

1932.

VICTORIA

FORESTS COMMISSION OF VICTORIA,
AUSTRALIA.

THIRTEENTH ANNUAL REPORT,
FINANCIAL YEAR, 1931-32.

PRESENTED TO BOTH HOUSES OF PARLIAMENT PURSUANT TO ACT No. 3685, SECTION 40.

[*Approximate Cost of Report.*—Preparation, not given. Printing (950 copies), £30.]

By Authority:

H. J. GREEN, GOVERNMENT PRINTER, MELBOURNE.

No. 15.—[1s.]—12398.

ANNUAL REPORT OF THE FORESTS COMMISSION OF VICTORIA FOR THE YEAR ENDED 30TH JUNE, 1932.

INTRODUCTION.

The Forest Reserves of the State are still approximately 1,000,000 acres short of the area required as a minimum necessary for the State's future requirements. Every effort is being made by the Commission to have the requisite area reserved. To this end 10,277 acres of unoccupied timber-bearing Crown lands were dedicated as Forest Reserve during the past year.

The successful carrying out of a sound forest policy is dependent upon security of tenure of the Forest Estate and continuity of management and control with regular financial provision. There is necessity to take a long-sighted view of forestry requirements and policy, as the period between seed time and harvest is protracted, and any interference with an original plan causes serious disorganization. Security of tenure is the *sine qua non* of effective forest control.

The Commission desires to draw serious attention to the fact that any encroachment upon the forest domain, other than that proved to be absolutely essential for the welfare of the State, would render nugatory settled policy decided upon after years of scientific investigation.

Adequate regular supplies of timber to meet requirements are not the only essential for the welfare of the State which is also largely governed by natural factors dependent upon the conservation of our forest resources. The assurance of continuous water supply for irrigation and domestic purposes and the amelioration of climatic conditions are dependent on the preservation of adequate forest cover, more especially on the highlands whence the streams take their source. Removal of the tree cover brings in its train drastic results in undue flooding, erosion and siltation of streams, and diversion of their flow.

Timber Industry.—Financial provisions of the Forests Acts are such that forest policy in Victoria is dependent upon the existing state of trade and industry at any one time. As they fluctuate so, except for an irreducible minimum, does the amount of money available to the Commission for the furtherance of its policy move in sympathy. The present state of the timber market, therefore, is a matter of vital concern to the Commission.

There have been definite indications of a gradual revival in the timber industry throughout the latter part of the year, when monthly sawmill output returns from State Forests showed a steadily increasing tendency. It is significant also that royalties on forest produce received by the Commission showed an increase of over £6,000 compared with the previous year's figures. There is every indication that the forward trend will be maintained, as local hardwood timbers for building purposes are in greater demand than ever before.

It is satisfactory to record also that successful experimental shipments of kiln-dried Victorian Mountain Ash timber have been favorably received overseas, and that there is every likelihood of further orders on a more extensive scale eventuating.

Forestry Operations.—The fixed minimum annual sum available for the improvement and development of the State Forests provided under the Forests Act is £40,000. This enables the Commission to carry out its regular work in a restricted form. Under the provisions of the Financial Emergency Act, however, the Fund has been reduced to £32,000, which has increased the difficulties of regular and efficient control, especially in the first class forest areas.

However, moneys have been made available through loans and by the Unemployed Relief Board which have enabled the Commission to carry out work in second and third class forest areas and in certain avenues of fire protection. The position has been, therefore, relieved thereby for the time being, but the important question of continuity of provision of sufficient funds must be carefully considered in the near future.

Coniferous Plantations.—5,318 acres of exotic softwood plantations were established during the year, bringing the total area of plantations up to 27,529 acres. The programme completed last year represents the highest annual coniferous planting to date.

Working Plans.—The total area of State Forests under working plan control is now 579,322 acres, including 128,717 acres for which prescriptions were completed during the year under review. Preliminary surveys and mapping of forest areas preparatory to the introduction of working plan control were carried out over an area of 262,972 acres.

Watershed Survey.—An intensive field reconnaissance survey of the watershed of the upper reaches of the River Murray was carried out during last summer. A report embodying the results of the survey is being prepared and will shortly be completed.

Mallee Areas.—Attention is again drawn to two problems which each year are coming more prominently before the general public of the State in respect of the Mallee.

These are—

- (a) Wind erosion of soils.
- (b) Death of residual tree growth following excessive clearing.

To the first, attention has been drawn before. During the past year public notice of the phenomenon has been accentuated, and repeated reference to the ill effects has appeared in the press. The Commission considers that this is only what may be expected, and that in the absence of control measures the evil will become more pronounced as the years pass. Ability to check the evil is dependent upon the retention of existing tree belts and the creation of others in parts where the effect is most pronounced and clearing has been most complete.

The death of residual tree growth which has become apparent in recent years is held to be a natural corollary of excessive clearing. The original vegetational belt on the area prevented excessive desiccation of soil layers. Now that this is largely removed, such a condition occurs even in timber belts adjacent to clearings, with the result that high mortality in the tree growth takes place.

To ensure the future welfare of the Mallee areas, the retention of timber belts of considerable size is held to be essential.

AREA.

The total area of reserved forest at 30th June, 1932, was 4,688,279 acres. During the past year, minor inaccuracies in previous computations of the area of various units were discovered and adjusted, and the following additions were gazetted :—

Parish of Mullungdung	..	..	..	..	4,588	acres.
Parish of Boodyarn	..	..	..	..	1,743	..
Parish of Telbit	..	..	..	..	2,079	..
Parish of Porepukah	..	..	..	..	82	..
Parish of Gobarup	..	..	..	..	646	..
Parish of Tooronga	..	..	..	..	834	..
Parish of Kerrie	..	..	..	..	265	..
Parish of Bungal	..	..	..	..	40	..
Total additions					10,277	..

Of this additional acreage, 3,300 acres comprised unoccupied Crown lands, the remaining 6,977 acres being forested country formerly selected and abandoned, but which is capable of being improved up to or beyond its original forest value.

STAFF SURVEY.

Preliminary land surveys have been carried out by two surveyors in the Commission's service, both of whom are certificated by the Surveyors' Board of Victoria. The work carried out during the year comprised chiefly the re-definition of old survey lines which form the mutual boundaries between forest reserves and abandoned, neglected or unfenced selections, and the marking of interior base lines as a preliminary to the commencement of assessment surveys. The total length of permanent line survey completed was 202 miles, comprising 130 miles of new or re-defined forest boundaries, 5 miles of check survey, and 67 miles of interior base lines. Much of the interior survey was done by stadiometry which, while necessitating the employment of the same number of men, greatly facilitates the progress of the work. Lines forming the mutual boundary between Forests and Lands Departments' territory were surveyed in accordance with the Regulations for Surveyors prescribed by the Surveyor-General of the Lands Department. Incidental to the major surveys, 25 miles of traverse were chained.

RIVER MURRAY WATERSHED SURVEY.

During the months of February and March field work was carried out in the north-eastern counties embracing the headwaters of the River Murray and its upper tributaries on the Victorian side, which form the catchment area of the Hume Reservoir, with a view to ascertaining the position as regards factors controlling the effectiveness of this area as a stream regulator and water purifier.

