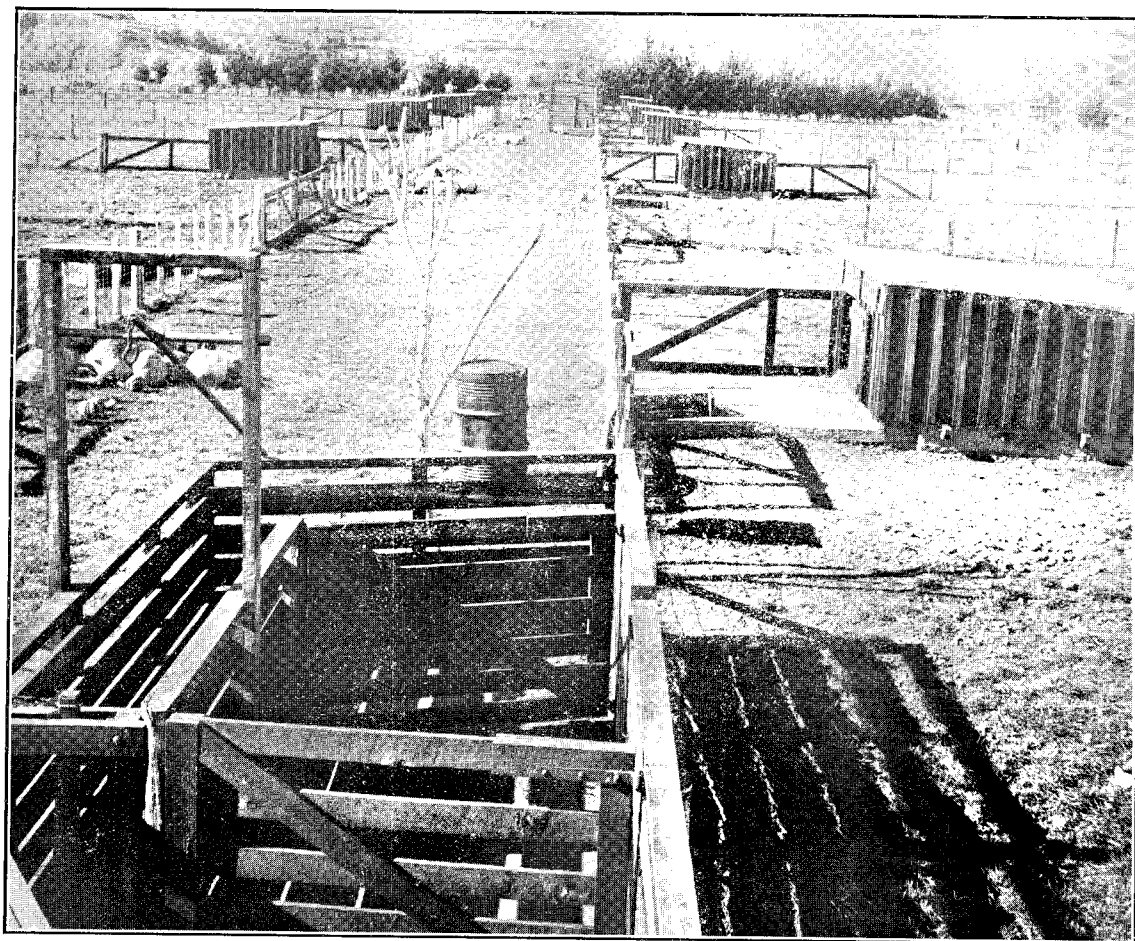


29. HOUSING SCHEME (INDIGENT): MAORI CARPENTERS AT WORK IN THE TE ARAI DISTRICT.

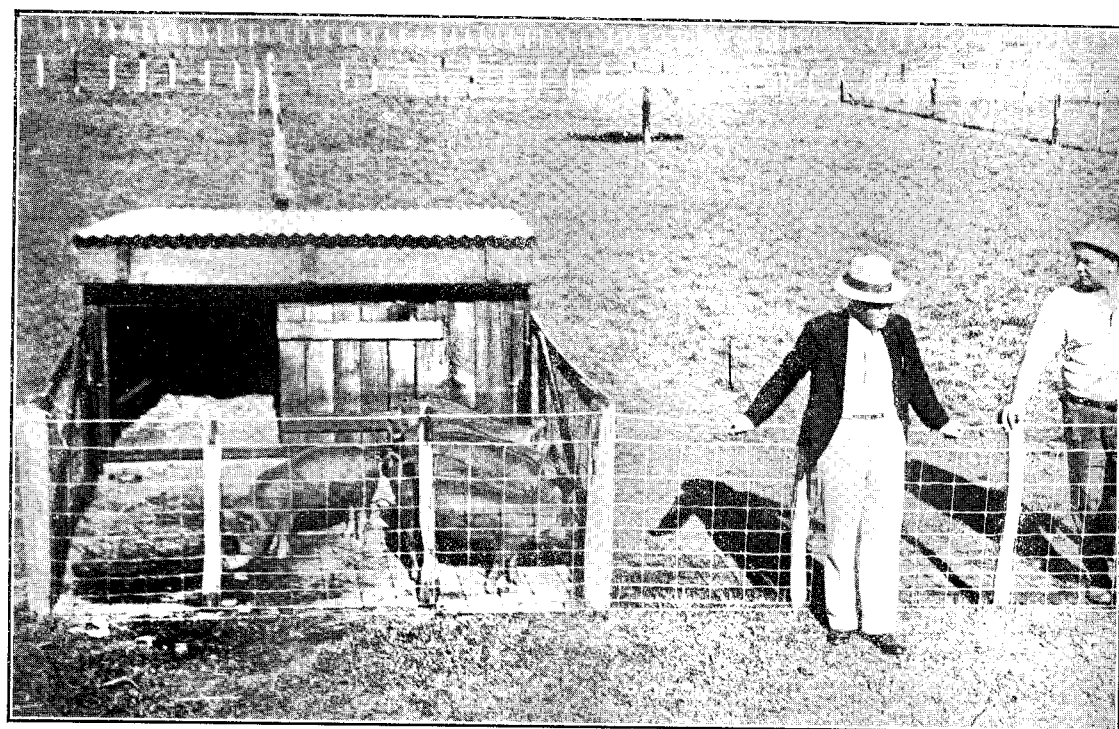


30. NATIVE FARM: A COW-SHED BUILT BY MAORI LABOUR.

TAIRAWHITI (GISBORNE) DISTRICT.

