SWAMP-DRAINAGE RECLAMATION.

During the past year it has been possible to considerably accelerate operations in connection with the several large reclamation schemes in hand.

One new dredge was put into commission, while two others are being litted out. Some 3,700 acres were reclaimed and handed over for selection.

It is anticipated that some 4,600 acres will be ready this year, and in addition drained areas at Kaitaia, Tokatoka, Reparoa, and Orongo will be available.

Active surveys are in progress in connection with large areas in Southland, Westland, and North Auckland, and tenders are being called for river-diversion work in connection with the Hikurangi Swamp.

The Chief Drainage Engineer is now in America in accordance with the policy of the Government to purchase the most modern and suitable machinery necessary to cope with the fast-growing requirements of this important branch.

STATE FORESTRY.

In order to ensure the management and attention which its special nature and increasing importance required, the Forestry Branch of the Lands Department was during last year created an independent Department, the former Chief Officer being made Secretary of the new Department; and to ensure our forests being treated in accordance with modern scientific practice a gentleman with high technical qualifications and wide experience was engaged in England as Director of Forests. This officer arrived in the Dominion in the middle of March, and after inspecting our indigenous forests and plantations he will submit proposals for their future management. Assistants will be required with higher training than that possessed by most of the men now available here, but the Department intends to employ on this work some of the young New Zealand soldiers who are at present taking special forestry courses at British schools of forestry; and later on men will be available who will have received their training in New Zealand.

During last session of Parliament legislation was passed whereby national-endowment lands could be proclaimed provisional State forests, and under this authority 56,066 acres were proclaimed. Under section 34 of the War Legislation and Statute Law Amendment Act, 1918, 3,311,000 acres of Crown lands were during the year proclaimed provisional State forests. These lands will be carefully examined by Forestry officers, and areas more suitable for settlement than for forestry will (after disposal of the timber) be withdrawn from reservation and made available for settlement.

The area of State forests and provisional State forests is now 5,021,280 acres, but a large proportion of this area is barren mountain-tops and rocky slopes carrying only subalpine scrub.

The total area of land planted during the year with exotic timber-trees was 1,972 acres. This area is smaller than the average area planted during the last eight years, and is accounted for mainly by reason of the fact that an unfavourable season at Tapanui Nursery resulted in a lessened output of young trees.

On the plantations a large number of discharged soldiers has been employed, but from the departmental point of view the employment of this class of labour has not proved altogether satisfactory, as the men regard tree-planting as merely a temporary occupation, and remain only a short time at that work.

The expenditure for the year was £66,819, an increase on previous years, due mainly to increased wages, the building of hutments, and the purchase of forest lands. The revenue was £8,514, being an increase of £984 over last year's.

The balance of the loan authority is £130,000, but as provision must be made for the carrying-out of a building programme, purchase of machinery, and salaries of additional staff, the limit so fixed is insufficient. The greater activities that are henceforth to be undertaken will entail increased expenditure, but against this it is confidently expected that the revenue will be increased by the efficient management of our native forests.

It is the intention of the Government to proceed actively with the important work of reafforestation and the planting of sand-dunes with suitable timber-trees, and legislation will be introduced providing for the future requirements of the Dominion in this respect.