

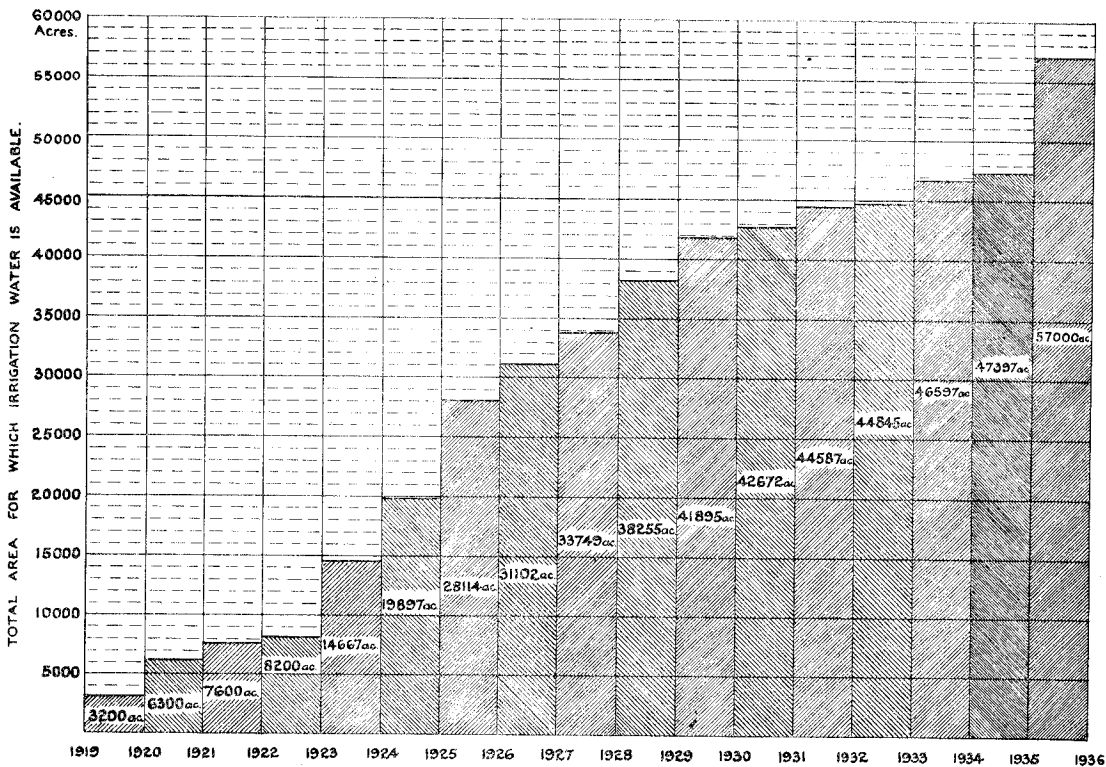
On the Levels Plain Irrigation Scheme work was started on 1st July, 1935. During the year thirty miles of races were excavated, representing 103,000 cubic yards of earthwork. In addition, fifty-one race structures in reinforced concrete were built.

Work was also begun in March last on the Ashburton-Lyndhurst Irrigation Scheme, and good progress is being made. This section of the work will make water available to 25,000 acres of irrigable land.

Reviewing the operating side of irrigation, water was supplied to 43,847 acres, compared with 38,027 acres for the previous year, the increase being mainly due to supply to the new Omakau area. The revenue for the past year for Otago schemes in operation was £22,891, working-expenses £14,666, and gross profit on working £8,225. These figures show a small improvement on the previous year.

The large item for arrears outstanding has not been reduced. Action to have the matter of these arrears investigated by the Otago Mortgagors Relief Commission was discontinued, and I have arranged that this work be carried on by a committee of expert Government officers. I consider that advantage should now be taken of the statutory provision for the collection of water rates as a first charge on the produce of the land, and I have authorized a reasonable enforcement of that provision where necessary. The question of arrears should not then present the same difficulty.

The following graph shows the growth of irrigation areas under Government schemes in the last sixteen years:—



LANDS IMPROVEMENT.

The net capital expenditure from the Public Works Fund was £37,909, but the gross expenditure was £97,568, thus indicating that by far the greater portion of the cost of this class of work has been met from revenue funds, and providing a comparison with the previous year's net capital expenditure of £82,092.

The works carried out under the Lands Improvement Section of the Public Works Fund can be classified under the following general headings:—

- Works for the drainage of farm lands.
- Works for the reclamation of sand-dune areas.
- Works for the reclamation of tidal-flat areas.
- Works for the improvement and control of rivers.
- Works for the clearing of farm lands.