

STATE FORESTS ACCOUNT.—LOAN ACCOUNT AT 31ST MARCH, 1921.

To Local 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 (No 2) ..	200,000	1917-18—Section 50, Finance Act, 1916 ..	28,100
Section 16, Finance Act, 1920 ..	250,000	1918-19—	£
		Section 50, Finance Act, 1916	11,900
		Section 32, Finance Act, 1918	
		(No. 2)	15,000
			26,900
		1919-20—	
		Section 32, Finance Act, 1918 (No. 2) ..	65,000
		Section 32, Finance Act, 1918 (No. 2) ..	70,000
			200,000
		Balance of authority at 31st March ..	300,000
	<u>£500,000</u>		<u>£500,000</u>

The forest revenue credited to the State Forests Account in the fiscal year 1920-21 was greater by £11,184 than in the previous year, and totalled £19,697. This increase, amounting to 132 per cent. over the last year, is largely due to the return of more stable economic conditions, and increased demand for timber for constructional purposes. A more uniform and appropriate system of mature-timber disposal has been evolved, so that the annual revenues will steadily increase and not show that wild erraticity exhibited in the period 1896-1921.

The following table presents a concise summary of the forest receipts from State forests and Crown lands, together with State-forest expenditures. It is evident that while State-forest revenue alone has been insufficient to cover all State-forest expenditure, yet all Crown timber revenues on the average would be more than enough to meet the average outgo:—

New Zealand Forest Finances.

Year.	State Forest Account Revenue.	Crown Land Timber Revenue.	Total.	State Forest Expenditure.
	£		£	£
1896	2,468	2,964	5,432	481
1897	8,504	7,658	14,162	2,472
1898	10,995	8,574	19,569	5,802
1899	5,884	3,392	9,276	3,340
1900	8,845	11,360	20,205	4,002
1901	14,915	10,177	25,092	6,857
1902	17,188	17,045	34,233	10,334
1903	3,870	15,893	19,763	11,017
1904	16,726	13,739	30,465	15,584
1905	12,784	34,820	47,604	18,675
1906	14,385	40,484	54,869	20,188
1907	20,426	30,203	50,629	24,951
1908	18,258	43,551	61,809	25,831
1909	32,619	20,013	52,632	26,962
1910	15,425	15,649	31,074	22,187
1911	14,870	20,176	35,048	23,446
1912	35,193	24,319	59,517	22,810
1913	11,525	19,280	30,805	22,169
1914	11,354	19,424	30,778	28,442
1915	14,732	13,540	27,912	30,318
1916	20,611	20,853	51,446	30,312
1917	12,881	12,817	25,698	27,089
1918	13,299	10,063	23,362	41,851
1919	7,529	8,115	15,644	41,343
1920	8,513	10,345	18,858	66,819
1921	19,697	25,465	45,162	79,551
26 years	373,141	459,909	833,050	612,833
Average per year for period 1896-1921, inclusive	14,350	17,688	32,040	23,570

State Forest Service expenditures on analysis show an increase in debenture interest charge (all afforestation expense), a substantial increase in the salary subdivision due to the appointment of regional Conservators of Forests and Forest Rangers, and a marked increase in general development