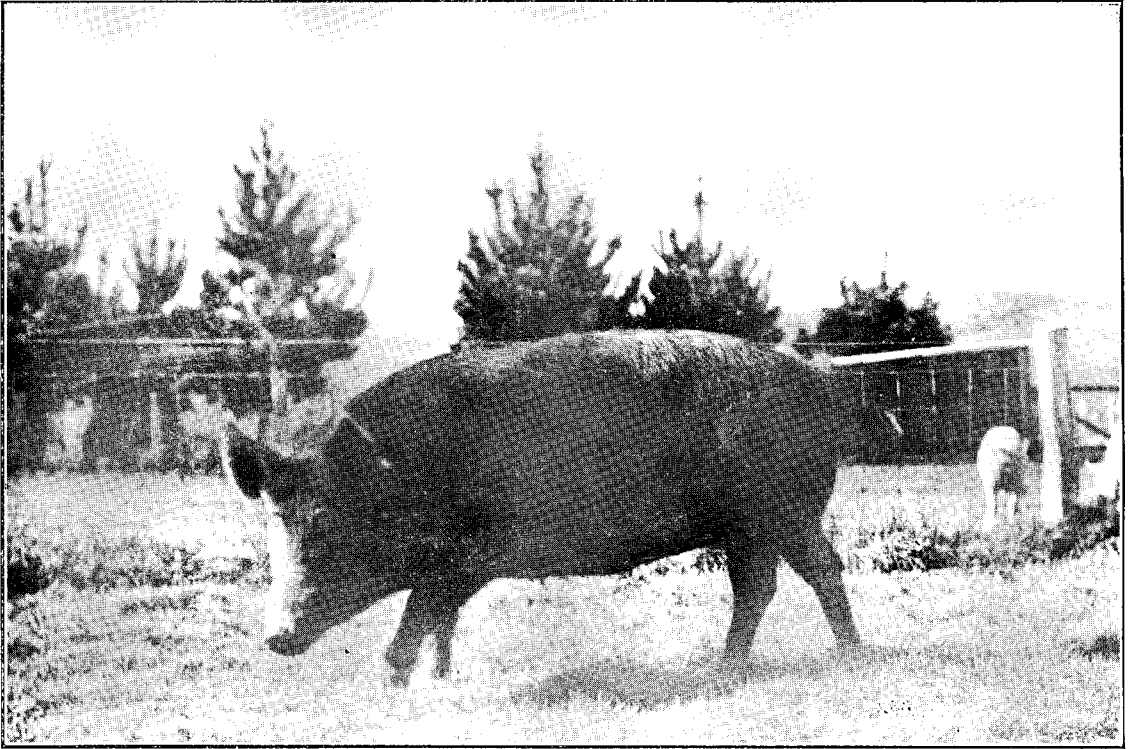


31. NATIVE FARM: MODEL PIGGERIES.

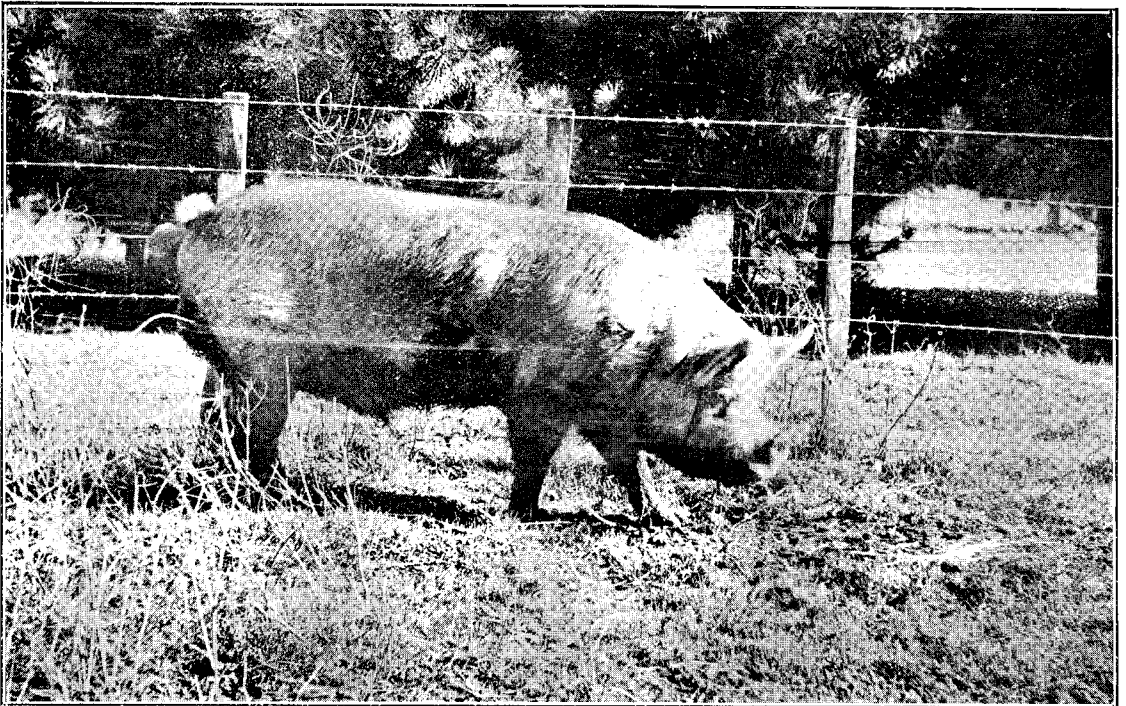


32. NATIVE FARM: SHOWING PEN, SMALL ROTATIONAL PADDOCKS, AND PROVISION FOR SHADE.

TAIRAWHITI (GISBORNE) DISTRICT.



33. NATIVE FARM: A PEDIGREE TAMWORTH SOW.

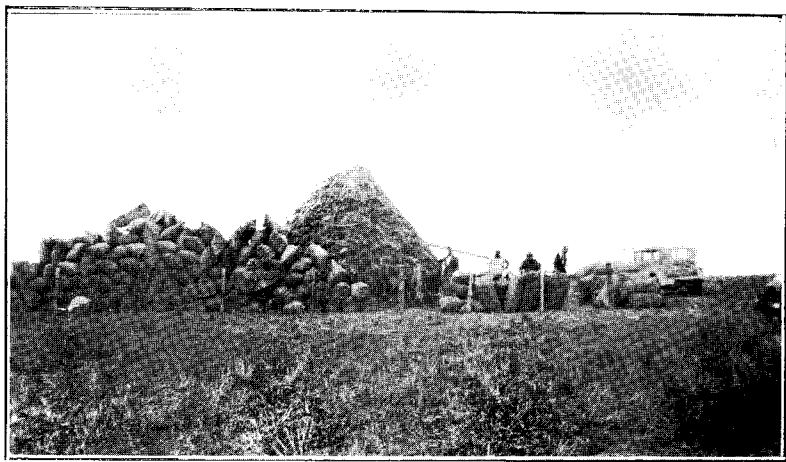


34. NATIVE FARM: A PEDIGREE WHITE BOAR, FIRST PRIZE WINNER AT AN AGRICULTURAL AND PASTORAL SHOW.

TAIRAWHITI (GISBORNE) DISTRICT.



