

The total number of trees in the nurseries at the 31st March was 6,406,000, about one-third of which will be sufficiently advanced for permanent planting during the coming winter.

#### LABOUR.

The position regarding labour reached an acute stage during the past year, and although planting schemes were planned in accordance with the anticipated shortage of workmen considerable difficulty was experienced in carrying out the proposals in their entirety. Various works of a more or less urgent nature have been necessarily neglected, and it will take some time after labour becomes more plentiful to overtake the arrears and put all the stations in thoroughly good working-order. Although a fair number of discharged soldiers have at various times been employed, the majority have soon become dissatisfied, and, except in very few instances, their period of employment has been comparatively brief. Latterly, however, the tendency to stay for only a short time has not been so pronounced, and is evidence that the improved living-conditions, and part-payment for time lost through wet weather, is having the desired effect in eliminating the causes of dissatisfaction. A kitchen and dining-room have recently been provided at Greenvale Plantation and will be in occupation during the coming winter; a similar building will also be erected at Balmoral Plantation, but probably not until the present camp has been removed to a new site. Preparations are now in hand for the erection of several huts at the above-named stations, the accommodation so provided being reserved entirely for returned soldiers.

While the labour-market will probably not return to normal conditions for some little time yet, it appears safe to assume that the position will have altered materially within the next twelve months, and will allow the prosecution of afforestation operations on a more comprehensive scale.

#### TREES FOR FARMERS.

It is evident that the privilege of purchasing trees at a reasonable cost from the State nurseries continues to be appreciated by farmers and local bodies, the number sold during the year being 226,890, practically the same number as that disposed of during the previous year. While the demands of farmers have been principally for shelter-trees, the local bodies are more inclined to the purchase of species suitable for timber-production, and as the orders for the latter are generally large it is reasonable to infer that plantations of some considerable commercial importance are being established. Sufficient numbers of the species most in demand were reserved for distribution during the coming winter; but owing to the unfavourable season many are not sufficiently advanced for planting, and a curtailment of sales will probably be necessary.

#### REVENUE.

The revenue received during the year amounted to £1,263 18s. 4d., and resulted chiefly from the sales of trees, grain, sheep, wool, and firewood.

The largest receipt was for wheat and oats grown at Gimmerburn Reserve, where an excellent crop, which realized satisfactory prices, was taken from land not required for tree-planting purposes.

The amount received for firewood, £125 10s., shows a considerable increase on that received from the same source during the previous year, and has resulted chiefly from the sales of thinnings taken out of the shelter belts at Hammer Springs Plantation.

Receipts for the year were as follows :—

	£	s.	d.
Trees (226,890) .. .. .	241	8	6
Grain (1,927 bushels) .. .. .	536	12	10
Sheep .. .. .	88	14	6
Wool .. .. .	194	7	4
Firewood (129½ cords) .. .. .	125	10	0
Grazing .. .. .	63	18	3
Rent of cottage, &c. .. .. .	13	6	11
Total .. .. .	<u>£1,263</u>	<u>18</u>	<u>4</u>

#### GRAZING OF SHEEP ON PLANTATIONS.

Satisfactory results have attended the grazing of departmental sheep on Dusky and Conical Hills plantations during the past year, all firebreaks having been kept in such a state of efficiency that cultivation work has been unnecessary. Mustering, which has to be done at least three times in the year, is a particularly difficult undertaking, and can seldom be carried out satisfactorily under the present system of management. Having no one in charge of the flock the services of neighbouring settlers have chiefly to be depended upon for mustering, and, although assistance is given willingly enough, it frequently happens that the farmer cannot spare the time necessary to do the work thoroughly. Efforts to secure a shepherd have so far been unavailing, but it is hoped that from amongst the returned soldiers seeking employment a man able and willing to fill the position will be found. Owing to the slump in the sheep-market it would not be possible to sell the ewes without incurring a somewhat serious loss, but as the feed necessary to carry the whole of the stock through the winter is not available a considerable proportion of the lambs must be disposed of. The total number of sheep and lambs on the plantation at the 31st March was 965, and their value as shown in the statement given hereunder was based on current market prices at that date.