The drainage areas of the Murray and Mitta Mitta Rivers cover approximately 3,940 square miles, and this area was examined in considerable detail. Interesting and useful information was secured regarding the destruction of forest areas by fire, settlement operations, and other causes, with consequent detrimental effect on the disposal of the rainfall. The results of the investigation are being embodied in a separate report which will shortly be available.

PERMANENT WORKS AND BUILDINGS.

No new permanent forest quarters were erected during the year.

Repairs or improvements to Foresters' quarters were effected at Barmah, Bruthen, Belgrave, Neerim, Taggerty, Nowa Nowa, Beech Forest, Briagolong, Bright, and Macedon.

Three patrol huts were erected at Erica and Neerim, and minor repairs to permanent forest improvements effected where necessary.

ERICA TRAMWAY.

The quantity of sawn timber hauled during the year amounted to 4,716,395 superficial feet, in addition to 23,531 superficial feet of Blackwood and Beech logs, making a total of 4,739,926 superficial feet. This represents an increase of 948,168 superficial feet over the haulage of 3,791,758 superficial feet during the previous year. Owing to the continued depression in the timber trade, business was at a very low ebb during the early months of the year, but during the latter part of the period a gradual and considerable improvement was evident, indicating the probability of more satisfactory conditions during the ensuing year.

The income earned for the year amounted to £4,471 7s. 7d. compared with £3,547 9s. 11d. for the previous financial year.

Repairs and renewals to the track, bridges, telephones and permanent fixtures were carried out, and both the line rolling-stock are in satisfactory working order.

MANAGEMENT OF INDIGENOUS FORESTS.

FOREST MAPPING AND ASSESSMENT.

Forest mapping was carried out over the following areas during the year :—

Mountain Forests—

Neerim Forest District	..	..	..	12,697 acres.
Erica Forest District	..	..	..	7,826 „
Upper Yarra Forest District	..	..	..	25,000 „ (approx.)

In each of these three districts mapping of State Forest is still incomplete and will be resumed next summer.

Stringybark Forests—

Wombat Forest District	..	..	..	69,747 acres.
Otway East Forest District	..	..	..	36,000 „ (approx.).
Beaufort Forest District	..	..	..	11,114 „
Ballarat and Creswick Forest District	..	..	..	11,892 „
Nowa Nowa Forest District	..	..	..	31,796 „

All State Forest is now mapped in Ballarat and Creswick Forest District. In Wombat Forest District only a few small unimportant reserves remain. Work is proceeding in Nowa Nowa and Beaufort Forest Districts.

Ironbark-Box Forests—

Maryborough Forest District	56,900 acres.
-----------------------------	----	----	----	---------------

This completes the mapping of Ironbark and Box areas in Maryborough District.

All the above forest areas have been type mapped.

Timber assessment has been carried out in the areas surveyed in Neerim, Erica, Upper Yarra, Wombat, Beaufort, Ballarat, and Creswick Districts. An enumeration of stock has been made in the Ironbark-Box forests of Maryborough.

The total area mapped during the year is, therefore, 262,972 acres.

WORKING PLANS.

During the year the following Working Plans have been approved and put into operation :—

- Scarsdale Working Plan* . . Prescribing for the management of an area of 39,050 acres.
Heathcote Working Plan . . Prescribing for the management of an area of 89,667 acres.

The total area brought under Working Plan during 1931-2 was, therefore, 128,717 acres, which brings the total area of State Forest under Working Plan control at 30th June, 1932, to 579,322 acres.

SILVICULTURE OF INDIGENOUS FORESTS.

On the whole, conditions during the year 1931-2 were in favour of good growth and reproduction as a result of opportune rains in spring and autumn, but the hot, dry spell extending over a period of two months in summer was detrimental to, and was responsible for a certain percentage of mortality among, young seedlings.

For some years seedling regeneration on cut-over areas of White Mountain Ash (*Euc. regnans*), Victoria's chief milling timber tree, has been somewhat patchy, although more satisfactory results than usual were reported during the year just ended. However, close observation has shown results better than were anticipated, as it is often very difficult to determine, except where regeneration is dense, whether or not seedlings are present on a cut-over area until after the lapse of a few years, as the eucalypt seedlings are hidden by the dense growth of bracken, wattles, and other scrub which appears immediately after an area is opened up by logging operations. On areas cut over three or four years ago, and on which it was considered that eucalypt reproduction was practically a failure, seedlings in sufficient numbers to re-stock the area are appearing above the scrub and will eventually suppress it. It is observed that quick-growing mountain species such as White Mountain Ash (*Euc. regnans*) and Messmate (*Euc. obliqua*) definitely outgrow the competition of scrub after about eight to ten years, the scrub being of value in assisting natural thinning of the eucalypt crop during its early stages of growth.

In the mountain forest areas damaged by fire during summer, the formation of a splendid seed-bed by the burn, good rains following immediately after the fires, and an abundant supply of fertile seed on the standing trees combined to give almost ideal conditions for germination and the production of a prolific growth of seedlings. Countless millions of seedlings, forming an almost continuous carpet, were observed within a few weeks of the fires, ensuring complete re-stocking of those areas already logged, or from which it will be necessary to salvage the killed or damaged timber within the near future. The species most in evidence were White Mountain Ash (*Euc. regnans*), Messmate (*Euc. obliqua*), Silvertop (*Euc. Sieberiana*), and Mountain Grey Gum (*Euc. goniocalyx*).

In the Erica and Upper Yarra Districts, portions of the White Mountain Ash (*Euc. regnans*) and Messmate (*Euc. obliqua*) forests burned by the fires carried either no eucalypt growth or young re-growth not sufficiently advanced to carry fertile seed. Owing to the absence of seed trees, there was every probability of these areas reverting to useless scrub and bracken. To avert any such possibility and to take advantage of the favorable soil and climatic conditions, immediate arrangements were made to sow these patches artificially. During the spring, seed of White Mountain Ash (*Euc. regnans*) was broadcast sown by hand at the rate of approximately 4 oz. per acre. A total of approximately 600 acres was so treated at an average cost, excluding the cost of seed collection, of 2s. 6d. per acre. The results of this treatment will not be available until later in the season, but if satisfactory it is proposed to extend the scope of the work to include similar areas destroyed by past fires and on which eucalypt regeneration is at present lacking.

Advantage was taken of the heavy crop of fruit on the White Mountain Ash (*Euc. regnans*) to collect over 200 lb. of seed, most of which was utilized for artificial regeneration purposes.

Although it has long been realized that thinning treatment would not only be beneficial, but is also necessary, in young stands of White Mountain Ash (*Euc. regnans*) saplings, it has hitherto been found impracticable on account of financial considerations to conduct such operations on an extended scale. The development of a market for hardwood case material has provided an outlet for the utilization of thinnings from stands sufficiently advanced to provide the necessary sizes of timber and has enabled thinnings to be carried out economically.

During the past year, thinnings of a more or less experimental nature were carried out in young White Mountain Ash (*Euc. regnans*) stands 25 years old in Yuonga State Forest, giving an average return of approximately 4,000 superficial feet per acre off the saw. Such silvicultural treatment will not only benefit the stand by removing competition from the best trees and so permitting their development at an increased rate, but also allows the utilization of suppressed and damaged trees which otherwise would die out in a few years and become valueless, as well as providing an avenue for employment on both thinning work and converting the timber.