35. MAIHA SCHEME: STACKING OAT CHAFF.

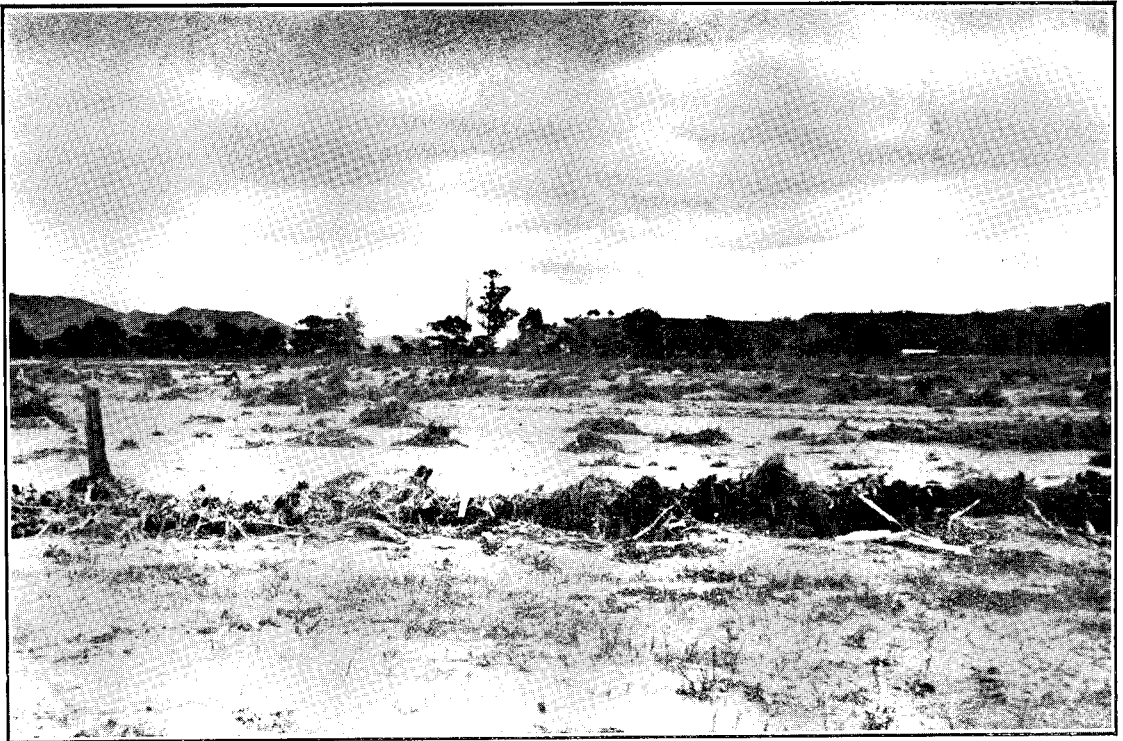


36. MAIHA SCHEME: CUTTING CHAFF.

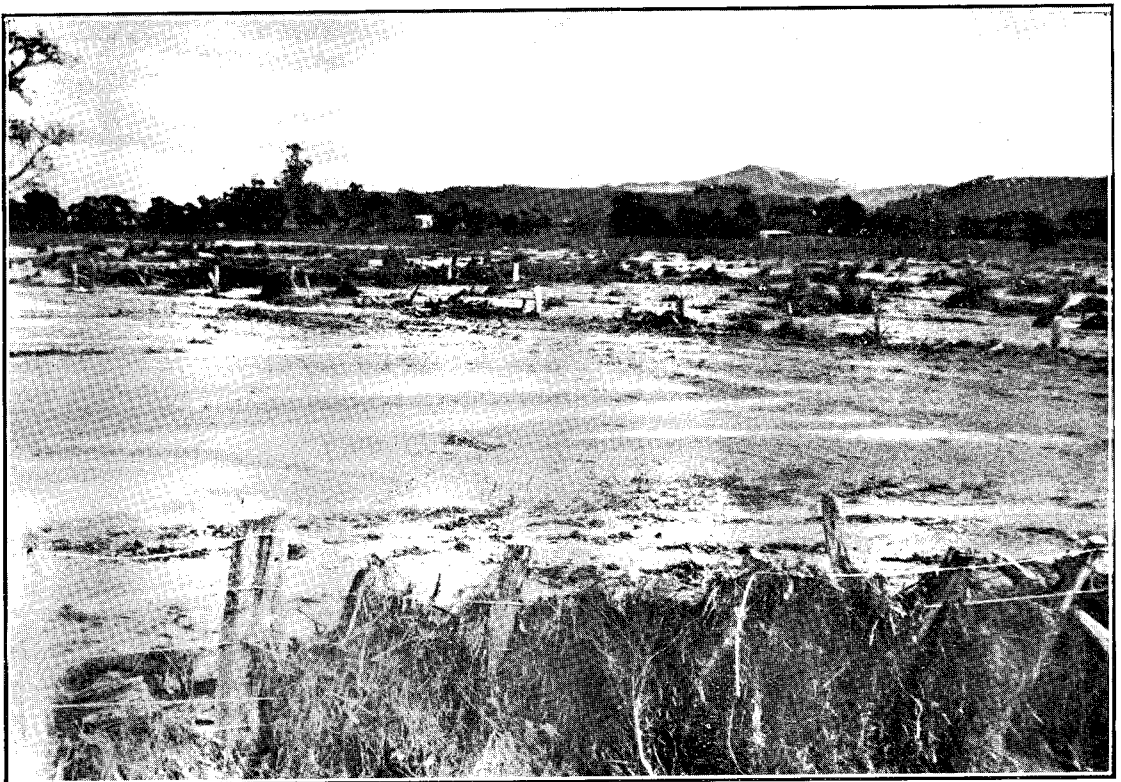


37. MAIHA SCHEME: ANOTHER VIEW OF CUTTING CHAFF.

TAIRAWHITI (GISBORNE) DISTRICT.

