REPORT.

The Under-Secretary for Lands to the Commissioner of State Forests.

SIR,-

Department of Lands and Survey, Wellington, 25th July, 1918.

I have the honour to submit herewith the annual report of the Forestry Branch of this Department. I have, &c.,

T. N. BRODRICK, Under-Secretary.

The Hon. Sir F. H. D. Bell, K.C.M.G., K.C., Commissioner of State Forests.

PART I.—STATE NURSERIES AND PLANTATIONS.

TREES RAISED AND AREA PLANTED.

During the year ended 31st March, 1918, 6,882,700 trees were raised at the four State nurseries, and during the same period 4,725,547 trees were sent to the various State plantations and 530,458 to outside places.

At the different plantations where planting was done a total new area of 2,653 acres was afforested. The total area planted to date since operations were started in 1896 is now 32,645 acres. The following table shows the area planted prior to the 1st April, 1909, and the area planted yearly since that date:—

| | Planted before 1st April, 1909. | 1909-10. | 1910-11. | 1911-12. | 1912 -13, | [1913-14. | 1914-15. | 1915–16. | 1916–17. | 1917–18. | Total Area. |
|---------------------------|--|------------------------|--------------------------|------------------------|----------------|------------------------|------------------------|---------------------------------|------------------------|--------------------------|----------------------------|
| North Island South Island | Acres. 7,802 3,291 | Acres. 1,807 891 | Acres. 1,575 1,025 | Acres. 1,664 902 | Acres. 776 828 | Acres. 1,288 537 | Acres. 1,416 749 | Acres, 1,913 764 2,677 | Acres. 1,918 846 | Acres. 1,633 1,020 | Acres. 21,792 10,853 |

PRISON LABOUR.

In the South Island prisoners are not employed on the plantations. At Rotorua the total value of the work done by prison labour was £2,522 15s. 2d., the average earning per man being £89 17s. 6d. The total value of the work done in the North Island by prisoners since 1900 is now £47,008 12s. 11d.

STATE ASSISTANCE TO FARMERS IN TREE-PLANTING.

Trees to the number of 487,560, valued at £949 10s. 9d., were sold to farmers. This was an increase of 176,593 over the trees sold in the previous year. The different articles that have at various times appeared in the *Journal of Agriculture* and the public Press have brought home to farmers the great value of farm plantations for the purposes of shelter, firewood, and farmers' timber requirements; and it is probable that in the future greater advantage will be taken of the scheme of State assistance in tree-planting by farmers.

SALE OF PLANTATION THINNINGS.

At the Rotorua station several inquiries were received for mine-props and firewood, but owing to the shortage of labour much business had to be refused. Poles, firewood, stakes, and battens to the value of £827–11s, were sold from this station. The total receipts from both North and South Island plantations for these items were £871–13s.

GRAZING STOCK ON FIRE-BREAKS.

The grazing of stock on the fire-breaks has again proved very advantageous both from the points of view of the saving of labour and revenue received as fees and from the sale of stock and wool. The old ewes were satisfactorily sold, and the flock replenished with a line of sound-mouthed ewes, which were bought at very reasonable prices.

RECEIPTS AND EXPENDITURE.

The amount appropriated last year for expenditure upon State-forestry operations was £42,197, and the expenditure amounted to £41,852, or £11,539 in excess of the expenditure of the previous year.

The increase in expenditure is partly accounted for by payment of the sum of £3,294 for the purchase of 6,589 acres comprising part of the Balmoral Estate, Canterbury, which has been set