Arrangements have been made for the immediate salvaging of spar, pole, and mill timber of White Mountain Ash (*Euc. regnans*) killed by recent fires, such timber deteriorating rapidly if left standing.

In the Stringybark forests, regeneration both from seed and coppice has been satisfactory. In this type of forest, after exploitation there are usually a considerable number of worthless cull trees left standing. Whilst these are serviceable as seed trees for providing seed to re-stock such cut-over areas, their continued presence is a menace to the seedling re-growth not only by competing for moisture and nourishment, but also by preventing free entry of light to the young crop. In addition, these trees interfere with regeneration, which is patchy and confined to decided gaps in the old crop, the ground within a radius of several yards of each old cull tree rarely carrying any young seedlings. Where present in any quantity, the removal of at least a proportion of the cull trees is essential not only to secure satisfactory seedling regeneration, but also to allow established groups of seedlings the necessary space and light for unretarded development. The necessary silvicultural treatment in this direction has for economic reasons been restricted in the past, with the result that many areas were urgently in need of attention. The provision of unemployed relief funds for forest works during the past year enabled essential liberation and regeneration treatment to be undertaken, and even at the present time the benefit of such treatment is apparent. The operations have been largely of an experimental nature, and, as a result of experience gained, a suitable technique for similar future operations has been evolved which should give satisfactory results.

Growth and regeneration in the River Red Gum (*Euc. rostrata*) and Black Box (*Euc. bicolor*) belts of the Murray and Goulburn Rivers were materially affected by the abnormally heavy floods of the winter of 1931. Except in years of exceptionally high rivers, Red Gum and Black Box stands on the higher ground do not benefit from flood waters. Since last winter, however, when many of these areas were inundated, a marked increase in growth has been noticeable, and it is reported that excellent seedling regeneration of Black Box has been obtained.

As anticipated in the Annual Report for 1930-31, heavy mortality occurred among Red Gum seedlings along billabongs and on other low-lying ground, the young plants not being sufficiently advanced to withstand complete immersion for a considerable period. Since the recession of flood waters, however, further satisfactory seedling reproduction has taken place.

As was the case the previous year, silvicultural operations and timber getting on the lower ground near the rivers were seriously interfered with by the floods, and activities had to be confined to a great extent to inferior stands on the higher ground.

On cut-over Box and Ironbark forests of the northern foothills, seedling regeneration of the principal species—Red Ironbark (*Euc. sideroxylon*), Yellow Gum (*Euc. leucoxylon*), and Grey Box (*Euc. hemiphloia*)—continues to be unsatisfactory, and reliance must be placed on coppice for re-stocking. Coppice regeneration has been prolific and growth rapid. Red Ironbark is at present in flower, but it has been observed that a large percentage of the flowers are being destroyed by cockatoos and parrots. The failure of Red Ironbark to reproduce naturally from seed is at present being investigated.

In the north-west Mallee areas, good winter rains held out excellent prospects of a revival in health and growth of the Native Pine (*Callitris glauca*) following the severe setback experienced as a result of continued drought, and during early spring belts of this species presented a wonderfully healthy appearance. Unfortunately, favorable conditions were only temporary, as particularly hot and dry weather, commencing in September, was experienced until the end of summer. The pines were unable to maintain the vigorous growth put on earlier in the season on account of severe desiccation of the soil and the competition of a heavy growth of native grasses. Large numbers of trees were killed outright, this being particularly noticeable wherever the trees were exposed or isolated, and round the margins of reserves where the protective belts of surrounding Mallee scrub had been removed.

Largely as a result of the application of relief money on forest work, an extensive programme of silvicultural operations was successfully carried out. The following table shows the extent and nature of the work done, together with the corresponding figures for the previous year by way of comparison :—

Nature of Work.	Area Treated.		Increase or decrease.
	1931-32.	1930-31.	
	acres.	acres.	acres.
First thinning	6,670	25,036	— 18,366
Second or subsequent thinning	1,104	1,604	— 500
Ringbarking as regeneration or liberation treatment	14,015	13,478	+ 537
Second or subsequent ringbarking	1,400	..	+ 1,400
Removal of surplus coppice	67,797	31,093	+ 36,704
Artificial sowing	604	..	+ 604
Salvage felling .. .. .	..	551	— 551
Total area treated	91,590	71,762	+ 19,828

PLANTATIONS AND NURSERIES.

1. SEASON.

With rainfall well distributed over the planting season and early spring, newly-planted stock developed with more than ordinary rapidity. There was, however, a severe check during the almost rainless months of December and January which resulted in appreciable, though localized, failures.

Older crops were not adversely affected by these drought conditions, while nursery stocks were safeguarded by intensive soil mulching.

Good rains during the late summer followed by uniformly mild weather throughout the month of May have together favoured an early start with the current season's planting programme.

2. WORKING PLANS.

Detailed provisions of the Stanley Working Plan were completed during the year, and the five years' scheme was put into operation with the planting of 319 acres; 60 per cent. of this area was stocked with Western Yellow Pine (*Pinus ponderosa*) and 18 per cent. with Douglas Fir (*Pseudotsuga taxifolia*).

With only slight modifications in species allocation, the 1,087 acres scheduled for Bright was dealt with.

In order to make necessary provision for planting as from 1934, a further tract of country covering some 8,000 acres has been surveyed and subdivided preparatory to species zoning.

The Ovens programme covered the 849 acres as prescribed, while the Aire Valley Plan incorporated 566 acres of new work.

3. PLANTING OPERATIONS.

During the 1931 season, the gross area planted with conifers totalled 5,318 acres, bringing the total area of softwood plantations up to 27,529 acres.

In addition to the above, necessary renewals and conversion planting extended to a further 400 acres.

Species employed, and area of each planted, were as follows :—

Western Yellow Pine (<i>Pinus ponderosa</i>) ..	428	acres
Corsican Pine (<i>Pinus laricio</i>)	930	..
Monterey Pine (<i>Pinus radiata</i>)	2,596	..
Maritime Pine (<i>Pinus pinaster</i>)	861	..
Bishop's Pine (<i>Pinus muricata</i>)	95	..
Douglas Fir (<i>Pseudotsuga taxifolia</i>)	342	..
Sitka Spruce (<i>Picea sitchensis</i>)	37	..
Experimental planting	29	..
Total	5,318	acres

Planting of *Pinus muricata* and *Pinus halepensis* was largely of an experimental nature, and while the former, chiefly on coastal areas, showed satisfactory results, the latter, planted in the north-east inland areas, failed badly. During the current season, this latter species will be tried in the Otway District (Aire Valley), and again, in limited quantity, in the north-east and north-west, results from which will determine whether further planting is merited.

In the north-east plantations at Bright, Stanley, and Ovens, up to 40 per cent. of the total stock planted consisted of *Pinus ponderosa*, *Pinus laricio*, and *Pseudotsuga taxifolia*, while *Pinus laricio*, *Pseudotsuga taxifolia*, and *Picea sitchensis* constituted 79 per cent. of plantings at Aire Valley. Coastal planting included 72 per cent. of *Pinus pinaster* and *Pinus muricata*.

In the smaller plantation areas, principally in mining regions, planting was in the main confined to *Pinus radiata* and *Pinus laricio*.