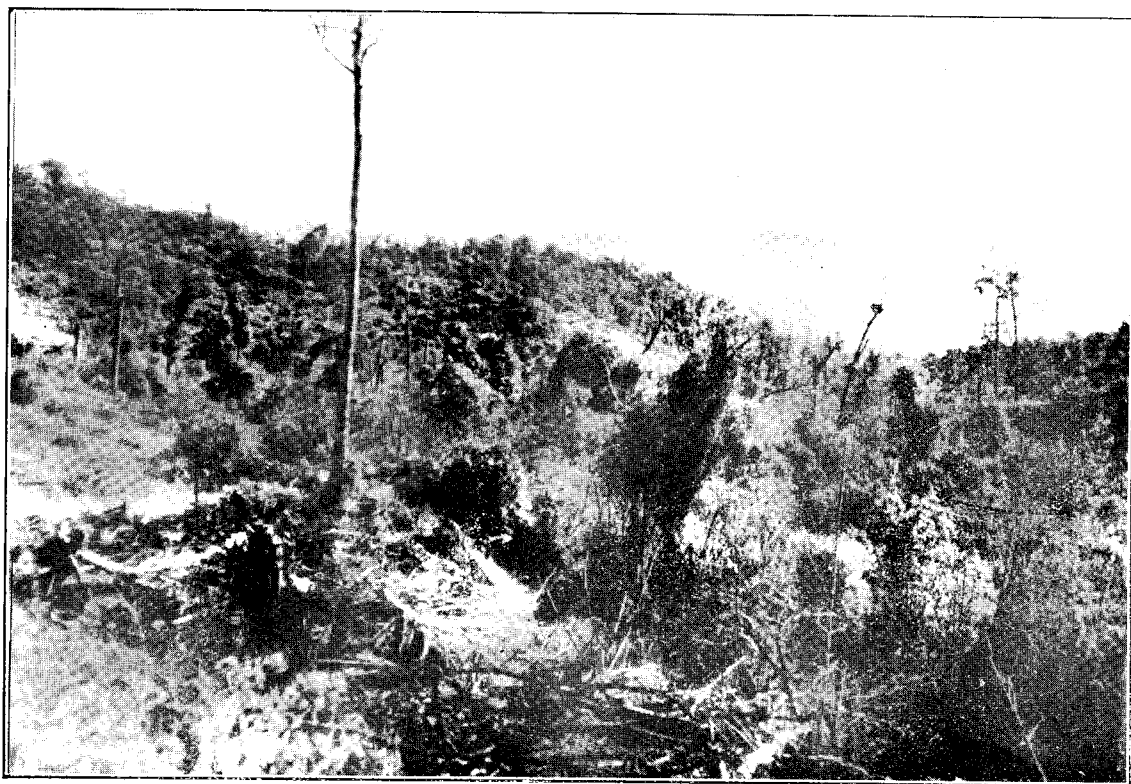


38. TIKITIKI SCHEME: FLOOD DAMAGE TO NATIVE FARMS, FEBRUARY, 1938.

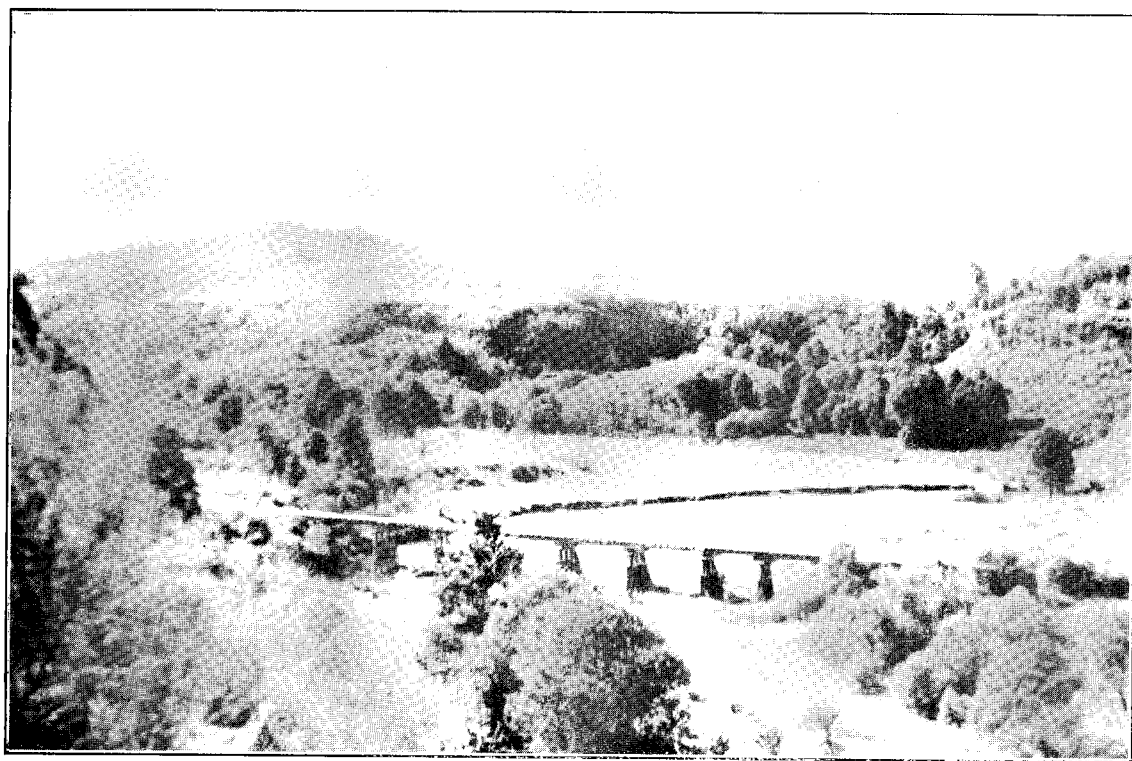


39. TIKITIKI SCHEME: ANOTHER VIEW OF RECENT FLOOD DAMAGE.

AOTEA (WANGANUI) DISTRICT.

