Number of Farmers.-Twenty-seven, with 135 dependants. Area occupied by scheme units 2,718 acres 1 rood 38 perches.

Pasture.—Rough mixed pasture, 1,554 acres; sown down by scheme, 170 acres: total, 1,724 acres. A portion of the old pasture here and there has run out in the sections in the three blocks, but taken on the whole it is holding well, especially in the lower rolling country. The mixture prescribed

for use and sown down has proved quite successful. Hay and ensilage, which will be of immense value during the winter months, have been harvested on most of the holdings.

Weeds.-Gorse: Area grubbed, 217 acres. Area in gorse, 180 acres. This year's operations will reduce the area in gorse to 87 acres. Of this area 21 acres will be over all of the sections actually under development, and the balance will be over sections not being developed so far, but are on our list for the reason that each is carrying certain liabilities for boundary fencing and other small expenditure.

Ragwort : Ragwort is scattered lightly over some of the sections in Ranana and Ngarakauwhakarara blocks, but it has a very strong hold on the sections in the Morikau No. 1 Block. During the past two seasons I have watched very closely the progress of the method employed by us on Section 1 Morikau No. 1 Block, occupied by A. V. Waitford—that is, small paddocks, sheep, and sodium I am satisfied that small areas, sheep, sodium chlorate, and an industrious farmer are the chlorate. only combination that can check the spread of ragwort on the sections under our control.

Blackberry: 72 acres. Blackberry is to be found mostly on the Ngarakauwhakarara Block sections, and a little scattered over some of the Ranana Block sections, but it is not serious. This year's operations will clean up the whole of this area, but it will be necessary for mowing and cutting to be attended to regularly.

Scrub and fern: Scrub is scattered over the Morikau No. 1 Block sections along the steep faces. The small patches to be found on the sections in the other blocks are not serious.

Fern is more in evidence on the sections north-east of Hiruharama, due, no doubt, to the light nature of the soil in those parts; but I anticipate no difficulty in keeping it under control when the areas are ploughed and sown down.

Bush (62 $\frac{1}{2}$ acres).—Of this area 30 acres are on one section, the balance of the area being distributed over the remaining sections. At present I have no intention of felling all the bush, but the 30 acres referred to will need attention when brought under development.

Fencing.—Total, 3,320 chains ($41\frac{1}{2}$ miles). Fencing erected since 1st April, 1930, 1,337 chains; fencing repaired since 1st April, 1930, $567\frac{1}{4}$ chains : total, $1,904\frac{1}{4}$ chains.

The new and repaired fences are substantially built of 7 wires, approximately $4\frac{1}{2}$ posts per chain, 22-25 battens per chain, the posts being of totara and silver-pine, the battens of rimu and white-pine tarred at the ends, and the strainers of totara, silver-pine, and chestnut. The old fences are in fair order, but as matai and rimu posts were used, in addition to totara, silver-pine, kowhai, maire, and other good fencing timber, further repairs will be required from time to time.

Water.-The holdings are all provided with a good supply, and those sections not actually supplied are within easy distance of a source of supply. The Mairchau and Tamakehu water schemes are in operation, and meet a necessity, especially

during the summer months.

Carrying Capacity.—The present average carrying capacity is about one cow to $2\frac{1}{2}$ -3 acres of grass land, and with sowing-down, smaller paddocks, tripod harrowing, and top-dressing same can be increased to one cow to 2 acres, and in some parts to two cows to 3 acres.

Milking-sheds.-The building of new sheds and the renovating and concreting of shed-floors have been carried out on all of the sections excepting four, and the benefit of this work is appreciated by the workers, especially during the wet and cold weather. The benefits are further reflected by the marked improvement of the cream-grading figures as shown by the graph attached to the data submitted by the Registrar.

Living Quarters.-Cottages (two and three rooms) 11, ponga whares 7, shacks 7.

The ponga whares and shacks are not weather-proof, and are consequently detrimental to the health of the occupiers, especially the women and children. I am hopeful that something can be done to improve these conditions in the near future.

Live-stock of Units.-Condition of live-stock, good.

Dairy cows, 610: The majority of the old stock has been disposed of and the present herds are now of better quality, the majority being from Taranaki pedigree stock of high producing strain. The increased production during the past year as shown by the graph is to some considerable extent due to this fact.

In-calf heifers number 116 and weaner heifers 177. I anticipate from forty to fifty milkers being rejected at the end of the season, but on the basis of from 15 per cent. to 20 per cent. of empties, deaths, &c., we have sufficient heifers coming in to meet the herd requirements, and a small surplus to assist new units.

Weaner heifers number 177, which shows an increase of sixty-one on the previous year's figures, due to better attention.

Bulls, thirty-five (pedigree): Three bulls will be disposed of this season, but we have sufficient on hand to replace same.