Sugar Gum (*Euc. cladocalyx*) was planted on a small scale at You Yangs and Ouyen, and sowings of this species were carried out at You Yangs and Wail. As a result of the unfavorable season, however, results in each case were only moderate. Sowings of Golden Wattle (*Acacia pycnantha*) at You Yangs yielded satisfactory results.

4. CULTURAL OPERATIONS.

Intensive thinnings have been effected at Bright and Harcourt Plantations and are still proceeding. The most vigorous healthy trees capable of responding to increased light and root space are selected for retention to form the final crop, all suppressed and misshapen trees being marked for removal. Although the proportion of the stand removed, by number of trees, may be comparatively high, the actual volume of timber thinned out does not usually exceed 15 per cent. of the total stand.

In accordance with graphed results of stem analyses which determined within fairly close limits the period at which the struggle for existence and supremacy becomes reflected in decreased height, diameter and volume development, silvicultural treatment is now being applied to crops as from about the tenth year of growth. This will bring the plantations at Creswick, Mt. Beckwith, Mt. Macedon, Scarsdale, and Yarrowee, in addition to younger crops at Bright and Harcourt, within the scope of immediate future operations. It has been decided to apply silvicultural treatment over portion of the Sugar Gum plantation at Wail. Crops from 12 years old will be thinned during the current season over an area of about 500 acres.

5. UTILIZATION OF PLANTATION MATERIAL.

Over 1,500,000 superficial feet of mature *Pinus radiata* timber was harvested on Mt. Macedon. This comprised portion of the original crop planted 50 years ago, and yielded exceptionally fine logs which, in many cases, measured 12 inches in diameter at 100 feet above ground level. The timber was of high quality and in ready demand for building purposes. Choice parcels of this timber were despatched to islands close to Australia for building purposes.

Throughout the year cutting has proceeded at Frankston, where there is ready sale for all material. Additional cutting has also taken place at You Yangs.

Shelter fringes of *Pinus radiata* cut at Creswick were milled for the manufacture of fruit cases.

Milling plants have been installed at Bright and Harcourt, where material thinned out during silvicultural operations is converted into case material or fitches, with occasional select orders for specific purposes. A gratifying feature is the ready sale of material down to as low as 2¼ inches squared, which appreciably lessens the proportion of waste and at the same time creates a margin of profit not usually associated with thinnings.

6. NURSERY WORK.

Stocks throughout showed uniformly good development during the year, seasonal losses being lower than the average even in spite of prolonged drought. Germination of the main species was highly satisfactory, but experimental sowings of *Pinus Caribaea* and *Pinus palustris* did not come up to expectations. *Pinus Caribaea* will be given further trial during the current season.

Of special interest this year will be comparative germination tests with various strains of Douglas Fir (*Pseudotsuga taxifolia*) seed which has been obtained from different localities.

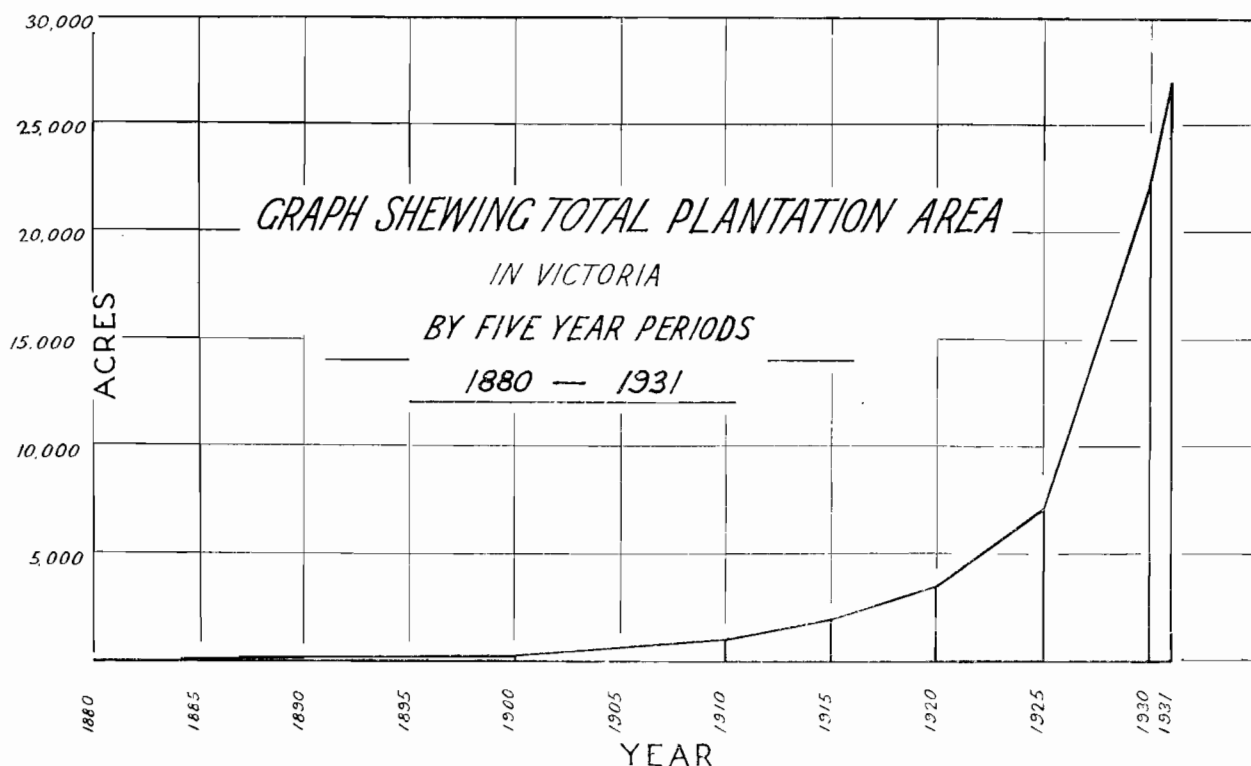
The progress of decentralization of nurseries is reflected in the extent to which local nurseries are now providing planting stock for local requirements. Only eight years ago raising of plantation stock was carried out wholly at Broadford (since closed), Creswick, and Macedon Nurseries, while last season the various local nurseries provided 2,692,047 transplants, representing 82 per cent. of the total planting stock for the year.

PLANTING—SEASON 1931.

Total area planted (including 400 acres of renewal and conversion planting) 5,718

Plants used—

Planted out from local nurseries	2,692,047
Planted out from main nurseries	592,800
Lined out in local nurseries from locally raised stock ..	2,867,054
Lined out in local nurseries from stock raised in main nurseries	1,744,372
Two-year old stock held in local nurseries	971,529
Distributed from State Nurseries—	
To State schools	84,900
To general public	99,000
Sowings of coniferous seed	1,193 lb.
Sowings of eucalypt seed	3 $\frac{1}{4}$ lb.
Sowings of other seed	2 $\frac{1}{2}$ lb.



FOREST PROTECTION.

(a) FIRE PROTECTION.

Area Burned.