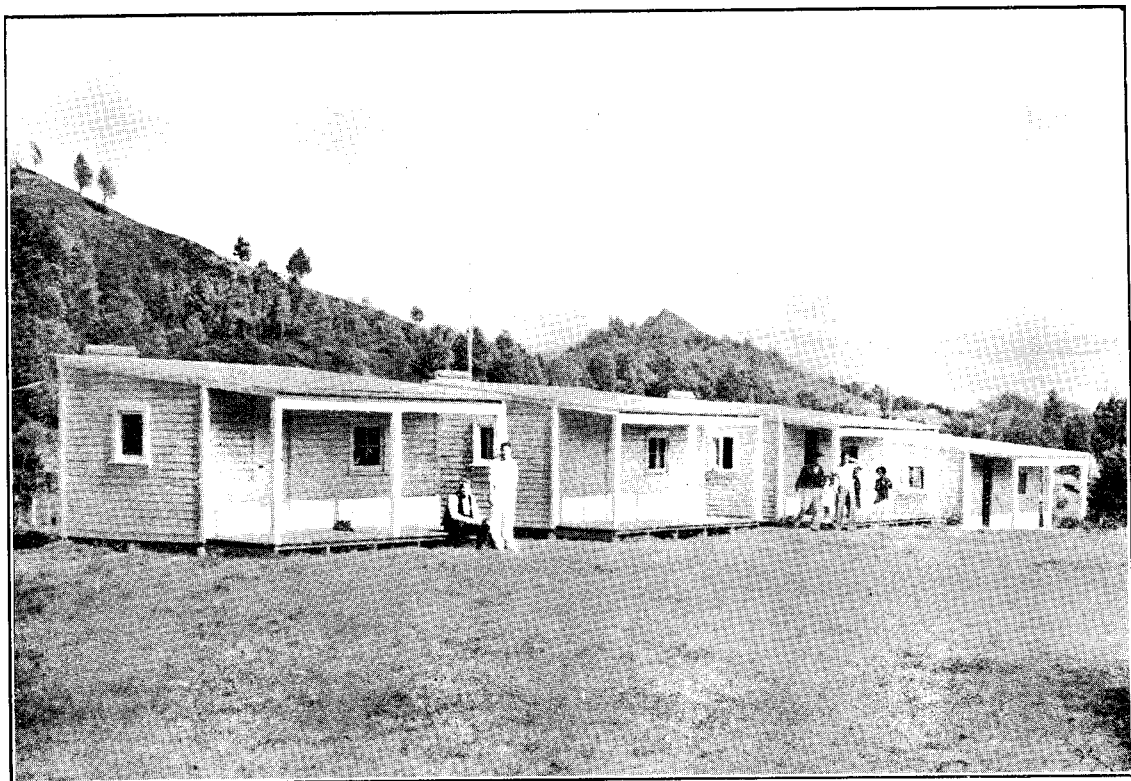


40. MANUNUI SCHEME: SHOWING THE COUNTRY TO BE DEVELOPED.

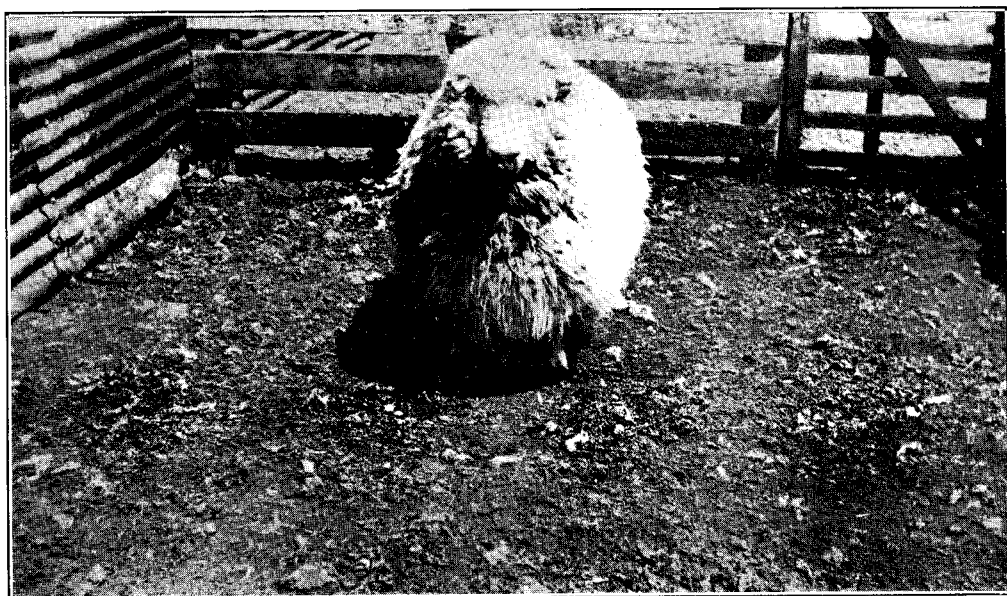


41. MANUNUI SCHEME: ANOTHER VIEW OF PART OF THE COUNTRY TO BE DEVELOPED.

AOTEA (WANGANUI) DISTRICT.

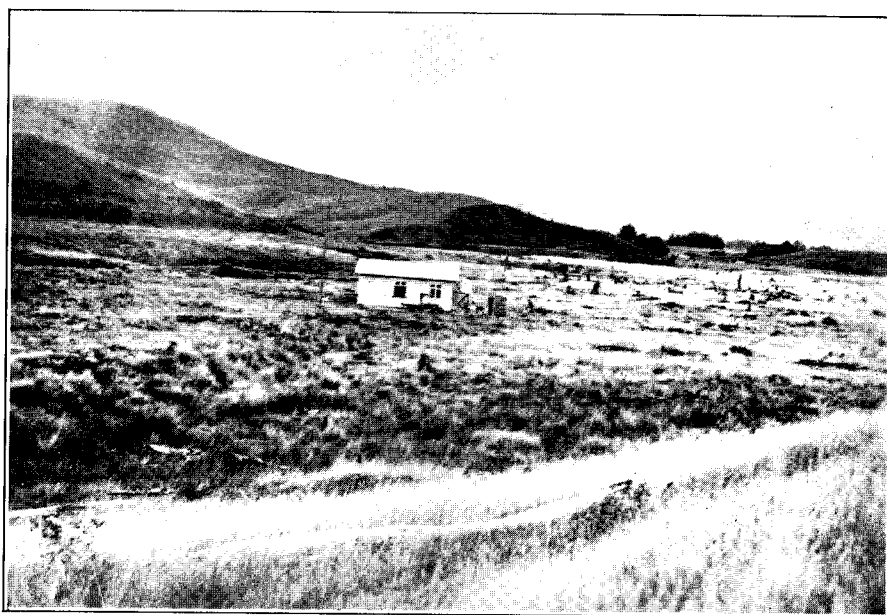
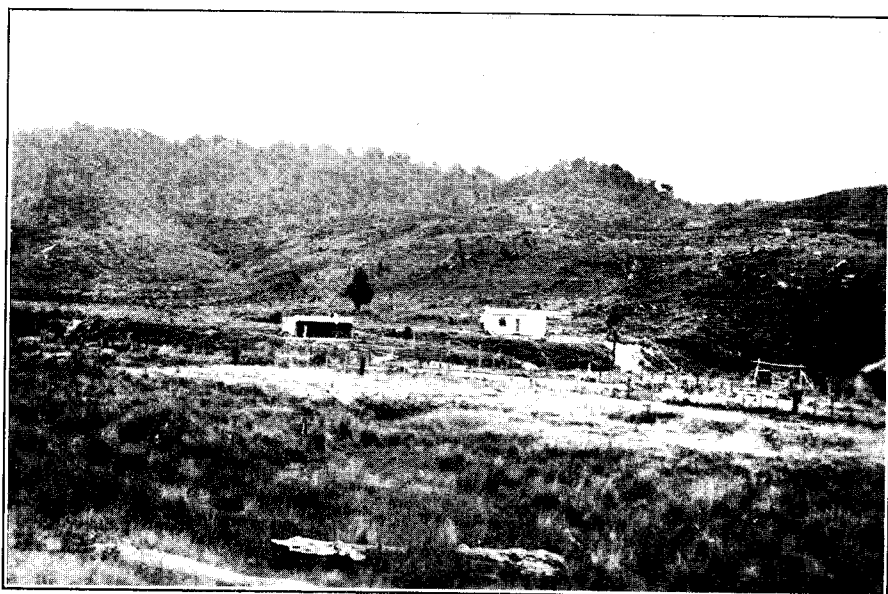


