

Summary of Prison Labour.

Station.	Year.	Period.	Total Value of Work performed.		Average Daily Number of Men employed during Period.	Average Value of Work per Man per Year.		
		Years.	£	s. d.		£	s.	d.
Whakarewarewa Plantation ..	1904-17	12-58	12,518	7 10	12-86	77	7	7
Waiotapu Plantation ..	1900-13	12-08	24,665	2 6	30-22	67	11	3
Kaingaroa Plains Plantation ..	1917-18	1-00	2,522	15 2	28-07	89	17	6
„ ..	1912-18	5-08	9,825	2 7	21-13	91	10	8

REVENUE.

The total receipts for the year, details of which are given hereunder, were £1,544 14s. 7d. Sales of trees and tree-seeds amounted to £520, thinnings from plantations £327, while the balance of £197 was principally grazing fees.

Several inquiries have lately been received for mining timbers, and inquiries for firewood have also greatly increased. Owing, however, to the shortage of labour it has not been possible to continue the thinning-work, and consequently much business has had to be rejected.

Receipts for the year were as follows :—

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Trees (282,350)	473	5	4
Tree-seeds (56 lb.)	46	15	1
Poles (5,008)	127	12	6
Firewood (442 cords)	689	13	0
Stakes (330)	...	...	...	...	5	5	6
Battens (1,000)	...	...	...	...	5	0	0
Grazing, &c.	...	...	...	...	197	3	2

£1,544 14 7

THE COST OF PLANTATIONS.

The balance-sheets which are published with this report should be the means of correcting the erroneous statements which have been made from time to time regarding the cost of the plantations. In articles appearing in the *Journal of Agriculture* and in the publications of the Forestry League it has been asserted that the plantations made by this Department have cost £13 per acre. This sum is made to appear as the original cost without interest, and no allowance is made for the maintenance charges over the twenty years since the work was inaugurated. It has never cost £13 per acre to establish the plantations, and over the whole period under review the actual cost of establishing has averaged under £10 per acre, and this includes much necessary experimental work.

A summary of the balance-sheets for the four plantations in the North Island shows that the actual cost to date (including compound interest) of planting 21,793 acres is £293,514 13s. 3d., or an average per acre of £13 9s. 5d.

GENERAL.

The proposals for the coming season are to plant about 1,500 acres with pines. Half of this area is to be planted at Kaingaroa Plains and the remainder at Waiotapu Plantation. The shortage of labour during the year has, however, delayed the preparation work to some extent, and it may not be possible to carry out the proposals in their entirety.

The staff of officers is gradually becoming reduced. Two more go away at an early date, by which time only half the staff will be left.

All the officers deserve the thanks of the Department for the cheerful and willing manner in which they have endeavoured to carry out the extra duties necessitated by the gradual depletion of the staff.

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

BALANCE-SHEETS.

Rotorua Nursery, from 1898 to 31st March, 1918—Twenty Years.

<i>Dr.</i>	£	s.	d.	£	s.	d.	<i>Cr.</i>	£	s.	d.	£	s.	d.
Actual expenditure ..	70,666	12	5				Actual receipts ..	1,794	13	8			
Interest, compound, at 4 per cent. ..	30,452	16	0				Interest, compound, at 4 per cent. ..	180	7	5			
				101,119	8	5					1,975	1	1
Land rental—							Trees to plantations ..	69,772	14	0			
Accumulated rental compounded for twenty years at 4 per cent. of cost				100	1	1	Interest, compound, at 4 per cent. ..	18,632	16	10			
											88,405	10	10
							Present value of—						
							Buildings, fencing, &c.	3,941	15	3			
							Departmental property	2,114	6	9			
											6,056	2	0
							Trees in stock (at valuation)				4,782	15	7
				£101,219	9	6					£101,219	9	6