Summer conditions were such that bush fires were particularly active and extremely difficult to control. The year 1931 was exceptionally favorable to the strong growth of scrub and herbage, with the result that large quantities of inflammable material accumulated in the forest areas and constituted a dangerous fire hazard. Following normal spring weather, a hot dry period, commencing just before Christmas, was experienced during which practically no rain was recorded throughout the State and hot northerly winds were of frequent occurrence. The culminating point was reached during the night of 4th February, when a fierce northerly gale of terrific intensity caused fires to develop and spread with extraordinary rapidity, so much so that it would have been impossible to check them by any human agency. During the morning of the following day, a providential change in direction of the wind, accompanied by heavy rains, occurred, otherwise the destruction must have been even much more serious than was actually the case. An extraordinary feature of these fires was the unusual fierceness with which they burned during the night, a phenomenon very rarely known.

Unfortunately, the fires were responsible for regrettable loss of life in addition to causing enormous damage to valuable forest areas and private property. The majority of the damage occurred between 21st December and 6th February, corresponding to the incidence of the hot, dry spell referred to. During this period, 179 out of a total of 230 fires which damaged State Forest during the year occurred, with consequent damage estimated at over £40,000 to 186,000 acres of State Forest, exclusive of damage done to unreserved Crown lands.

During the period under review, 307 outbreaks of fire on timbered Crown lands were reported, details being as follows :—

	Reserved Forest.	Unoccupied Timbered Crown Lands.	Total.
	acres.	acres.	acres.
Area destroyed or badly damaged	34,466	61,529	95,995
Area lightly damaged and likely to recover	157,380	257,520	414,900
Total area burned	191,846	319,049	510,895

Fires were of most frequent occurrence and of greatest severity in the heavily-timbered mountain forest areas of central Victoria and in the dry Stringybark belts of the Western District, the worst fires originating in the remote and inaccessible mountain country.

It is estimated that damage to forested Crown lands, including both Reserved Forest and unoccupied Crown lands, by fires amounted to approximately £46,800.

Causes of Fire.

Of the 307 outbreaks of fire reported, the origin of 69 was not determined ; 238 originated from known or strongly suspected causes, analyzed as follows :—

	Number of Outbreaks.	Percentage of Total Known or Suspected Causes.
Grazing interests	50	21
Settlers	31	13
Miners and prospectors	53	22.3
Sportsmen, fishermen, campers, tourists, hikers, motorists	50	21
Forest licensees and workmen	11	4.6
Road gangs	2	0.9
Railway locomotives	5	1.9
Honey collectors	4	1.7
Natural causes	2	0.9
Deliberately lit	29	12.2
Other known causes	1	0.5
	238	100

Fire-fighting costs amounted to £2,044, whilst the value of voluntary assistance given to fire-fighting was estimated at £1,921.

Protective Measures.

During the year, the following work was carried out on the construction and maintenance of firebreaks, firelines, and communication tracks :—

Nature of Work.	Forest.	Plantation.	Total.
	chains.	chains.	chains.
New firebreaks constructed	6,676	1,748	8,424
New firelines, patrol tracks, &c., constructed	2,824	..	2,824
Old firebreaks cleaned or re-opened	51,094	12,571	63,665
Old firelines, tracks, &c., cleaned or re-opened	20,543	..	20,543

The immense value of, and absolute necessity for, an adequate system of communication tracks and firebreaks in the rough mountain country was emphasized during the past summer, when the extreme difficulty of reaching the scene of the outbreak early owing to the inaccessible and rugged nature of the country and absence of tracks, combined with the frequent recurrence of hot northerly winds, was responsible for fires, which normally would have been comparatively

easy to control and suppress, gaining volume and assuming such proportions that they became unmanageable under the abnormal weather conditions such as were experienced early in February.

As usual, lookout stations and towers were manned continuously, and patrols on duty, throughout the dangerous summer weather. In plantation and forest areas, 22 lookout towers or permanent lookout stations, each connected by telephone with district head-quarters, were in operation.

Valuable assistance in detecting and locating fires was again rendered by the aerial patrols made available through the courtesy of the Commonwealth Air Board, and in conjunction with these patrols the splendid service rendered by the Commonwealth Meteorological Bureau and Postal Department must also be acknowledged with keen appreciation.

Bush Fire Prevention Week.

Following on success attained in similar projects in previous years, the Commission again organized an intensive publicity campaign during which special efforts were made to bring before public notice the necessity for exercising the utmost care in the use of fire during the summer months. Every avenue for bringing the Commission's appeal before citizens both in city and country centres was availed of, and the Commission desires to acknowledge its indebtedness to all individuals and firms to whose valuable assistance much of the credit for a successful campaign is due.

The Rt. Hon. the Lord Mayor of Melbourne, Cr. H. Gengoult Smith, officially inaugurated the campaign at the Melbourne Town Hall, when representatives of all interested bodies were present. The Commission feels confident that its appeals are gradually awakening the public conscience, and that greater care is now being taken in the use of fire in dangerous weather.

Bush Fire Brigades.

It is pleasing to record the continued growth of the Bush Fire Brigades movement in Victoria, there being now 249 of these voluntary organizations, an increase of 25 over last year's figures. One of the most gratifying features of the year has been the number of brigades formed in the north-western district where previously no organized force for bush fire-fighting existed. There are still many parts of this territory without any protective organization, and a similar state of affairs exists in Eastern Gippsland and to a certain extent in Western Victoria. It is hoped, however, that the example of intensively organized forces in northern, north-eastern, and central Victoria will be followed in due course by other districts.

Valuable assistance was rendered in suppressing fires by a number of brigades, and the Commission takes this opportunity of expressing its appreciation of their efforts.

(b) BIRDS AND ANIMALS.

Occasional damage to fencing and to young trees by wallabies, kangaroos, red deer, and wombats is reported. The rabbit is, however, the worst offender, particularly in plantation areas, and it is stated that in many districts this pest has been on the increase during the year despite the large numbers trapped and poisoned. Appropriate control measures on forest and plantation areas were undertaken where necessary.

The only damage by birds worthy of note has been the continued destruction of large quantities of eucalypt flowers by parrots and cockatoos. No species appears to be immune from attack, but the damage is most noticeable and of most consequence on Red Ironbark (*Euc. sideroxylon*). Over large areas practically every tree of this species in flower is attacked, the birds apparently tearing off the flowers singly or in bunches. Red Ironbark is a shy seeder, consequently the destruction of a large percentage of the flowers may be a matter of some consequence when efforts are being made to secure natural regeneration from seed.

(c) PARASITES AND NOXIOUS WEEDS.

During a year favorable to plant growth, noxious weeds on forest areas received a stimulus, necessitating the application of suitable control measures. The most troublesome weeds are reported to be Stinkwort (*Inula graveolens*), St. John's Wort (*Hypericum perforatum*), and Blackberry (*Rubus fruticosus*).

St. John's Wort continues to be a menace in the north-eastern districts, and the application of salt on infested areas within the forest has been carried out in an endeavour to check its spread. The liberation of leaf-eating Chrysomelids (*Chrysomelid*) in Ovens and Erigh Plantations in an endeavour to check the spread of St. John's Wort was mentioned in last year's Annual Report. So far as can be judged at present, this experiment has been attended by negative results.

Stinkwort, which has been reported from distances as widely apart as Mildura and Frankston, is most troublesome on the river frontages of the Murray River and its tributaries and, being most prevalent on flood areas, is difficult to eradicate. On forest areas mattocking is resorted to in conjunction with silvicultural operations, and elsewhere necessary control measures in compliance with the Vermin and Noxious Weeds Destruction Act have been taken.

