

"I have referred in my report to the reduction in stock at end of year. I may say that this reduction is only temporary, and that I expect we shall shear as many sheep during the current as during the past year. The grass running out almost simultaneously on the large areas laid down some six or seven years ago has prevented any increase hitherto, but if the new grass laid down will only hold, as we have reason to expect it will, then a steady increase may be looked for without any increase in the annual expenditure."

ANNUAL REPORT.

DEAR SIR,—

Hamilton, New Zealand, 5th May, 1898.

I beg to report for the information of shareholders as under:—

Season.—The year ending 31st March last was not generally favourable for fattening stock, the winter having been cold and wet, and the summer unusually dry, and in the early part very bleak and cold, and all through most unfavourable for the pastures, not only on our property, but all over the district.

Sheep.—We commenced the year with 17,973 and ended with 15,898. The sales comprised 6,143 fat sheep, mixed wethers and ewes, which averaged 9s. net, and 3,945 cull ewes, which averaged 5s. 9d. net, both on station. We forwarded to England 1,854 frozen lambs, which would arrive fairly early in the season, while the market was still good, and, being suitable weights and prime quality, ought to make remunerative prices.

We bred 5,629 lambs from 6,700 ewes, being an increase of about 84 per cent., and we bought 5,600 ewes, costing about 5s. 6d. each on the station. The losses for the year were 1,240, or about 6½ per cent., which, considering the nature of the country, cannot be accounted heavy. There is an apparent reduction of the flock as compared with last year by 2,075, but that is only because some of the fat and cull ewes have been disposed of a little earlier than usual, the prices being fairly satisfactory, and it being desirable to dispose of anything fit for market before the winter, which has every appearance of setting in early this season. The breeding stock has been slightly increased, and I anticipate that we shall shear next season quite as many sheep as last, while the quality of the wool will be better from the absence of any newly burned bush clearings.

Cattle.—We commenced the year with 2,332 head, and ended with 2,252. We bred 292 calves from 370 cows, the increase being 80 per cent., and slightly better than last year. The losses were 138, or about 6 per cent., and cannot be considered heavy when the nature of the country and the difficulty of keeping the fences in the bush secure is taken into consideration. The sales comprised 175 steers, averaging £6 3s. 6d. net, and sixty-one cows, averaging £3 17s. net, on the station. As I have stated, the season has been most unfavourable for fattening cattle, and under ordinary conditions we should have got off three hundred more steers and probably one hundred cows. These, however, will now have to come into the current year, and be worked off when ready for the market, as opportunity offers. The profit on the cattle account is very small, and we find it advisable to reduce the number of breeding-cows and buy more young cattle, as it is now more profitable for us to do so than to breed.

Crops.—We had about 236 acres of oats, which was a fair crop, and harvested in good condition, the produce being estimated at 290 tons chaff. As so much of the work on the estate is now done by contract a considerable proportion will be available for sale, and should realise good prices, there being every prospect this season of a shortage of oats and chaff. We have 641 acres of swede turnips, which is a fairly good crop, and will be sufficient for requirements. We have also a considerable area of soft turnips sown out with grass, which will be required for the ewes and lambs in early spring.

Development and Regrassing.—The usual schedule of improvements is shown herewith. The regrassing has been confined to worn-out grass-land taken up for turnips or oats, and then laid down in new grass the following year with a thin sowing of rape or soft turnips, which is found by experience to be the best way of laying down grass on the light soils of this district; it also gives the quickest return and the most permanent results. We laid down 504 acres in rape and grass, and 287 acres chiefly in Cheving's fescue and clover in the spring, and 428 acres in turnips and grass in the early autumn. The season was unfavourable for the rape, and also to some extent for the soft turnips, but the grass is doing well, and gives every indication of becoming a good and fairly permanent pasture. The bush clearings, of which a very large area had to be resown in the autumn of 1897, gave but very little return until the latter part of the year, but are now carrying a much larger proportion of stock than formerly. Kaharoa in particular is a greatly improved clearing, and has every appearance of being a permanent pasture.

Cheving's Fescue.—During the last four years nearly all the land on which the grass has been renewed has been sown with from 2 lb. to 6 lb. per acre of the above grass, in addition to the usual mixture, and on the poor open land with good results. The grass itself is inferior in feeding quality to the varieties we usually sow, but it seems to suit the land, and to make more permanent pasture, and it seems probable that it may effect a great change for the better in the working and development of a very large proportion of our land. During the past year an area of 67 acres of fescue laid down by Mr. Rich has been leased to the Government Agricultural Department for the purpose of conducting experiments as to the stock it will carry and the value of the grass generally, and so far the results have been very satisfactory, but it is yet perhaps rather early to report conclusively, though I trust it will come up to expectations by giving a permanent pasture, and thereby greatly improving our prospects. I need hardly say that the whole credit of introducing this grass is due to Mr. Rich.

It has been rather unfortunate for the present management that the large areas of grass laid down in 1891, 1892, and 1893, on the open lands on the Waimakariri, Waiomo, and other blocks, have been for the last three years rapidly running out, while operations in the way of renewal had