destructive to the *Picea sitchensis*, the growing of the tideland spruce in this district may be successfully accomplished. In sheltered situations the *Quercus pedunculata* continue to register an annual vertical growth of about 18 in., whilst even more rapid headway is discernible among the *Fraxinus excelsior* compartments.

The Frazinus americana are decidedly more frail trees than the English variety; but, nevertheless, are now beginning to develop favourably. Although Pinus austriaca grew with greater rapidity in the early stages, Pinus Laricio is now gradually proving its superiority, both as a faster grower and more healthy forest tree. Isolated specimens of the former variety are at times literally covered with an aphis, which, however, does not appear to lessen the vigour of the tree to any extent, but certainly creates a disfigurement. It is now evident that the Japanese larch (Larix leptolepis) is no more able to withstand a partial drought than the European species; and of the two varieties, growing under precisely the same conditions, the latter one has certainly recovered more speedily and grown with greater uniformity.

Some six years ago an exceptionally severe frost accounted for the destruction of a natural broadleaf bush, and the area thus deforested was eventually underplanted with walnuts and chestnuts. These trees have succeeded beyond expectations, and will now probably average 9 ft. in height; whilst from a number of specimens fully matured nuts were gathered this year.

Apart from the planting of some 24,630 trees (as per schedule), which were used purely for replanting purposes, the two employees engaged at this station have devoted their time to the general maintenance-work, and included in this labour may be mentioned tree-pruning, removing coarse growth from around young trees, repairing roads and water-tables, rabbiting, and caretaking.

Buildings.—A most satisfactory result attended the uniting of the unused huts, and quite a substantial dwellinghouse is now available for the foreman. A combined wash and coal house has also been erected by our own labour, besides sundry improvements effected to immediate surroundings.

Presence of Deer.—With the increase of shelter, and consequent difficulty in locating their whereabouts, the red-deer are causing rather more damage to young trees than formerly. The ravages of the destructive animals are chiefly confined to ash-saplings, which usually receive such extensive damage as to necessitate immediate cutting-back to ground-surface. Employees receive authority from time to time to destroy deer; but rarely get an opportunity to fire at the animals from an effective distance.

Rabbiting.—The ill effects arising from a dry season was again brought into prominence by the Pomahaka River failing to check the ingress of rabbits from opposite properties, which, of course, are not so free from the pest. Fortunately, no great difficulty is experienced in trapping, although some little time generally elapses ere the haunts of the intruders are known.

An expenditure of £457 11s. 4d. was incurred during the year, giving employment to two men, and the total to date reaches £12,459 1s. 7d.

The value attributed to buildings, fencing, &c., is recognized at £1,010 19s., whilst the total cost of tree-planting operations since initiation amounts to £11,439 2s. 7d.

Details of expenditure, Trees Account, Property Account, and balance-sheet are appended.

	Schedul	e II.—8	Statem	ent of E	xpend	litu	re.			
					For	Yes	ır.	To :	Date.	
Planting operations and maintenance— £ s. d.							d.	£	8.	d.
Tree-planting								3,094	16	2
Pitting								3,619	2	7
Clearing								496	5	11
Cartage of trees								216	12	8
General upkeep		ation			157	7	7	2,410	14	7
General repairs					14	16	5	52	19	11
Horse-feed					6	14	6	112	8	11
Permanent works-										
Fencing								258	2	3
Formation								366	7	2
Buildings					103	12	10	368	18	6
Stock, implements,		ls, imple	ement					145	8	9
Supervision and cler	ical—	, ,								
Salaries—										
Supervision	ı of free l	abour		,	150	()	0	955	10	0
Nurseryma										
assista		••			25	0	0	361	14	2
					£457	11	4	£12,459	1	7
	S	chedule	<i>III</i> .–	Trees	1 <i>c</i> cour	ut.			Nun	ıber.
Trees received durin	g year								24,0	630
Less to replace	blanks						• •	• •	24.0	
Planted on new area	ı									
Previously planted			•		• •		• •	2,	180,	837
Total number p	lanted or	. 8 4 5 acı	es (av	erage ag	e, sev	en y	rears)	2,	180,8	837