42. MANUNUI SCHEME; PORTABLE HUTS BUILT FOR THE MARRIED WORKMEN.



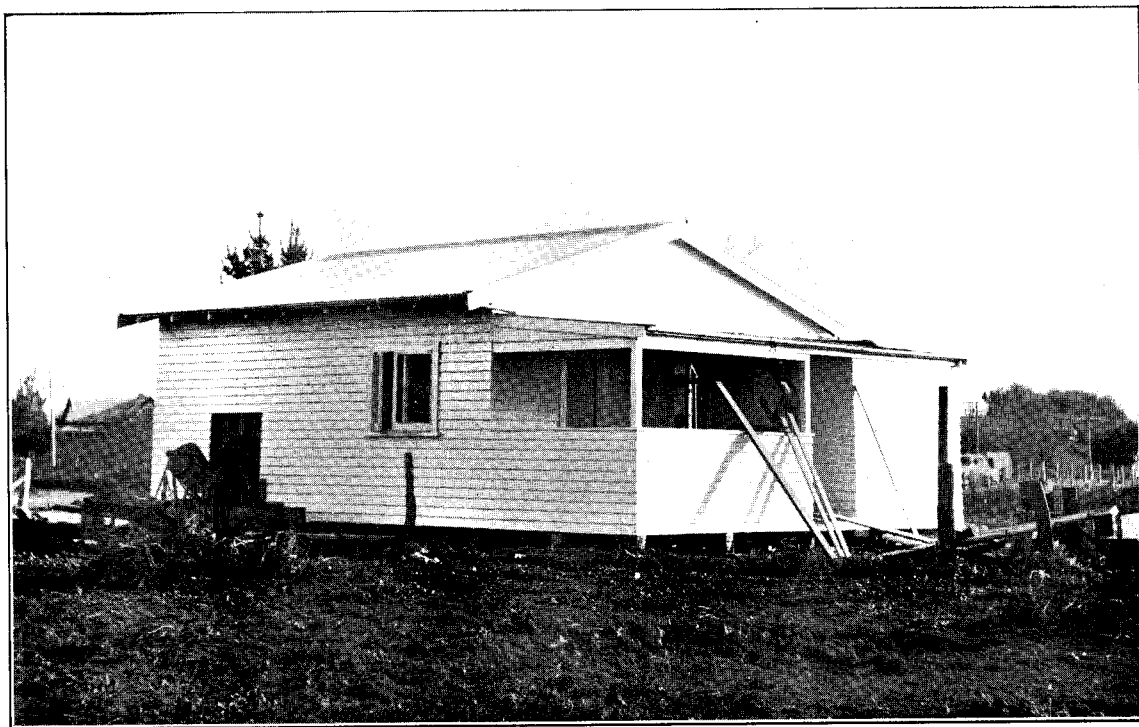
43. MORIKAU FARM; A CHAMPION FLEECE AT A WANGANUI A. AND P. SHOW. THE FLEECE HAS RECENTLY BEEN EXHIBITED AT WELLINGTON.

IKAROA (WELLINGTON) DISTRICT.



