

homestead is naked and incomplete. The lengthened drought and intense heat of the past summer, although fatal to many newly-planted trees, has afforded a lesson of infinite value. It brought out the weakness and the enduring powers respectively of the different species planted. In the reserve the loss was about 2 per cent., and on private holdings about 10 per cent. Where the *Abies* species, such as *douglassii*, *menziesii*, *excelsa*, &c., had been planted on light soil or abrupt northern slopes, the loss was confined chiefly to them. The *Pinus insignis*, *muricata*, *maritima*, *pinaster*, and *macrocarpa* occupying similar positions were but slightly affected. It is also worthy of note that the *Pinus insignis*, a tree which has been universally lauded, has here displayed a faultiness in the tendency of its leader or top branches to burn. So much is this the case that I have no hesitation in recommending those who admire and intend planting it to substitute largely the *Pinus muricata*. The latter is very similar in appearance to the *insignis*, grows almost as quick, and so far has not exhibited any defect whatever. As affording an excellent proof of the great value of the Forest Nursery, and as a further lesson to those who contemplate planting, I may mention that one of our foremost settlers, the owner of the Bendermere Estate, near Lake Hayes, planted some two or three thousand trees last spring, which had been procured from the Dunedin nurseries, the result being that, instead of a loss of 10 per cent., his loss has been a total one, as scarcely a single plant survived. What a grievous loss is this, both to the gentleman concerned and to the district. Some twelve hundred tree plants were sent from the nursery to this gentleman's estate about a month ago. I have little doubt but that the record regarding them will be very different from that pertaining to the imported lot.

We have on hand, for sale or distribution, twenty-five thousand tree-plants, consisting of *Pinus insignis*, *Pinus muricata*, *Pinus maritima*, *Pinus pinea*, *Pinus ponderosa*, *Pinus tuberculata*, *Cupressus macrocarpa*, *Cupressus lawsoniana*, *Abies* (Norway spruce), *Abies douglassii*, *Abies menziesii*, *Sequoia gigantea*, *Sequoia sempervirens*, deciduous larch, deciduous ash, deciduous sycamore, deciduous *Betula lauta*, &c. Also sixty thousand hawthorn quicks, for which from 3s. to 5s. only per thousand is charged. The seed-beds contain about fifty thousand tree-plants of a character very similar to the above. One thousand fruit-stocks are also ready for grafting.

For the want of details not yet received from your office I am unable at present to furnish a finance statement. The nursery, in a practical sense, has been a thorough success, much of which is due to the zeal and ability displayed by the curator (Mr. Studholme), who, I regret to state, retires from his position shortly. The refusal of the Otago Land Board to recognize our claim under the recently-repealed Forest Tree Planting Act, and of the Government during the past season to subsidize our expenditure incurred, is somewhat discouraging. Our efforts to clothe the nakedness of the country is a large scheme, and, when considered in conjunction with the absolute treeless character of Central Otago, should certainly earn for us the sympathy of those who are custodians of the public estate.

I have, &c.,

ROBERT MCDUGALL,

The Chairman, Lake County Council.

Chairman, Lake County Forest Committee.