(d) INSECTS AND FUNGI.

No serious attacks by insect or fungous pests have been noted. Seedlings of Douglas Fir (*Pseudotsuga taxifolia*) and Sitka Spruce (*Picea sitchensis*) in nursery boxes and beds have occasionally been attacked by root-eating insects, probably the larvae of cockchafer beetles. These attacks are being investigated with a view to determining suitable control measures.

In the Upper Yarra Forest District the Silver Wattle (*Acacia dealbata*) was badly defoliated by "fireblight" caused by the leaf-eating *Paropsis orphana*.

As stated in last year's Annual Report, the attack by case moths (*Clania tenuis*) on *Pinus radiata* in Yarrowee Plantation was successfully combated by the application of a chemical spray distributed by aeroplane. A close watch kept during the past year has failed to disclose any sign of the re-appearance of this pest, so that the remedial measures undertaken have proved markedly effective.

(e) EROSION.

Striking illustrations of the detrimental effects of denuding mountain slopes of vegetation were noted following the destruction of the tree growth and ground cover by fires during last summer. In many instances on the steeper slopes in the Upper Yarra District torrential rains washed off the fertile surface soil, whilst the unhindered rush of water, by washing away the banks and deepening the channels, have rendered the creeks deep impassable gullies.

Following the bountiful spring rains in the Mallee a prolific growth of native grass was responsible for arresting the progress of drifting sand, so that comparatively little damage was experienced from this source last year.

(f) PROSECUTIONS.

Details of prosecutions for offences against the Forests Acts are as follows :—

No. of prosecutions—					
(a) with respect to illegal lighting of fires	..	..	..	..	35
(b) with respect to illegal possession or removal of forest produce	..	..	..	..	78
(c) with respect to other offences	..	..	..	..	2
					115
No. of convictions obtained	..	..	..	..	108
No. of cases dismissed	..	..	..	..	4
No. of cases withdrawn	..	..	..	..	3
					£ s. d.
Amount of fines	..	..	..	..	415 5 0
Amount of costs	..	..	..	..	85 0 10
Amount of compensation	..	..	..	..	69 3 6

RESEARCH.

(a) GROWTH STUDIES.

Eleven permanent increment plots in coniferous plantations and ten in hardwood forest were re-measured. Two new plots were established in Upper Yarra Forest District and three in Erica Forest District for the purpose of studying comparative rates of growth in thinned and unthinned stands of White Mountain Ash (*Euc. regnans*). One increment plot in a pure young stand of Silvertop (*Euc. Sieberiana*) in Upper Yarra Forest District was destroyed by fire.

(b) EXPERIMENTAL PLOTS.

The following experimental areas were established during the year :—

(i) *Nowa Nowa and Bruthen Forest Districts*.—Experimental plots established, with control plots where required, in worked-out mixed hardwood stands, with the following objects in view :— To investigate the effect of alternative methods of regeneration treatment in securing natural seedling regeneration ; to observe the efficacy of bark ringing, as compared with sap ringing of different species, and the effect of each method of treatment on the production of seedling regeneration ; to investigate the necessity for, and the most economical and effective method of, killing coppice re-growth after liberation or regeneration treatment by ringbarking ; to test the effect on the production of seedling re-growth of autumn and spring burning in conjunction with regeneration treatment by ringbarking ; to compare the results obtained by spring and autumn regeneration treatment by ringbarking ; and to determine the source of seed from which seedling reproduction following regeneration treatment by ringbarking is obtained.

(ii) *Upper Yarra and Erica Forest Districts*.—Several experimental plots established with a view to determining the best methods of securing regeneration of White Mountain Ash (*Euc. regnans*) on bracken-covered areas by artificial sowing were destroyed by fire early in the year before any definite results were obtained. New plots for the same purpose were established later.

(iii) *Rushworth Forest District*.—Two plots were established with a view to investigating the best method of securing natural seedling regeneration of Red Ironbark (*Euc. sideroxylon*) on cut-out areas.

(iv) *Erica Forest District*.—Plots were established to observe the effect on growth of alternative methods of thinning young sapling re-growth of White Mountain Ash (*Euc. regnans*).

(c) FOREST PRODUCTS.

The main project for 1931-2 was the determination of the mechanical and physical properties of air-dried and kiln-dried Sugar Gum (*Euc. cladocalyx*) timber. The tests were carried out on similar lines to those employed for previous testing of White Mountain Ash (*Euc. regnans*). Tests will be made of the comparative strength of air and kiln-seasoned wood so that it will be possible to estimate definitely the effect of kiln treatment on timber strength.

A satisfactory kiln-drying technique for seasoning timber of *Pinus radiata* and Victorian hardwood timbers has been evolved and schedules prepared for use with different types of kiln. Of the hardwoods, White Mountain Ash (*Euc. regnans*) is the only timber being kiln seasoned on a large scale, but from results obtained it appears that similar treatment is suitable for timbers such as Messmate (*Euc. obliqua*), Mountain Grey Gum (*Euc. goniocalyx*), and Shining Gum (*Euc. nitens*), which are occasionally included in shipments.

(d) ENTOMOLOGY.

During the year experiments dealing with the resistance of Victorian and imported timbers to attack by powder post and furniture beetles were continued, and in conjunction with the Council for Scientific and Industrial Research and Postmaster-General's Department tests are in progress into the efficacy of powellizing and fluorizing of cross-arms against white ant attack.

A commencement has been made with the entomological survey of the Erica Forest District.

UNEMPLOYED RELIEF WORKS.

By the provision of grants from unemployment relief funds 5,735 men, comprising 5,392 married and 343 single men, were employed on forest works during 1931-2. It must be stressed that forest work offers an ideal medium for the absorption of unemployed labour and the expenditure of relief funds, as all work on which the men are engaged is fully reproductive, in some cases immediate returns of from 10 to 20 per cent. of the capital expenditure being realized from the sale of forest produce removed in thinning or clearing operations. In addition, forestry work has the advantage that over 95 per cent. of the expenditure involved is available for the payment of wages.

The work was distributed throughout the State. As a result of past experience gained it has been found most economical to organize the labour in units of 25 men comprising sixteen metropolitan unemployed, seven from the ranks of unemployed in the locality where the work is carried out, and two experienced forest workers as supervisors. By superimposing unskilled city labourers on a nucleus composed of local men, who are usually accustomed to bush work, a relatively high degree of efficiency can be attained.

The men were employed for periods of from four to eight weeks on the average, principally on the construction and maintenance of firebreaks, firelines, patrol tracks and communication tracks; thinning, coppicing, regeneration and liberation treatment, and improvement fellings in indigenous hardwood forests; and on clearing and preparation of land for the introduction of conifers, and planting.

The total expenditure from unemployment relief funds on forest works for 1931-2 amounted to £11,870 3s. 5d.

EDUCATION AND TRAINING.

Four students completed the three years' course of instruction at the Creswick Forest School and have been placed on the field staff as Cadet Foresters. Four new students were enrolled at the beginning of the current year, making a total of thirteen now in residence.

