Against the decline in butterfat-production there can be offset the increase in wool and sheep production. This season's wool receipts, included in the year's financial figures at £31,000, is £15,000 below that shown in last year's accounts, while the year's total of bales at 2,602 is 500 more than last year's. The weight of the bales has been reduced, but the apparent contradiction is explained by the cancellation of the January wool sales, so that the number of bales sold and proceeds included in the accounts as at 31st March, 1947, is very much lower than usual. There are 420 bales still to be sold, which should produce approximately £8,000 (432 bales sold in May, valued at about £8,300, will bring the season's wool-clip up to £54,000—i.e., £9,000 above last year). This increase has partly been due to increased prices realized and also to the improved "get up" and classing of the wool following instruction and advice given by the recently appointed departmental Wool Instructor.

The year's returns from sheep and lambs have also increased, due in part to increased prices and also to the extra sheep now being run by the dairy-farmers.

The decrease in cattle sales is due to the serious drought during the 1946 summer. The dry weather forced extra sales early in 1946, and these are reflected in last year's high total of receipts.

In addition to the undeveloped areas in older schemes, an area of 30,000 acres adjacent to Maraetai hydro-electric scheme has been gazetted under Part I of the Native Land Amendment Act, 1936, and approval has now been given to the commencement of the preliminary surveys preparatory to active development.

A concerted effort to improve the standard of farm housing is being made and the machinery of the Housing Branch of the Department is being utilized to carry out the work on new houses and also on urgent additions and alterations. During the past twelve months nine jobs have been completed, while at present eleven are in course of completion; £15,100 has been approved for the erection of new houses, of which £4,000 has been provided for alterations and additions to existing dwellings. Of these approvals, the sum of £11,700 had been expended at the 31st March.

TAIRAWHITI NATIVE LAND COURT DISTRICT

In the Wharekahika Valley and about Hicks Bay twenty-six Maoris are farming within the Wharekahika Scheme, while the Matakaoa Station, adjoining, comprises 2,400 acres mainly of easy country sloping down to some seven miles of coast-line. Development work in this area had been retarded for lack of suitable roading, but happily this has now been provided. Several farmers suffered badly through a fire which swept over a number of properties in the summer of 1946. This necessitated some resowing, resulting in improved pastures on the affected areas.

The Te Araroa Scheme, immediately south of Hicks Bay, comprises two sheep-stations, three dairying schemes, and twenty-five unit farms, while on another farm of 136 acres situated on the banks of the Awatere River a returned serviceman has been established in dairying. Several unit farms on the coast between Te Araroa and Rangiata Station, at East Cape, are capable of further development, which will be possible when the Orutua River is bridged in the near future.

At Punaruku, which lies at the foot of the Hicks Bay Hill, the Department has established a lime-quarry and crushing-plant, which was officially opened on 2nd November. In this new venture there was much to be learnt and many obstacles to be overcome. A small portable crusher was installed which could handle only rock spalled to a small size. Despite setbacks, some 1,200 tons of high-percentage calcium-carbonate rock has been ground and spread throughout the neighbouring scheme lands as well as supplied to a few private farmers. A primary crusher is now on hand ready for installation, which will reduce the manual effort.