of the past drought. Pinus radiata, Larix Europæa, Pyrus aucuparia, Betula alba, Chamacyparis Lawsoniana, Griselinia littoralis, pittosporums, and retinosporas are a few of the varieties that have suffered most.

No seeds were sown this year, and all seed-raising frames were transferred to Rotorua and Ruatangata Nurseries.

Lining-out operations were commenced on the 5th August, and completed on the 23rd September; a total of 933,000 trees being transplanted on to 9 acres at a cost of 2s. 63d. per thousand. The grub Odontria Zealandia has been very destructive again this year, the area affected being about one acre. The losses from this cause among Pinus Larix, P. ponderosa, P. Benthamiana, P. strobus, and Pseudo-tsuga taxifolia are estimated at 100,000. All varieties otherwise have done remarkably well, the Pinus Austriaca being a fine hardy line of stuff.

During the year 559,840 trees, valued at £1,183 19s. 5d., were sent to the following plantations, nurseries, &c.: Dumgree Plantation, 494,690; Tapanui Nursery, 64,500; Ward School, 650. (For details, see Schedule 3.) The total number sent out since the initiation of the nursery is 2,483,690, valued at £5,297 15s. 11d.

Trees of all ages in the nursery total 739,600, valued at £1,634 16s. (see Schedules 1 and 2); and the total number grown since the inception of the nursery is 3,223,290, valued at £6,918 8s. 11d.

The expenditure for the year was £1,058 ls. 9d., and the total to the 31st March, 1908, £8,689 ls. 2d.

The value of trees, improvements, &c., for the year is £3,569 16s. 7d., and the total to the 31st March, 1908, £8,102 14s. 9d.

For horse-feed, 45 acres of oats were grown. The quantity and quality were not so good as in other years, owing to the dryness of the season, the estimated yield being 45 tons, valued at £157 10s. So that a larger quantity of horse-feed could be grown in the future, 44 acres were resumed by the Department in July. To enclose this area, $13\frac{1}{2}$ chains of fencing was erected, and $10\frac{3}{4}$ chains purchased from the late lessee at a total cost of £10 11s.

Two foals were bred during the year, but one of them unfortunately died.

The daily average number of men employed during the year was 6.3.

Schedules of trees, &c., and details of values and expenditure are appended.

The following is a record of rainfall and temperature for the year :-

,	Month.		 Rainfall.	Number of Days Rain fell.	Highest Reading of Ther- mometer.	Date.	Lowest Reading of Ther- mometer.	Date.
	1907.		Inches.		Degrees.	!	Degrees.	
April			 2.67	15	79	14th	35	28th, 29th
Мау		• • •	 2.61	. 7	67	4th	29	12th
June	•••		 2.10	10	63	10th	26	14th
July	•••		 0.88	8	62 ·	1st, 13th	26	24 th
August			 2.66	14	65	28th	27	3rd, 20th
September			 2.40	13	69	23rd	27	13th
October			 0.90	11	73	27th	28	15th
November	•••		 0.28	5	80	25th	35	1st
December	•••		 0.74	4	92	17th	40	2nd, 3rd
,	1908.			<u>.</u>				,
January			 0.02	2	94	29th	·· 40 ···	17th
February .	•••		 0.01	1	86	16th, 29th	39	26th
March	. •••	•••	 2.05	14	86	1st, 11th	39	15th
	Totals	•••	 17:32	104				••••

Statement of Expenditure. 7.630 19 Amount at 31st March, 1907 578 12 Tree-growing ... General maintenance and repairs ••• 92 0 Nursery-formation... 4 15 84 15 Horse-feed purchased and grown 6 Tools, implements, &c. ... 25 13 Fencing Miscellaneous works 10 11 • • • • 104 6 . . • • • Proportion of Nurseryman's salary 135 0 0 Supervision ••• 22 13 0 •••, Total to date £8,689 1 2