Messrs. F. S. Incoll and J. H. Barling were successful in obtaining the Diploma of Forestry of the Australian School of Forestry, Canberra, occupying a high position in the final examination list. Mr. Incoll was awarded the Heath Essay Prize. These officers have now returned to duty on the field staff.

Messrs. A. W. Shillinglaw and S. F. Rust, who were seconded for a course of training at Melbourne University, completed the course with distinction and graduated for the Degree of Bachelor of Science. Each student passed with Honours in the final year's examinations, Mr. Rust being awarded the exhibition in Botany.

UTILIZATION.

The output of sawn hardwood timber, the main source of forest revenue from Crown lands, was affected by the prevailing economic depression, but showed an increase of 4,949,403 superficial feet compared with the figure for the previous year. A satisfactory feature of the year's operations, however, was the fact that the monthly yield showed a gradual but progressive increase throughout the twelve months with every prospect of the improvement being maintained into the ensuing year.

The greater demand by the Victorian Railways Department under the provisions of the quota system resulted in an increased output of hewn sleepers from forest areas. The demand for poles, piles, beams and other large-sized hewn and round stock was, however, slack, and there was little sale for split palings and mining timber.

In those districts which are dependent almost entirely on sales of fuel for revenue, dull market conditions during the past year or two resulted in heavy accumulations of stock. The position was such that thinning and improvement operations had to be suspended in many districts during 1931-2. Practically the whole of these accumulated stocks have now been disposed of, chiefly to the order of the Sustenance Department. This is most gratifying, as the extension of essential silvicultural treatment in northern districts particularly is very largely dependent upon an assured market for the produce.

At present every avenue is being explored to widen the field of utilization of native hardwood timbers in an endeavour to place the sawmilling industry on a sound footing. In common with other bodies interested in the rehabilitation of the industry, the Commission has co-operated in these efforts. The lack of uniform grading rules for the classification of hardwood timbers is a long-felt want, and it is noted with satisfaction that tentative grading standards for kiln-dried T. and G. flooring have been adopted. It is hoped that satisfactory standards will also be formulated for all other important classes of hardwood products such as weatherboards, furniture timber, joinery and building scantling. Under a system of timber grading the public is legally protected, architects and engineers are in a position to specify exact requirements, and the confidence engendered generally amongst the purchasing public should result in augmented trade.

There has been an increased demand during the year for hardwood timbers for local consumption, particularly in the case of standard 5½-in. flooring, in place of imported Baltic. For items such as joinery, door and window stock, weatherboards and interior fittings there has been a gratifying increase in the use of Victorian hardwoods.

Further shipments of Victorian timbers have been sent overseas, including a trial shipment of panel stock and 1-in. boards for furniture manufacture exported by this Department. Several lots of hardwood flooring despatched by private suppliers have been favorably commented on abroad, and future repeat orders are anticipated. It is interesting to note that an excellent system of bundling flooring for export has been evolved whereby the parcels are landed in an unblemished condition.

NEWPORT SEASONING WORKS.

The Newport Seasoning Works were established in June, 1911 (21 years ago), with the object of fostering the consumption of kiln-dried local hardwoods. The type of kiln installed was the House Compartment Kiln, and the services of the inventor were engaged for the operation of the works. For many years difficulty in impressing upon sawmillers, timber merchants, and users generally the value of kiln seasoning was experienced and did not permit of the plant operating to full capacity.

On the appointment of a Forests Commission in 1919 a policy for the management of the seasoning works was formulated, the objects in view being—

- (i) to break down existing trade prejudice and to prove Victorian hardwood timbers, properly treated, economically satisfactory for all purposes ;
- (ii) to carry out experiments with a view to the improvement of kiln-drying practice, to determine the most suitable method of treatment of various hardwood species, to promulgate all information of practical use regarding kiln seasoning, and to run the plant on a commercial basis ;
- (iii) to prepare timber to meet the Public Works requirements in order to make this research work self-supporting, at the same time proving the experiments efficient on commercial lines as distinct from laboratory results.

In 1921 the services of Mr. H. D. Tiemann, M.E., M.F., dry-kiln expert of the United States Government, were made available to the Victorian Government for a period of several months to conduct experiments into seasoning Victorian hardwoods, and such expert advice and assistance were of immense value.

The Commission set out to make the works payable, at the same time covering the costs of the experimental work if possible. This mission, although fraught with difficulties, has been largely successful.

Prior to their acquisition by the Commission in 1919, the works were being conducted at a considerable loss. The Commission's management resulted in an accumulated profit of £1,645 at the end of the financial year, 1927-28. The protracted timber strike of 1928-29, followed by the depressed conditions of industry and public finance generally, accounts for the losses incurred since that year. It must be pointed out, however, that against an accumulated loss of £4,229 at 30th June, 1932, the works have returned to the Treasury, in excess of total working expenses since their inception, an amount of £2,243 which represents a return in the nature of interest on capital. Depreciation on buildings, plant, &c., has been regularly deducted, and the works conducted on a strict business basis.

The major portion of the timber output has been to the order of the Public Works Department, the Closer Settlement Board, and other Departments. The Commission can claim to have accomplished its purpose to a marked degree, but there is still a large field of research to cover for the mutual benefit of the State Forests and the public generally.

In the early months of the present depression period public works were drastically curtailed, with the result that approximately three-quarter million superficial feet of kiln-dried and reconditioned T. and G. flooring, purchased at a high price during the boom period to meet the requirements of the Public Works Department, was left on the Commission's hands. For the past three years this stock has remained on hand, and as its value has had to be written down in accordance with the downward trend of abnormal market values, this has been to a great extent responsible for losses incurred.

The Commission has kept in close touch with the timber export trade in seasoned hardwood timber and has endeavoured to encourage its expansion at every opportunity. It is gratifying to record that the success of recent sample shipments of seasoned hardwood are now producing repeat orders on a larger scale. The establishment of Victorian Mountain Ash on the English market must, of necessity, be a prolonged process, and it is only by meeting competition overseas prices that Victoria can consolidate its position. The opening up of new business abroad is an important function of the Commission, and the necessity for the maintenance of the required plant for treatment of overseas shipments is obvious.

Considering the object of maintaining these works, the results have been satisfactory. Heavy interest charges have contributed in great measure to losses incurred during the past few years. Should the works be closed down unemployment will result, as well as a certain loss for overhead charges—interest, ground rent, insurance, depreciation, &c. The Commission is confident that in twelve months' time the works should be operating on a profitable basis, and is convinced that the continuation of research work will result in the promulgation of further information of immense value to the trade and to the national income.

PUBLICATIONS.

The following bulletins were issued during the year :—

- “ Forest Insect Control by Aeroplane,” by J. W. Bowen, B.Sc., describing control of case moth attack on pine plantations in Victoria.
 “ Volume Tables for *Euc. regnans*, *Euc. obliqua*, and *Euc. Sieberiana*,” compiled by K. V. M. Ferguson, M.A., B.Sc.
 “ Forestry and the Farm,” by A. V. Galbraith.
 “ Protective and Aesthetic Plantings in the Country Districts of Victoria,” by A. A. Hone, B.Sc., Dip. For.

SUMMARY STATEMENT OF OUTPUT OF FOREST PRODUCE FROM FOREST AREAS DURING FINANCIAL YEAR 1930-31.

