REVENUE.

Following are particulars of the revenue derived from the nursery and plantations during the last two years:—

			1921–22.			193	1920-21		
			£	8.	d.	£	s.	d.	
Sales of trees		 • •	 1,530	13	3	677	3	8	
Sales of tree-seeds		 	 370	16	7	153	6	7	
Sales of firewood		 	 2	0	0	194	11	6	
Sales of posts, &c.		 	 0	12	0	3	10	0	
Grazing		 	 150	10	10	112	5	11	
Rent of departmental	cottages	 	 380	6	9	289	11	8	
Sundry recoveries		 • •	 11	8	9	181	12	6	
			£2,446	8	2	£1.612	1	10	

PROGRAMME FOR 1922.

The land-clearing, preparatory to planting an area of 2,300 acres at Kaingaroa Plains, is completed, and the tree-planting work will be commenced early in the coming year. The principal trees to be planted are Douglas fir and *Pinus ponderosa*, and it is expected that the plans laid down will absorb three million trees.

ANNEXURE III.—REPORT ON FORESTATION OPERATIONS IN THE SOUTH ISLAND.

(D. J. Buchanan, Conservator of Forests, Canterbury-Otago Conservation Region.)

EXTENSION OF PLANTATIONS.

The total area planted during the year at the three afforestation stations amounted to 675½ acres. The total area planted to date in the South Island amounts to 13,100 acres. Of the total number of trees transferred to plantations—viz., 1,055,350—some 117,500 were utilized for blocking up. The total output for the year was 1,442,452. The total number of seedlings raised during the year is approximately 1,867,100, while the total to date amounts to 50,388,896. The total number of trees in nurseries on the 31st March, 1922, was 4,496,530, and the estimated output for the coming season 1,200,000. At the various plantations results are good as far as the hardier species such as *Pinus ponderosa* and *Pinus laricio* are concerned. A trial planting of 7,300 one-year seedlings at Greenvale gave satisfactory results, and a further trial will follow this year. At Naseby Plantation one-year-old seed-bed trees of *Pinus ponderosa* and *Pinus laricio* were planted with good results, the death-rate being about 3 per cent. This system climinated lining out, and the experiment will be followed up at Greenvale this year, if possible. The general growth of established trees in the plantations has been quite up to the average, and they are in a generally healthy state, no disease of any importance having made its appearance.

LABOUR.

Labour conditions have been easy, and there has been no difficulty in maintaining an adequate working staff throughout the year.

Unemployment Relief Works.

The Government decided to undertake road-formation in the plantations during the winter months with a view to ameliorating to some extent the unemployment problem. At Greenvale Plantation some four miles and a half of roading were formed through the centre of the plantation, giving good access to the various blocks which will ultimately be planted. At Hanmer Springs, where the old prison-camp buildings were utilized for accommodation of the men, good work was done in the way of forming roads and fire-breaks, &c. Some six miles of roads were formed, giving access to the more distant portions of the plantations, and a road was also formed from the main road to the fire-station, some of the labour being utilized for the erection of the lookout hut. Various fire-breaks were also brought into a better state of efficiency.

SALE OF TREES TO FARMERS AND PUBLIC BODIES.

Some 269,602 trees of various species and 26 lb. of tree-seeds were supplied to farmers and others during the year. The major portion consisted of *Pinus insignis*, of which species 171,762 were supplied; *P. ponderosa*, with 22,440; Douglas fir, 20,409; *Pinus laricio*, 18,217; and *P. muricata*, 15,500; &c. Applications exceeded the supply by as much again. An advertising campaign has been inaugurated with the object of pushing the sale of trees and generally fostering a demand, and encouraging a more active interest in forestry amongst the general public of the Dominion. A circular letter was posted to all City and County Councils, &c., outlining the advantages of tree-planting, and various posters and leaflets are being distributed as widely as possible throughout the South Island. The orders already received indicate that the demand will be fully maintained during the coming season.

GRAZING BY SHEEP ON PLANTATIONS.

The departmental flock has been maintained at Conical Hills Plantation with the usual good results, and the fire-breaks continue to be kept in a safe condition there by this method. At Hanmer Springs Plantation grazing was discontinued, as it was found that there was danger of damage to crops and to trees during the winter snowfall.