61 H.—29.

Reports to hand indicate an increasing demand for New Zealand wines, and this is supported by the increased number of licensed wine-makers and the extensions that are taking place to established vinevards. Unfortunately, owing to unseasonable climatic conditions, the past season was one of the worst experienced by growers of outdoor grapes. In addition to the damage resulting from the February storm, considerable losses occurred from attacks of fungous disease, which were difficult to control on account of the unsettled weather. It is anticipated that the total quantity of wine produced from the season's crop will not exceed 100,000 gallons, a considerable decrease on the previous year's production of 148,000 gallons.

The growing of grapes under glass continues to attract attention, and the number of vineries is gradually increasing. There has been a good demand for hothouse-grown grapes at satisfactory prices

to the grower.

CIDER-MAKING.

The manufacture of cider on a commercial basis has not made any considerable headway, although an increase has taken place in the quantity manufactured during the year, the total approximating 45,300 gallons, as compared with 36,500 gallons for the previous year.

TE KAUWHATA HORTICULTURAL STATION (Lower Waikato).

The usual farming operations have been carried out at the Station. Weather conditions were very favourable to the growth of grass right throughout the year, and this enabled a larger number of stock than usual to be pastured for fattening purposes. Sales of live-stock, wool, and skins amounted to £277. A further five acres of scrub and wattle have been cleared, half of which was sown in turnips and the balance prepared for laying down in grass. Approximately 5 acres of grass were harvested for hay.

While the climatic conditions favoured the growth of feed, the position in respect to the vineyard was not so fortunate. A cold, late spring retarded the vegetation of the vines considerably, and ripening of the fruit was delayed by inclement summer weather. The grape crop also suffered from the effects of the cylonic storm experienced early in February, and considerable damage was done to the leaves. Fungous diseases were unusually prevalent during the fruiting period, and downy mildew rendered many of the grapes unfit for wine-making purposes.

As a result of the unfavourable conditions it is estimated that the quantity of wine produced will not exceed 12,000 gallons, which is some 2,500 gallons less than the previous year's production. During the year a total of 12,626 gallons of wine, which realized £6,303, was sold.

There has been an increasing demand from all parts of the Dominion for vines and cuttings raised at the Station, principally table varieties, some of the orders being for large quantities.

The financial position of the Station is satisfactory, receipts exceeding expenditure by some £1,700.

Tobacco-culture.

The production of tobacco-leaf is now assuming considerable proportions in the Dominion, and is affording remunerative employment to a large number of persons. The total area planted during the 1935-36 season was some 2,651 acres, the bulk of which (2,300 acres) being planted in the Motueka District. Of the balance, 180 acres were grown in the Auckland District, 166 acres in the Nelson District, and 5 acres at New Brighton, Christchurch. The total shows an increase of some 850 acres as compared with the previous year's figures. In the Motueka District the season's crop promised to be a record one. Unfortunately, a hailstorm occurred when the leaf was nearing harvesting and caused severe damage, some growers suffering heavy loss. Mosaic was prevalent in the young plants to a varying extent throughout the district, and to cope with it necessitated a good deal of replanting. The resultant crop is, however, reported to be of good quality and comparatively free from insect pests and fungoid disease.

For the purpose of ascertaining the possibilities of working up an export trade in tobacco leaf, an experimental shipment of approximately 80,000 lb. of Nelson-grown leaf was forwarded to London in October last, the reconditioning, grading, packing, &c., of which was carried out under the careful supervision of the Department's Tobacco Instructor (Mr. C. Lowe). The consignment arrived at its destination in good condition, and created a favourable impression, the price realized being considered to be a satisfactory one. As a result of this shipment inquiries have been received as to the prospects of future consignments being made from New Zealand. An endeavour is being made for a further experimental shipment of this season's best-quality leaf to be made during the present year (1936).

The Pongakawa Tobacco Settlement has been maintained at its full strength of forty settlers.

One hundred and twenty acres were planted in tobacco, as against 40 acres in the previous year. damage was done to the crop by a gale early in February last, but the leaf, as a whole, is reported to be satisfactory.

During the year eleven air-curing barns were converted to kiln-curing and Dawn furnaces installed. Full use has been made of the experimental plot in the vicinity of Auckland for the raising of tobacco-seed, the crop being confined to new American seed of the Virginian type.

Hop-culture.

The bulk of the hop crop is grown in the Nelson and Motueka districts. The considerable improvement that has taken place in the marketing conditions, and the possibility of a larger export trade in the near future, have encouraged an extension in the area devoted to hop-growing, and several new gardens were established during the year. The season's crop was a satisfactory one, although the hops were somewhat lighter in weight compared with previous years. In a portion of the Motueka District damage was done to the young hops by hail, which caused them to turn brown, and thereby rendered them unfit for drying purposes.