Puhipuhi Plantation, from 1904 to 31st March, 1919-Fifteen Years.

Actual expenditure	£ s. d. 13,695 14 10	£	s. d	• !	Cr . \pounds s. Actual receipts—Sundries 18 0		£	. s.	d.
Interest, compound, at 4 per cent	6,095 4 1	19,790	18 11		Interest, compound, at 4 per cent 0 14	5	18	14	5
Trees from nursery Interest, compound, at 4	3,464 4 8	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			Present value of— Buildings, fencing, &c 321 17				
per cent	1,303 13 3	4,767	17 11		Departmental property 39 19 Balance, being debt on 1,200 acres		361	17	1
Accumulated rental co fifteen years at 4 per ce		261	10 (,	average of £20 7s. 4d. per acre		24,43 9	15	4
		£24,820	6 10				£24,820	6	10

ROTORUA NURSERY.

The trees in stock at the 31st March numbered 3,627,075, and of this number 1,903,575 were raised from seed during the year. The output of trees last winter totalled 2,856,070, while the output to date is 59,321,244, of which 57,522,574 went to the State plantations and the balance, 1,798,670, to public bodies and farmers.

Tree-growth has been on the whole very satisfactory; the crop of *Pinus radiata* is particularly good, as are also the several kinds of *Eucalyptus* grown. The Corsican pine, whilst being good, is not especially so. Owing to the American tree-seeds arriving too late to be sown it is estimated that the shortage of trees caused thereby amounts to 3,000,000. These seeds are being carefully stored and will be sown next spring.

Sale of Trees and Tree-seeds to Farmers.—The system of sending out eucalypts in trays has proved satisfactory on the whole. The hardier species do splendidly, but the half-hardy, and in most cases more valuable, kinds make poor growth after being pricked off into the trays. As is the case with all trees raised in this nursery, the eucalypts are raised in seed-beds outside. The plants are lifted from the seed-beds in February and pricked off into trays, which are afterwards "plunged" out of doors and shaded and watered for a time. The usual dry and hot conditions common at this time of year causes a cessation of growth, from which the less hardy kinds have not recovered before the colder weather sets in. To grow these kinds satisfactorily it would be necessary to put them under glass after they are transplanted into trays. A good many farmers are showing an intelligent interest in tree-planting, and as a consequence there is a demand for an increasing number of species of Eucalyptus. The demand for tree-seeds has increased during the year, and to meet this considerable quantities have been collected under proper supervision.

Buildings.—A new wagon-shed was erected, and the old shed was altered and converted into a store-room for manures and other bulky materials.

Attached hereto are schedules of trees in the nursery, and trees transferred to plantations and sold during the year.

The average daily number of workmen employed during the year was 28.73.

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

Rainfall, Temperature, &c.

Month.			Rainfall.	Number of Days	Temp	Number of		
			rannan.	Rain fell.	Minimum.	Maximum. Deg. F.	Days Frosts occurred.	
			In.	1.0	Deg. F.			
April	••	• •	••	6.880	16	38	73	•••
May	• •	• •	• •	1.675	11	30	67	6
June	• •	• •	• • •	5.890	22	27	61	12
July				3.705	19	25	53	20
August				2.580	14	25	62	11
September				4.410	13	27	67	9
October			:	9.890	20	32	70	
· 1				4.960	14	33	78	2
$\mathbf{December}$				3.775	10	32	80	$egin{array}{c} 2 \ 2 \ 1 \end{array}$
	191	9						
January				3·16 0	11	36	82	
February				2.025	8	49	84	
March			••	3.640	8	32	81	1
	Tota	als	[52.590	166			64