

From 260 lb. of seed over two millions of finely developed larch-plants have been raised, and a very large proportion of these are sufficiently advanced for transplanting to nursery lines, whilst the remainder could be "lined in close" with every prospect of success.

The crop of pines is also an exceedingly fine one, over three-quarters of a million *Laricio* alone being raised from 135 lb. weight of seed.

The success of the seedling-crop is partly attributed to the use of scrim in covering frames, but it must be remembered that in the great majority of our seasons here neither shade nor application of water is required to any great extent, although there is not the slightest doubt that shelter for the seeds after sowing is one of the chief factors in bringing about speedy germination.

A mild dry spring enabled the transplanting of seedlings to nursery lines to be carried out more expeditiously than usual, and, in consequence, the young plants received the full benefit of early rains. The long spell of dry weather following was not conducive to vigorous tree-growth, but by constantly stirring the soil with machine hoes moisture was conveyed a few inches below the surface, which allowed all classes of stock to withstand the partial drought.

Towards the latter part of summer copious falls of rain occurred, resulting in excellent tree-growth being made generally, and probably no better trees for permanent transplanting have been raised at this station since its initiation.

Lining-out of one- and two-year-old seedlings was commenced on the 15th August, and completed on the 17th October, and during that period 982,400 trees were put out into lines at 2s. 7d. per thousand. 250,000 smaller plants were also lined in closely at a cost of 1s. 10d. per thousand, making a total of 1,232,400 seedlings transferred from seed-beds to nursery lines.

Whilst lining-out was in progress, a lad was engaged in following up the plough and destroying all grass-grubs visible, and in this way thousands of these destructive insects were exterminated. The effectiveness of the method is distinctly apparent, as only on one "break" of larch is there any indication of the pest, and damage is only slight.

The total number of trees of all ages in the nursery is 4,403,960, representing a value of £6,738 19s. 9d.

Lifting, sizing, and bundling were carried on continuously during the winter months, when 741,560 trees, valued at £2,214 14s. 7d., were transferred to plantations as per Schedule 4.

The total number of trees sent out since the initiation of the nursery is 5,573,623, valued at £17,948 16s. 3d.; and the number of trees grown at the nursery since its inception is 9,668,048, valued at £24,201 13s. 10d.

63,260 one- and two-year-old trees arrived safely from Kurow Nursery, and were lined out. A large number of these have succeeded, but trees raised locally make better headway than those received from other districts.

*Buildings, Improvements.*—Considerable progress was made during the year with the work of formation and general improvements of nursery, and horse-paddocks that previously have not been of much value as grazing-areas are gradually being converted into useful pastures.

Two swampy areas were cleared of stumps, drained, and ploughed, and on being sown in oats yielded very satisfactory returns. Attention is now being directed to another adjoining block of about 12 acres, which will be put down in grass after a crop of oats has been taken from same.

The extension of shelter and ornamental plantations is being slowly continued, and about three hundred various trees were permanently planted. The shelter-belts about nursery have made excellent progress this year, and have already reached a sufficient height in places to intercept to a great extent the prevailing south winds frequently experienced.

About 14 chains of roads in the lower portion of the nursery were graded and sown down in grass, and a sufficiently strong sole has been formed to allow of the continuance of vehicular traffic over same.

Two rooms were added to the Nurseryman's cottage, and the addition, besides greatly enhancing the appearance and value of the property, is much appreciated by the occupants of the house.

The flower-borders and portion of shrubbery were grassed, and beds of various shapes formed on both sides of the approach to buildings.

Owing to the increased amount of horse-work at local stations, two of our three-year-old fillies have been broken in, but more stabling accommodation is urgently needed if these additional animals are to be worked during the winter.

A roomy shed is also required, as at present there is no covering available for the wagon, and exposure to all weathers quickly depreciates any vehicle.

Owing to shortage of water-supply for nursery purposes, arrangements are now in hand for supplementing same, and efforts are being made to discover what volume of water could be derived from shafts put down within the nursery enclosure.

The average number of persons employed during the year was 13.5.

About 26 tons of oaten sheaves were harvested from 18 acres, and two stacks of rye and clover, amounting to about 8 tons, taken from 3 acres. The carrot-crop is not so successful as in former years, but probably 2½ tons of this winter horse-feed will be harvested. The value of horse-feed grown during the year is £93 10s.

It is pleasing to place on record the increased interest taken in the work of the Department by the staff, to whom much of the success of the year's local operations is due.

The expenditure for the year amounts to £1,860 9s. 5d., and total expenditure since initiation is £15,245 17s. 1d.

The value of stock, improvements, &c., for the year is £7,430 7s. 4d., and total values to date is £14,170 3s. 3d.

For the coming year arrangements are being made at the local plantations to receive about 820,000 trees, which are available at this station.