Sir,— Department of Lands, Wellington, 1st June, 1912.

I have the honour to forward herewith the usual annual report upon the operations of the Afforestation Branch of this Department, and in doing so to comment briefly upon the work of the year.

Climatic conditions were not as favourable as usual, owing to the dry weather and heavy frosts experienced in the North Island during planting operations, whilst in both Islands wet weather was general during the summer months. This resulted in a high death-rate amongst newly planted trees, though to counterbalance this to some extent the growth of established trees in the plantations was very good.

During the twelve months ended 31st March, 1912, no less than 8,563,650 trees were raised from seed in the four nurseries; 8,512,079 trees were despatched from them for planting out; and it is estimated that 16,807,400 trees remain therein at the close of the year. The expenditure for the year on the nurseries was £8,103 0s. 8d., bringing the total expenditure from the establishment of the nurseries in 1896 to £96,593 9s. 2d., of which £19,744 18s. 3d. represents the cost of permanent works. During this period a total of 71,904,234 trees have been raised and made available for the work of afforestation.

In the plantations under the control of the Afforestation Branch a fresh area of 2,566 acres was planted in the twelve months. The expenditure on the whole area of plantations was £14,587, and from their commencement in 1896, £121,840. A gross area of 18,870 acres has been planted during this period, and it is estimated that 44,568,505 trees are growing thereon.

In comparing the various costs of raising and planting trees shown against the respective nurseries and plantations, it must not be overlooked that it is comparatively cheaper to raise trees in large quantities than in small, and that to concentrate (if practicable) the raising of trees from seed in one nursery would produce cheaper results than if the same number of trees were raised in two or three nurseries. It has, however, been impossible for various reasons to restrict the raising of trees in the South Island to one central nursery, and therefore the relative cost of the southern nurseries must always be somewhat greater than the one large nursery in the North Island.

Thuja plicata (the red-cedar of California) was experimented with in the Tapanui Nursery recently; and Pinus montezumæ and Pinus patula were tried in the Rotorua Nursery. The result of the growth of these new trees will be watched with interest.

Prison labour continues to be a success, there having been a daily average of twenty-eight men employed in the North Island plantations and forty-three men in the South Island. Every assistance and willing co-operation has been rendered by the officers of the Prisons Department. The total estimated value of planting by prison labour up to date amounts to £5,254 in the South Island, and to a considerable sum for the North Island.

The interest shown by the staff in their work is very gratifying, and the keenness with which they endeavour to advance themselves in the knowledge of forestry operations is worthy of commendation. It is hoped that arrangements may be made during this year by which they may obtain information on various subjects connected with their work, such as entomology, plant-diseases, agricultural chemistry, &c., from experts in these lines, and arrangements are now being made to this end.

The Biologist to the Agricultural Department (Mr. A. H. Cockayne) again inspected the Whakarewarewa plantations with a view to seeing if any traces existed of plant-disease therein, and his report is attached thereto. He is of opinion that the condition of the plantations is excellent, and it is more than doubtful if any forestry operations in any part of the world have been so free from disease as have those undertaken in New Zealand. This is a gratifying testimony to the faithful manner in which the Afforestation Blanch has performed its duties from 1896 to 1909 under the late Mr. Henry Matthews, and since that time under Messrs. R. G. Robinson (Superintending Nurseryman for the South Island) and H. A. Goudie (Superintending Nurseryman for the North Island).

In conclusion I desire to convey to the staff of the Branch my appreciation of the zealous manner in which they carry out the directions and wishes of the Government and endeavour to make afforestation in this Dominion an object-lesson for the Southern Hemisphere.

I have, &c.,

JOHN STRAUCHON,

Under-Secretary for Lands.

The Hon. Thomas Mackenzie, F.R.G.S., Commissioner of State Forests.