

Under section 32 of the Finance Act, 1918, authority was provided for raising £200,000 for forestry purposes, and during the year £65,000 was raised and placed to the credit of the State Forests Account. The revenue from indigenous forests amounted to only £6,058 13s. 7d., and the revenue from plantations and nurseries to £2,455 2s. 3d.

STATE FORESTS ACCOUNT—RECEIPTS AND PAYMENTS, 1919–20.

<i>Dr.</i>				<i>Cr.</i>			
	£	s.	d.		£	s.	d.
To Cash in hand, 1st April, 1919 ..	2,399	5	6	By Interest on debentures ..	3,577	0	3
Loan Account—Debentures issued ..	65,000	0	0	Nurseries and plantations—			
Revenue from State forests, rents, royalties, &c. ..	6,058	13	7	Material, buildings, planting, pitting, &c. ..	43,794	18	3
Revenue from nurseries and plantations—	£	s.	d.	Extension of nurseries ..	145	6	2
Trees ..	572	14	9	Expenses of surveys ..	123	4	8
Firewood and poles ..	685	11	1	Dog Creek Bridge ..	50	0	0
Seeds ..	114	17	11				
Grazing ..	163	4	9		44,113	9	1
Rentals ..	77	17	3	State forests—			
Sheep, wool, and skins ..	631	5	7	Additions to State forests ..	7,293	19	8
Royalty on sulphur ..	16	14	11	Management expenses ..	1,562	1	11
Sundries ..	192	16	0	Kauri-gum—Expenses of collection ..	120	11	9
				Collection of tree-seeds ..	27	13	5
	2,455	2	3				
					9,004	6	9
				Sundry expenditure—			
				Salaries ..	9,047	18	5
				War bonus ..	1,803	10	10
				Temporary clerical assistance ..	300	15	0
				Travelling-expenses ..	1,524	10	4
				Books, stationery, &c. ..	513	17	1
				Office furniture, technical instruments, &c. ..	222	13	6
				Specimens of New Zealand timber ..	15	11	6
				Cost of printing Sir D. Hutchins's report ..	172	10	0
				Grant to Sir D. Hutchins ..	100	0	0
				Cash in hand, 31st March, 1920 ..	5,516	18	7
					19,218	5	3
					£75,913	1	4
	£75,913	1	4				

STATE FORESTS ACCOUNT.—LOAN ACCOUNT AS AT 31ST MARCH, 1920.

<i>Dr.</i>		<i>Cr.</i>	
	£		£
To Loan authority—		By Debentures issued—	
Section 50, Finance Act, 1916 ..	50,000	1916–17—Section 50, Finance Act, 1916 ..	10,000
Section 32, Finance Act, 1918 ..	200,000	1917–18—Section 50, Finance Act, 1916 ..	28,100
Section 7, State Forests Act, 1908 ..	10,000	1918–19—	
		Section 50, Finance Act, 1916 ..	11,900
		Section 32, Finance Act, 1918 ..	15,000
			26,900
		1919–20—	
		Section 50, Finance Act, 1916 ..	65,000
		Section 32, Finance Act, 1918 ..	
		Balance of authority at 31st March, 1920 ..	130,000
	£260,000		£260,000

TRADE.

General.

During the year there was a strong revival of building and construction works, and it is to be regretted that a shortage of coastwise shipping prevented this demand being satisfied.

Increased cost of production has caused a corresponding rise in the selling-price of timber. The only party which has not participated in the increased prices is the State, as royalties have remained the same. Some advantages have, however, resulted from increased timber-values: for example, a less wasteful utilization of the forest is now fairly general, and beech (birch) is now being used far more than before; in fact, the many uses to which this timber is now being put makes valuable large areas of forest which heretofore have been considered almost worthless commercially.