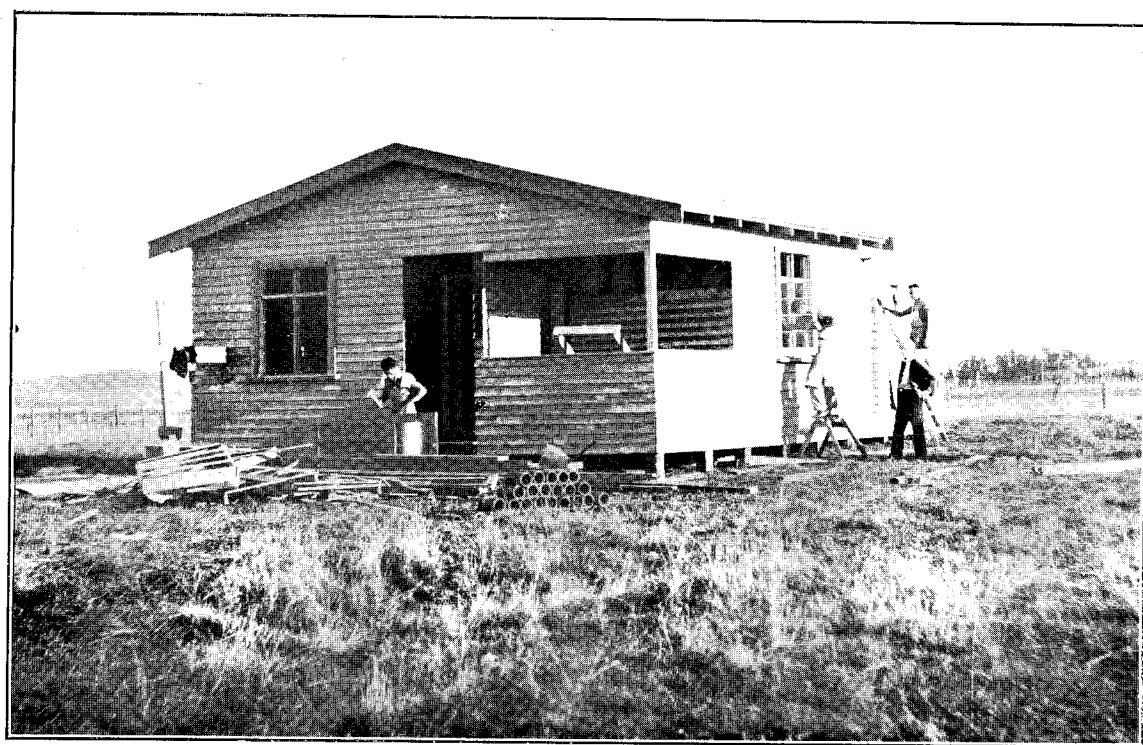
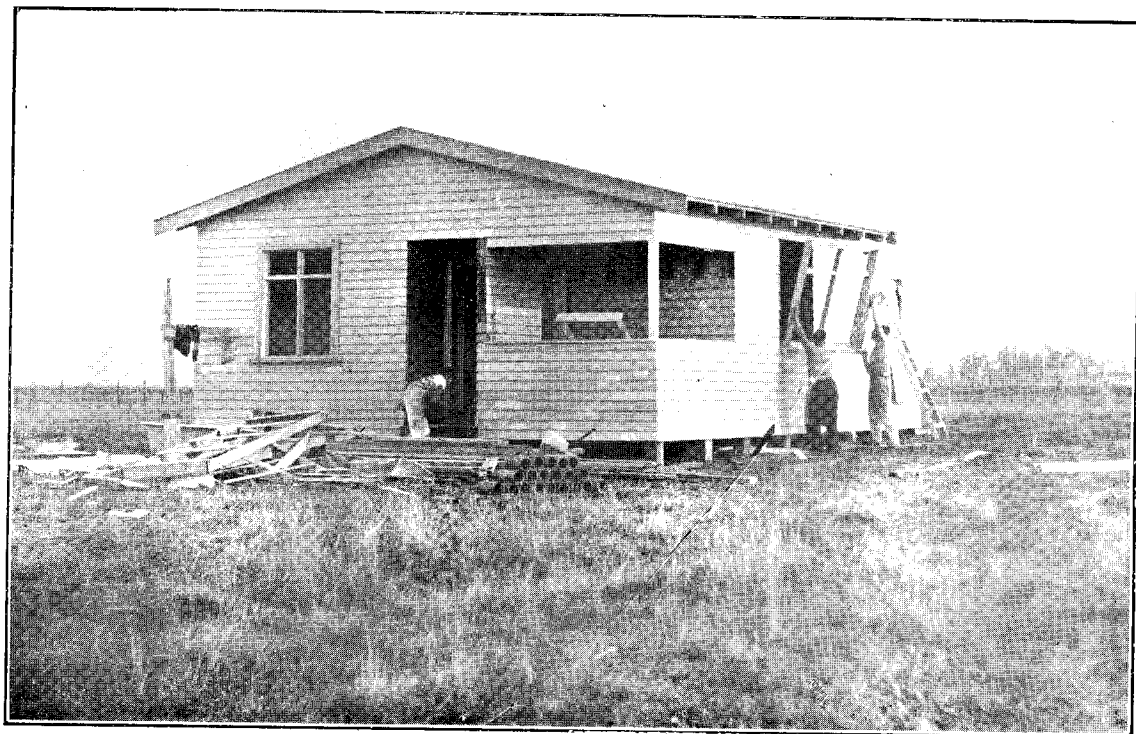
44. MAKIRIKIRI SCHEME: VIEWS INCLUDE HOUSES ERECTED FOR SETTLERS.

IKAROA (WELLINGTON) DISTRICT.



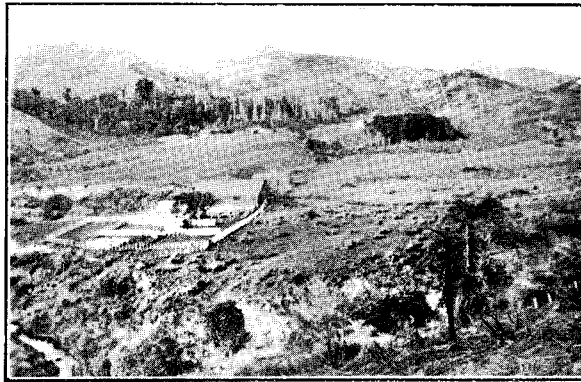
45. NATIVE (INDIGENT) HOUSING: FRONT AND REAR VIEWS OF A DWELLING ERECTED AT BRIDGE PA BY MAORI LABOUR. A DESCRIPTION IS GIVEN IN THE REPORT.

IKAROA (WELLINGTON) DISTRICT.

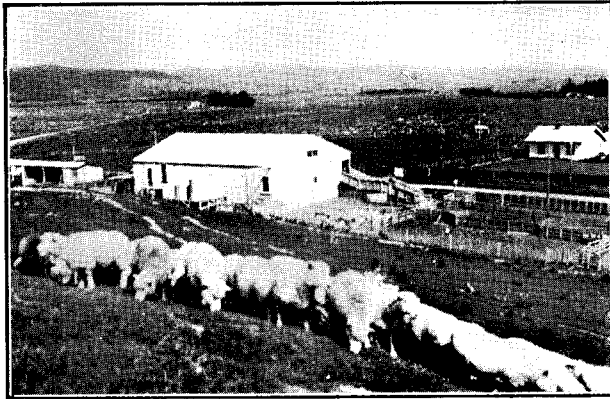


16. NATIVE (INDIGENT) HOUSING: STAGES IN THE ERECTION OF ANOTHER DWELLING AT BRIDGE PA BUILT BY MAORI LABOUR.

NATIVE TRUST STATIONS.



