

settlement have given a very considerable amount of trouble with regard to their rental payments, and it was necessary for the Board to adopt extreme measures in some cases to obtain even a small portion of the rent owing. The sharp rise in the price of wool must help the Ardkeen settlers greatly. On the whole the settlers are of a good type, and should be in a very good position in a year or so.

*Ohuka (Wairoa).*—This is not nearly as good a proposition as Ardkeen, and some of the settlers have had a hard time. Strange to say, they are much further ahead with their rental payments than their neighbours on Ardkeen. About half of the settlement is good land, but the balance presents a difficult problem as far as grassing is concerned. The number of sheep on the settlement is about 7,000. When sold the place was carrying 11,500. The decrease is largely due to the persistent growth of manuka. Some of the settlers appear to have made very little effort to keep this manuka in check, and if this is not done the carrying-capacity will still further decrease. Further advances to settlers for improvements would appear to be essential. Judging from reports, it would appear that some of the settlers will not be able to carry on.

*Putere Block (Wairoa).*—This Native block when acquired by the Crown was carrying about 6,500 sheep. With the exception of about 100 acres the whole of the block is covered by a deposit of pumice varying in depth from a few inches to several feet, making it very hard to establish even native grass. At the present time there are about 3,000 sheep on the block, and it is evident from reports that it is understocked. The result is that parts are going back to fern and manuka. The only settlers likely to succeed on this block are men with capital. Two of the settlers have given up their holdings. One great drawback is the fact that the adjoining country is still in bush and scrub, and the tenants lose numbers of cattle therein, and are, as a consequence, chary of buying more. Stocking is, however, essential if the country is to be kept in order.

*Te Reinga Block (Wairoa).*—This small block embraces good bush and open country, but its value is largely discounted by the prevalence of blackberry. Along the banks of the Hangaroa River the standing bush is infested with this curse, and it is hard to estimate the quantity there must be. The access to this block is difficult owing to the presence of two unbridged rivers, but this will be attended to when the necessary expenditure can be arranged for. One settler made the mistake of starting on his fern country instead of tackling the felling of the bush. As a result he cannot keep his stock this winter after crushing the fern out. If the blackberry can be dealt with the settlers on this block should come out all right.

*Kahotea Block (Wairoa)* is another small block—easy slopes and a few terraces, mostly covered with fern and light bush. The two settlers on this block have not much chance of success: the manuka is too hard to keep in check, the general quality of the land is too poor, and, in addition, one holding is in two pieces, four miles apart.

*Homebush Settlement (Gisborne).*—Situated close to Gisborne on the main Ormond Road, this settlement has to some extent been a disappointment. Some sections were made small with the idea that they would suit men working outside during the day. The experiment has not been altogether a success. Then, again, the drainage problem, always a difficult one to deal with on the Poverty Bay flats, has cropped up. This, however, is now, it is hoped, being satisfactorily settled, a contract having been let. It would appear that some readjustment of areas will have to take place sooner or later. A few of the settlers are persistent "growers," but as a whole they are a good class. Two settlers left their holdings during the year. Those who are carrying on milk-runs are doing very well.

*Repongaere Settlement (Gisborne).*—This settlement contains two distinct classes of country—viz., dairying-land and land suitable for grazing only. On the former type of land the draining problem has been a very difficult one to deal with. The soil is of good quality, but the present drains cannot carry off the water in winter. On the hilly grazing-country the grass is mostly native, as this land was originally all in manuka. Some readjustment of the holdings on this settlement will probably be necessary, as experience has proved that one or two holdings are rather too small. The settlement is very handy to Gisborne, and the amount of arrears of rent is somewhat surprising, as most of the settlers had a very fair season. Some of them have been selling all their lambs, without making allowance for old ewes which must be replaced by younger sheep.

*Glencoe Settlement (Gisborne)* comprises an area of about 62 acres light grassed hills, and about 415 acres of flat land. This latter type of land, as usual, presents a very difficult problem in the matter of drainage, and two or three of the sections are practically valueless until the problem is solved. It is estimated that any scheme of drainage, to be satisfactory, would cost over £2,000. The co-operation of two adjoining settlers is being sought, as their properties must benefit largely, but so far they have declined to help in any way. Probably the creation of a special drainage area would straighten things out in this respect. Some of the sections on this settlement are still unoccupied, and will continue to be so until they are drained.

*Wharekaka Settlement (Tolaga Bay).*—The position of this settlement is an excellent one, but it has drawbacks in the shape of inadequate drainage and lack of water during the summer. With regard to the former, the trouble is that the water from all the surrounding hills pours over the flat settlement, and, as the only outlet is a small tidal creek, the land is often sodden till late in spring. An engineering report on the problem is being obtained. With regard to the lack of water in the summer, the only solution would appear to be the construction of a pipe-line from the Uawa River. On the back sections the pumice subsoil approaches very near the surface; the front sections, however, have a very good depth of soil. The settlers as a whole are of a very good type, and are sticking to their holdings well. With a probable reduction in capital value on revaluation, and provided the drainage and water problems can be solved, this settlement should have a good future before it.