

Schedule III.—Trees Account.

	Number.
Trees received during year	1,609,750
Less to replace blanks	..
Planted on new area	1,609,750
Previously planted	8,650
Total number of plants on 600 acres (average age, one year)	1,618,400

Schedule IV.—Property Account.

	£	s.	d.
Land (33,355 acres) Crown land, not charged to Forestry Account ..	..	..	..
Buildings	1,180	10	3
Improvements	1,327	13	3
Fencing	36	15	11
Stores in hand	785	15	3
	£3,330	14	8

Balance-sheet.

	£	s.	d.
Total expenditure	5,535	17	0
Less Property Account	3,330	14	8
Cost of operations	£2,205	2	4
600 acres planted (average, one year).			
Estimated value of plantation per acre	7	5	0

Summary of Trees planted.

	Number.
Number on plantation at present day—	
Contents of various blocks	1,609,750
Shelter-trees	8,650
Total trees now living	1,618,400
Number used to replace failures	250
Total trees received from nursery	1,618,650

PUHIPUHI PLANTATION.

(Area (approximate), 1,200 acres; altitude (approximate), 1,000 ft.)

In addition to the usual work required to keep the fire-breaks and fences in order, a considerable expenditure on wages has been necessary in pruning back the trees which were damaged by fire last year. This work was in progress during the whole of last winter and spring, and the results are extremely satisfactory. Very few trees were actually lost by the fire, and those ones which were cut back to the ground-level have thrown up strong healthy saplings from the root-stock which in some cases have attained a height of 8 ft. during the past summer. Some further work will be entailed in thinning out the saplings and leaving only the strongest one on each tree, but this work can be most profitably done if left until the end of next winter.

Preparations are now well forward for planting about 250,000 eucalypts during the coming season. The trees are being sent from the nursery at Rotorua, and comprise *Eucalyptus resinifera* and *E. resinifera grandiflora*, along with about twenty other different species which will be planted in small lots for experimental purposes. Owing to the extensive planting of totara at this station some years ago, and the poor results obtained with this tree, there are several areas upon which very few trees are alive, and it is proposed to stock these with *E. resinifera* or its variety *grandiflora*. This species has proved quite at home at Puhipuhi, and has done better than any other species except *E. Gunnii*. It is known as "mahogany" in Australia, and sometimes as red or forest mahogany. The timber is exceedingly hard and durable, and being of a rich red colour is valuable for heavy furniture and inside finishings in buildings. It is a perfect substitute for jarrah. The variety, *grandiflora*, is simply a mountain type with a much larger fruit than the specific form. It is thought that it may prove to be a hardier form, and therefore suitable for a wider range of climates than the species.

The average number of workmen employed during the year was 252. Following is a record of rainfall and temperature for the year.

H. A. GOUDIE,
Superintending Nurseryman.