47. HEREHERETAU STATION: SHOWING THE HOME
PADDOCK AND BUILDINGS.

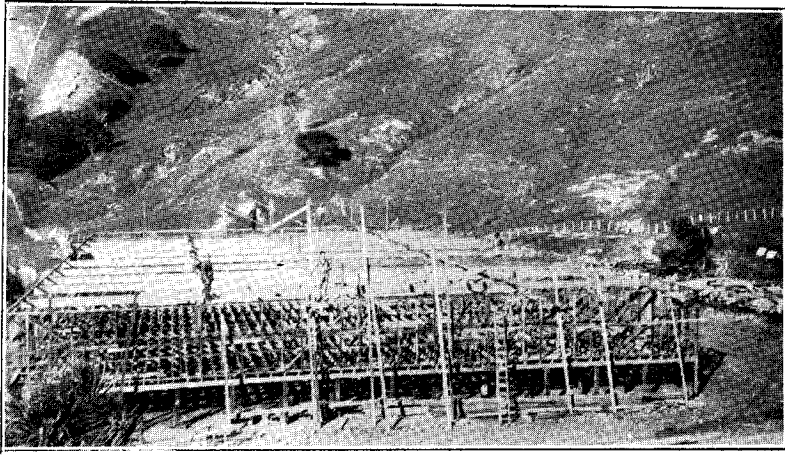


48. TIRATU STATION: VIEW INCLUDING WOOL-SHED,
STABLES, AND COTTAGE.

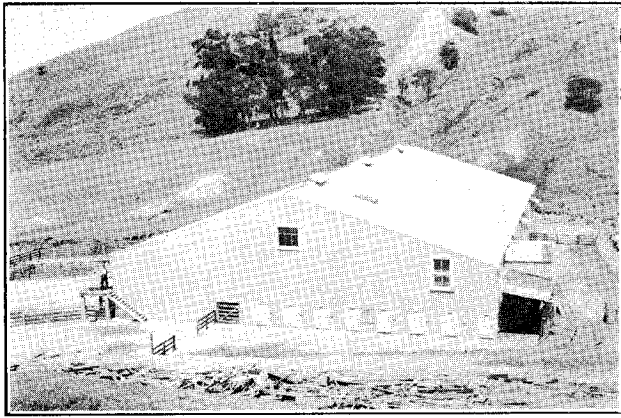


49. TIRATU STATION: A YOUNG RAM BRED ON THE STATION.

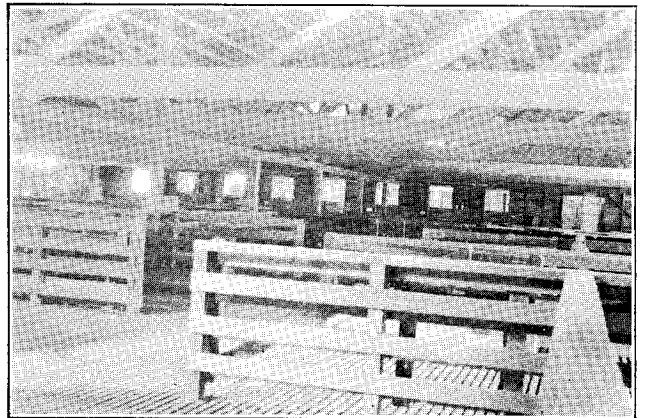
NATIVE TRUST STATIONS.



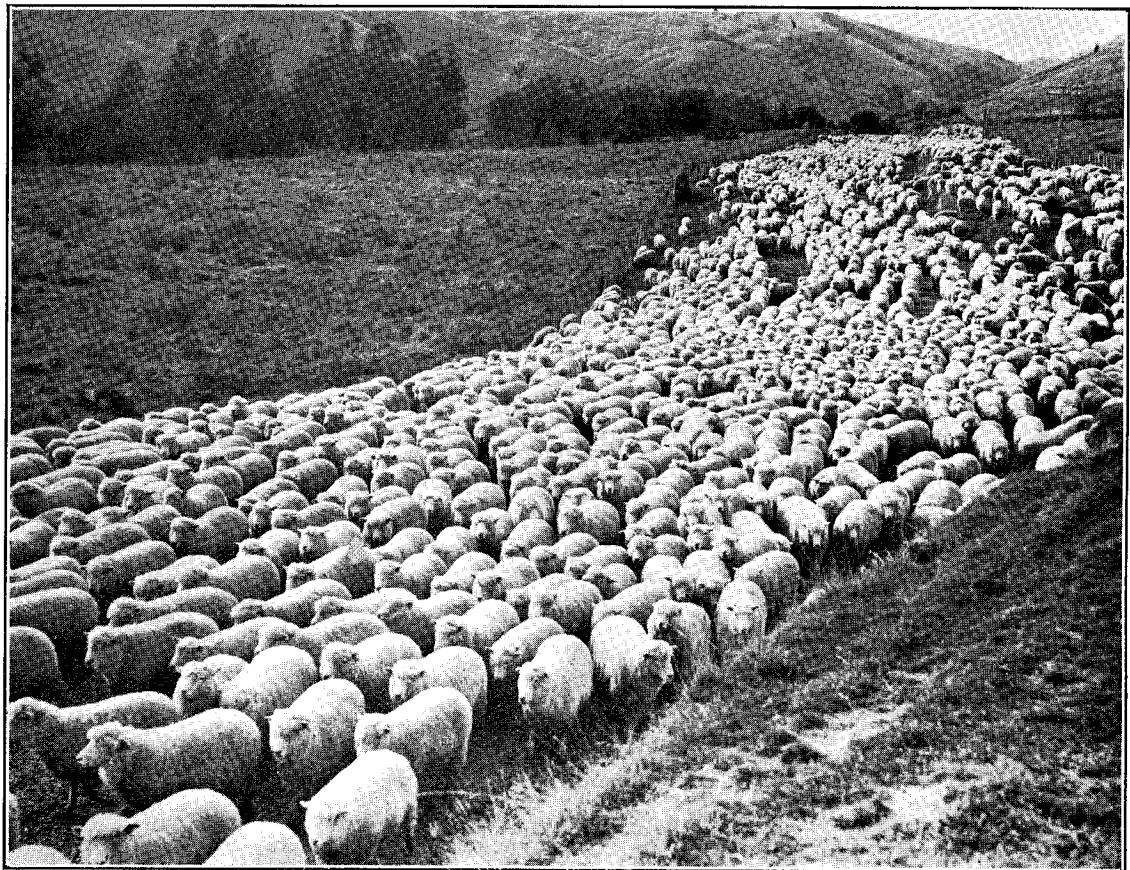
50. AOHANGA STATION: THE FLOOR FRAMING OF THE NEW WOOL-SHED.



51. AOHANGA STATION: NEW WOOL-SHED NEARING COMPLETION.



52. AOHANGA STATION: INTERIOR VIEW OF NEW WOOL-SHED.



53. AOHANGA STATION: A LINE OF FAT WETHERS GOING OFF THE STATION.

Approximate Cost of Paper.—Preparation, not given; printing (870 copies, including illustrations, and maps), £240.