

sowing, particularly on the Sounds country, must be resorted to. The greater portion of the cleared land in the Sounds is gradually reverting to fern and scrub, and had the value of danthonia been as well known in the past as it is now less indiscriminate burning would have been done. Danthonia is considered the grass showing the best return in this class of country, where successfully established.

During the year six sections were opened for selection in the upper Opouri Valley, and, though the applications were not numerous, disposal by ballot was effected to a good class of settler. This settlement is as yet in its early stages, but shows promise of every success.

Hilliersden Settlement is now well established, though some of the settlers experienced a trying time during the slump. With the excellent prices obtained for their wool and sheep this year they have had a good season, and, considering the present prospects, should feel very secure.

*Dairying.*—There are six dairy factories operating in Marlborough. Owing to the recent fall in prices for butterfat, factories are only paying about 1s. 2d. to 1s. 3d. this season, whereas last season 1s. 7d. to 1s. 9d. was obtained. Dairying does not appear to be on the increase in this district. Systematic herd-testing would prove of great benefit to the dairy-farmers of Marlborough, but I know of no cases of this being carried out, though in some instances the purchasing of pedigree bulls has greatly improved the herds in power of collective return.

*Wool and Sheep.*—Climatic conditions in Marlborough are excellent for the production of wool; the clip in point of weight and texture was good, and sheep-farmers have experienced a splendid year. Marlborough has established two Dominion records for the prices obtained for wool this year—viz., Richmond Brook merino, at 33d. per pound, and Mr. Ryder, Goat Hills Soldier Settlement, 30½d. for halfbred wool.

An interesting experiment was started this year by the Associated Auctioneers deciding to commence an annual sale exclusively of merino sheep. The inaugural sale was held at Bankhouse Station on the 20th February, when about six thousand mixed merinos were yarded. The attendance was large, and good prices obtained. Mr. W. G. Rudd realized 55s. for a good line of four-tooth ewes; other four-tooth ewes brought 51s.; these were top prices. The result of the sale was considered to be very satisfactory, and it is expected there will be a yarding of at least thirty thousand next year.

The annual ewe fair was held in Blenheim on the 27th February, when eight thousand sheep were submitted, and practically all lines sold; prices ranging from 23s. to 33s. 3d. for two-tooth ewes, sound-mouthed ewes from 23s. 6d. to 28s. 7d., full- and broken-mouthed ewes from 8s. to 22s. The net result of the sale was considered to be very good.

Marlborough's output of store sheep finds a ready market at Addington, realizing from 3s. to 5s. per head more than in the local market. The early completion of the South Island Main Trunk Railway would be of great benefit to the mutton-raisers, for stock could then be trucked to Addington expeditiously and without loss of condition, and Marlborough would have no fear of being isolated from its principal market, as it now is.

*Freezing-works.*—The only freezing-works operating in this district are situated at Picton. They have a capacity of about 150,000 carcasses of mutton for the season. Practically no beef is dealt with. A report issued early in March shows that only about 50,000 carcasses had been handled. This suggests that the works are quite capable of dealing with the normal output here.

*Agriculture.*—The climate of Marlborough is an excellent one from an agricultural point of view. In quality of wheat, oats, barley, peas, clover, and lucerne-seeds, &c., this district ranks amongst the foremost in the Dominion. The May floods seriously affected this season's crops, farmers not being able to work their ground for a month, and in some cases two months, afterwards. Then followed the dry spell, which entirely spoilt a great many crops. This season the crops generally are below the average both in quantity and quality, though the prices show a considerable advance on recent years. The district has produced, approximately, 55 tons of lucerne-seed, over 2,000 sacks of red-clover seed, 10,000 tons of oaten chaff; wheat, barley, and peas very much below the average yield, peas being only about one-third of the usual output.

*Orchards.*—Approximately there are about 800 acres in commercial apple-orchards, the crop this year being about an average one, and prices, locally, about 30 per cent. higher than for some years past. The industry, however, lacks a stable market. Marlborough orchardists are an enthusiastic and industrious class, who have shown that they can produce the fruit. Here again the climatic conditions are excellent for producing the finest quality of apple. The major portion of the crop this year is being shipped to overseas markets.

*Poultry and Bee Farming.*—Poultry and bee farming is only carried on in a small way in this district; the prospects do not appear to be too promising, owing principally to the uncertainty of successful marketing.

*Timber.*—There are fourteen sawmills operating in this district, with an approximate output of about 8,000,000 superficial feet. The demand for timber is on the increase, and in consequence a number of small mills have been erected to go over bush that was supposed to be of no value and worked out years ago. Our source of supply is very limited, and will not last many years longer; and, as no systematic scheme of afforestation has been started in Marlborough, consumers will in the near future require to look further afield for supplies.

*Flax.*—There are four mills operating this season. The quality of the fibre is excellent, and prices good. The sources of supply are mainly the Marshlands and Tua Marina swamps and the Wairau River bed. As this is an active season the coming one will not be so productive, seeing that it takes three years for a new crop to grow.

*Lime-works.*—The lime-works at Ward, owned by Mr. Thompson, give promise of filling a long-felt want. For many years he had been periodically working a deposit of soft lime, but owing to the lack of a regular demand had closed down. Last year, however, individual farmers guaranteed orders to the extent of 1,000 tons a year for two years, and on the strength of this Mr. Thompson is erecting