1. TIMBER AND FIREWOOD.

Sawmilling timber	38,462,350 super. feet
Fencing material—	
Posts, strainers, and fencing stays	155,458 number
Droppers	18,355 „
Pickets	10,883 „
Palings	140,857 „
Rails	8,410 „
Beams	490,890 super. feet
Railway sleepers	278,435 number
Piles	78,031 lineal feet
Poles—	
Telegraph and telephone	1,938 number
Various, including spars	5,399 lineal feet
Mining timber—	
Various	137,245 lineal feet
„	374,584 super. feet
Sundries—	
Laths	7,251 number
Staves	88,086 „
Slabs	15,761 „
Stakes	169,381 „
Fodder boards	39,900 „
Chopping blocks	2,131 „
House blocks	427 „
Firewood—	
Green and dry split, and improvement wood	293,047 tons
Tops and dry longwood	21,647 loads

2. MINOR PRODUCE.

Eucalyptus oil	268,967 lb.
Wattle bark	526 tons
Charcoal	17,418 bags
Sand, gravel and loam	6,900 cub. yards

FINANCE.

The gross revenue for 1931-32 totalled £77,188 12s. 5d., an increase of £2,605 16s. 4d. compared with the revenue of £74,582 16s. 1d. for the previous year. Royalties show an increase of £6,362 16s. 1d.

The gross expenditure amounted to £152,870 8s. 1d., of which total £11,870 3s. 5d. was from unemployment relief funds. The following summary shows items of expenditure compared with the corresponding figures for 1930-31 :—

—	1930-31.			1931-32.			Increase or Decrease.			
	£	s.	d.	£	s.	d.	£	s.	d.	
Expenditure from Forestry Fund	38,802	14	4	50,031	2	3	+	11,228	7	11
„ under Loan Act No. 3386	28,104	4	1	22,790	13	8	—	5,313	10	5
„ from Unemployment Relief Fund	125,465	15	11	11,870	3	5	—	113,595	12	6
„ under Votes	74,681	19	2	68,178	8	9	—	6,503	10	5
Total	267,054	13	6	152,870	8	1	—	114,184	5	5

STATEMENT (A).

FORESTS COMMISSION OF VICTORIA.

GENERAL STATEMENT OF REVENUE AND EXPENDITURE FOR FINANCIAL YEAR ENDING 30TH JUNE, 1932.

<i>Revenue.</i>				<i>Expenditure.</i>				
Amounts paid into Consolidated Revenue.				Expenditure under Votes, &c.				
		£	s. d.		£	s. d.	£	s. d.
Rents—				Salaries of field and office staff, &c.	46,967	3	8	
Grazing licences, &c.	.. ..	10,795	2 4	Travelling expenses, forage, stores, &c.	10,939	15	7	
Fees	.. ..	206	5 5					57,906 19 3
Royalties	.. ..	57,207	19 10	School of Forestry—Maintenance of				1,798 15 11
Miscellaneous—				Timber Seasoning Works				5,082 5 1
Revenue sawn timber, State Mill	.. ..	54	9 0	State Sawmill, Nayook—Working Expenses				49 4 9
Revenue seasoned timber, Newport	.. ..	2,880	8 7	Erection of Foresters' Quarters				800 0 0
Forest Tramways	.. ..	4,060	12 5	Equipment of Bush Fire Brigades and Expenses of Associations				50 0 0
Sundries	.. ..	1,983	14 10	Working Expenses of Forest Tramway at Erica				1,904 14 7
		77,188	12 5	Expenditure in connexion with Loch Valley Tramway				78 12 4
Transferred from Unemployment Relief Fund	.. ..	11,870	3 5	Eucalyptus Oil Distillation				0 10 0
*Transferred from Loan Act No. 3386	.. ..	22,790	13 8	Felling Timber in Burnt Areas				60 0 0
†Transferred from Forestry Fund	.. ..	41,020	18 7	Vermine Destruction—Mallee				447 6 10
				Expenditure from Forestry Fund—To amounts spent in conservation, general improvements of Forest Areas, New Plantation Work, &c.				50,031 2 3
				Expenditure under Loan Act No. 3386				22,790 13 8
				Unemployment Relief Works				11,870 3 5
		£152,870	8 1					£152,870 8 1

* See Statement of Loan Act No. 3386.

† See Statement of the Forestry Fund.

STATEMENT (B).

FORESTS COMMISSION OF VICTORIA.

STATEMENT OF THE FORESTRY FUND AS AT 30TH JUNE, 1932

1932.				1931.			
June 30.				July 1.			
		£	s. d.		£	s. d.	
To Expenditure—				By Balance as per Treasury	19,347	13 11	
Forests	.. ..	8,562	0 5	June 30.			
Plantations	.. ..	35,453	16 4	By Receipts during the year—			
Nurseries	.. ..	2,771	16 4	Amount set aside by the Treasurer of Victoria under Act No. 3685 Section 37 (2) (a)	32,000	0 0	
General	.. ..	3,243	9 2				
		50,031	2 3				
Deduct Outstanding Accounts	.. ..	4,311	9 3				
		45,719	13 0				
To Balance as per Treasury	.. ..	5,628	0 11				
		£51,347	13 11				£51,347 13 11
				1932.			
				July 1.			
				By Balance brought forward	5,628	0 11	

FORESTS COMMISSION OF VICTORIA.

ERICA STEEL TRAMWAY.

REVENUE ACCOUNT FOR YEAR ENDED 30TH JUNE, 1932.

	£	s.	d.	£	s.	d.		£	s.	d.
To Working Expenses—							By Freight	3,749	15	9
Transportation	712	17	1				Other Receipts	721	11	10
Way and Works	437	14	2							
Rolling Stock	755	7	0							
				1,905	18	3				
Net Revenue Account				2,565	9	4				
				4,471	7	7		4,471	7	7

NET REVENUE ACCOUNT FOR YEAR ENDED 30TH JUNE, 1932.

	£	s.	d.		£	s.	d.
To Interest on Capital	2,328	13	6	By Revenue Account	2,565	9	4
Head Office Supervision and Audit Fee	33	3	0	Net Loss for year	233	11	11
Depreciation Rolling-stock	437	4	9				
	2,799	1	3		2,799	1	3

BALANCE-SHEET AS AT 30TH JUNE, 1932.

<i>Liabilities.</i>				<i>Assets.</i>			
	£	s.	d.		£	s.	d.
Capital				Steel Tramway—Collins Siding to			
Treasurer of Victoria—				Western and Eastern Tyers	50,870	8	6
Balance 30th June, 1931	5,674	4	5	Rolling Stock	6,034	15	9
Working Expenses provided by Vote	1,905	18	3	Less Depreciation	437	4	9
Interest on Capital	2,328	13	6		5,597	11	0
Head Office Supervision and Audit				Sundry Debtors on Open			
Fee	33	3	0	Account			
	9,941	19	2	Revenue Account—			
Less Cash paid to Consolidated				Balance 30th June,			
Revenue	3,789	5	1	1931	5,255	17	5
	6,152	14	1	Loss for year	233	11	11
	64,369	12	7		5,489	9	4
					64,369	12	7

Forests Commission of Victoria,

A. V. GALBRAITH, Chairman.

W. W. GAY, Member.

D. INGLE, Member.

A. STRAHAN, Secretary.