During the six months of the year previous to closing, trees to the number of 323,900 were sent out from the nursery; 319,950 of these were transferred to Puhipuhi Plantation, and the balance (3,950 totara) were supplied gratis to farmers and others. The total output of trees from the nursery from its inception to 1911 was 2,187,732, and the total number raised 2,667,868, thus showing a difference of 480,136. This discrepancy was caused by overestimating the stock for several years, and by the deaths of puriri and other trees unsuitable for the locality, as follows : Overestimation of stock and deaths of trees unsuitable for the locality, 394,036; deaths of puriri, 60,000; and 26,100 unsaleable or destroyed trees which were in the nursery when it was closed. The number of deaths in trees unsuitable for this locality may seem to be unduly large, but it must be remembered that this nursery was specially set aside for experimenting with Australian hardwoods, and therefore a large number of failures was only to be expected before the most suitable species to grow could be determined.

For the six months of 1910 ended 30th September the expenditure amounted to £260 14s. 9d., £19 7s. 1d. of this amount being expended in grass-seed for sowing down 22 acres of the nursery prior to closing. This was done with the object of keeping down the growth of weeds and gorse which was likely to follow if the land was left vacant.

The average number of men employed during the six months was 2.36.

Schedule	11.—Statement	of	Expenditure.
			For Year.

				For Year.				To Date.			
Tree-planting and maintenance—				£		d.	£	s.	d.		
Tree-growing		• •	• •	75	4	3	3,309	11	7		
General maintenance and rep	••		96	15	2	845	4	7			
Tree-seeds			• •				226	1	0		
Manures			••	14	6	0	78	11	1		
Horse-feed, purchased and g	rown	••	• •	51	4	9	743	0	4		
Miscellaneous works			•••	3	17	6	150	17	10		
Stock and material-Tools, imple	ments	••	••				411	15	2		
Permanent works—											
Buildings			••		• •		637	7	8		
Nursery-formation		••	••	19	7	1	1,173	4	2		
Fencing			• •		• •		85	1	11		
Water-supply					• •		76	17	6		
Seed-frames		••			••		173	12	9		
Supervision and clerical—											
Proportion of Superintendi	ing Nu	irseryma	n's)					
salary	•	•••		25	-0	0	732	6	0		
Proportion of Nurseryman's	calary	••		85	0	0)					
Clerical assistance	-		••	20	16	8	64	16	8		
				£391	11	5	£8,708	8	3		

H. A. GOUDIE, Superintending Nurseryman.

PUHIPUHI PLANTATION.

(Approximate area, 1,200 acres; altitude, 1,000 ft.)

Owing to the closing-down of the Ruatangata Nursery on the 30th September, 1910, trees to the number of 319,950 only were received from the nursery, and these were all used in replacing failures in the previous years' plantings. Since work commenced at this plantation, 1,933,313 trees have been planted on a new area. This plantation was supplied with trees from the Ruatangata Nursery, and like that station, a very large amount of experimental planting was done. Species tried were : totara, Hall's totara, white-pine, puriri, hardy catalpa, American ash, Californian redwood, black walnut, hickory, red cedar, tideland spruce, Douglas fir, Tasmanian blackwood, and twelve species of eucalypti. Of the coniferous trees, the only one that has succeeded is *Pinus muricata*. Very few of the eucalypti were suitable, and all have died with the exception of *Eucalyptus Stuartiana*, *E. rostrata*, and *E. recinifera*. The best portions of the plantation have been reserved, and this amounts to about 1,200 acres. It is difficult, owing to the number of failures, to arrive at an estimate of the number of trees actually on the plantation, but this can safely be put down at 1,000,000, composed principally of the three above-mentioned species of eucalypti.

Since the 1st October two men only have been employed to keep the fire-breaks in order, clear the growth amongst the trees, &c., and their time has been fully occupied up to the present time in attending to these works. As the fire-breaks are now all in thorough order, it has been decided to get a settler close at hand to act as caretaker of the plantation.

Unfortunately, in February last a fire occurred in the plantation, and before it was extinguished 23 acres of eucalypti and 6 acres of totara were burnt over. The totara were totally destroyed, but by cutting the eucalypti off level with the ground a large number of them will throw up young shoots and thus form new trees. The roots of these trees have not been very badly damaged, and it is hoped by this means to lessen the extent of the damage considerably. Up to the present it has not been ascertained whether the fire was the result of an accident or wilfully caused.