

STATEMENT OF STOCK TRANSACTIONS.

Dr.	£	s.	d.	Cr.	£	s.	d.
Balance forward at 1st April, 1918 ..	750	17	10	Sales of wool	163	3	0
Management expenses, mustering, dipping, shearing, &c.	56	18	7	Stock in hand 31st March, 1918 (at valuation) ..	792	8	6
Commission on sales	0	1	5				
Balance, being profit on year's transactions ..	152	13	8				
Total	£960	11	6	Total	£960	11	6

GENERAL.

An effort will be made to have all surveys and plans of plantations, necessary for the keeping of accurate and systematic records, completed during the coming year. With the small clerical staff employed the preparation of balance-sheets for each station has not been possible, but it is anticipated that the assistance required will shortly be provided, and that statements showing the true financial position of each nursery and plantation will be available for publication in the next annual report.

During the approaching winter and spring months planting will be carried out at Balmoral, Naseby, and Greenvale plantations, and it is estimated that the areas planted will aggregate 1,000 acres.

It is also proposed, as circumstances permit, to carry out much-needed improvements in connection with the quarters of officers and workmen, and in the working plant generally, these matters having been deferred during the war period owing to the high prices of material and the scarcity of labour.

The permanent staff has been still further depleted during the past year, and it has been necessary in several instances to fill responsible positions by temporarily promoting junior officers.

The thanks of the Department are due to all officers, who have during a particularly arduous year cheerfully and willingly borne added responsibilities, and have done their utmost to carry all operations to a successful issue.

Attached hereto are reports of the several stations under my charge.

TAPANUI NURSERY, OTAGO.

(Area, 173 acres ; altitude, 500 ft. ; established, 1897.)

The climatic conditions experienced practically throughout the year have been particularly unfavourable for nursery work, and probably never since the inception of this station have operations generally been conducted under more adverse circumstances. Following on a winter of exceptional severity, cold stormy weather was almost continuous during the spring and summer months, snowfalls and frosts occurring frequently ; and it was not until the end of January—during which month a record rainfall was experienced—that anything approaching normal conditions prevailed. For considerable periods tillage of the soil was almost impossible, and extreme difficulty was experienced in completing the transplanting of seedlings and seed-sowing, the most important phases of nursery operations. The shortness of the growing season was not conducive to good results, and growth generally is much below that of an average year.

Raising of Seedlings.—The crop of seedlings raised during the year is estimated at 466,000, details of which are appended. Owing to the short supply of European seeds and the non-arrival of the American order, the quantity of seed operated with was comparatively small, the greater proportion of the seed used being *Pinus radiata*, purchased somewhat late in the season. Unfavourable weather was responsible to some extent for poor germination ; but the failure of *Pinus radiata* resulted chiefly from the inferior quality of the seed, the resulting seedlings from 140 lb. of seed sown being estimated at 152,000. *Cupressus macrocarpa* was also a partial failure, but fair germination resulted with *Pinus Laricio* and *Pinus muricata*, and also with small sowings of eucalypts. Sufficient eucalypts to meet the probable requirements of farmers were pricked off into trays, and, although small plants, may be sufficiently advanced before the advent of the planting season. During the past winter eucalypts in trays were severely affected by frost, several of the less hardy species being killed outright.

Transplanted Trees.—Seedlings to the number of 1,256,000 were transplanted into nursery-lines from the seed-beds, the operation, owing to unavoidable delays, being extended considerably beyond the usual period. On the whole, disappointing results have eventuated, poor development being general, and it is estimated that fully 50 per cent. of the lined-out trees will not be sufficiently advanced for permanent planting during the coming season. Although *Pinus radiata* has not made its usual vigorous growth, the plants are strong and sturdy, and will be practically all fit for transference to plantations. *Pinus ponderosa* will have to remain in the nursery for another season, and the same applies to a considerable proportion of the *Pinus Laricio*, amongst which a high percentage of failures occurred in handling. It is anticipated that the number of trees transferred to plantations during the coming season will be approximately the same as that dealt with in the past season.

The output of trees during the year totalled 943,165, of which number 128,390 were disposed of to farmers and local bodies.

The estimated number of seedlings in the nursery at the 31st March was 2,109,800, and the total number raised since its inception was 25,719,039.

Horse-feed.—An area of 25 acres was utilized for the production of horse-feed, and it is anticipated that the crops raised will be almost sufficient to carry through the coming season.

The average daily number of employees was 15.