Forestry Commission

Fifty-Third Annual Report and Accounts 1972-73

Forestry Commission
ARCHIVE

Cover picture:

Planned integration of forestry and agriculture in the uplands. A view of Coed y Brenin Forest and neighbouring farms in Merioneth.

Fifty-Third Annual Report and Accounts of the Forestry Commission for the year ended 31st March 1973

together with the

Comptroller and Auditor General's Report on the Accounts

Presented to Parliament in pursuance of Section 45 of the Forestry Act 1967 and Section 5 of the Exchequer and Audit Departments Act, 1921

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FORESTRY COMMISSION,
25, Savile Row,
London, W1X 2AY
14 December 1973

To:

The Rt Hon JOSEPH GODBER, MP,
Minister of Agriculture, Fisheries and Food

The Rt Hon GORDON CAMPBELL, MC, MP,
Secretary of State for Scotland

The Rt HON PETER THOMAS, QC, MP,
Secretary of State for Wales

Gentlemen

In pursuance of Section 45 of the Forestry Act 1967, I have the honour to transmit the 53rd Annual Report of the Forestry Commissioners which covers the year ended 31st March 1973.

I am, Gentlemen,
Your obedient Servant,
(Sgd) TAYLOR OF GRYFE
Chairman

The Forestry Commissioners at 31st March 1973

Lord Taylor of Gryfe, DL, *Chairman*
Mr J. A. Dickson, CB, LLD, *Deputy Chairman and Director General*
Lord Balfour of Burleigh
Mr E. Gwynfryn Davies, CBE, JP, DL
Dr F. C. Hummel
Mr P. Nicholls
Mr G. G. Stewart, MC
Major Sir William Strang Steel, Bt, DL
Mr R. B. Verney, JP, DL
Mr H. J. Watkins

Secretary: Mr J. J. V. Summers
Director (Management Services): Mr D. R. Johnston
Senior Officer for Scotland: Mr D. A. Mithen
Senior Officer for Wales: Mr J. W. L. Zehetmayr, VRD
Director (Research): Mr G. D. Holmes
Controller of Finance: Mr W. M. Cormack

Conservators

England

North West:	Mr J. S. R. Chard, OBE
North East:	Mr G. E. Godwin
East:	Mr M. J. Penistan
New Forest and South East:	Mr C. D. Begley
South West and Dean Forest:	Mr L. C. Troup

Scotland

North:	Mr R. A. Innes
East:	Mr E. G. Richards, MC
South:	Mr E. J. M. Davies
West:	Mr D. A. Mithen

Wales

North:	Mr J. H. James
South:	Mr J. W. L. Zehetmayr, VRD

Note: A number of changes in Commissioners and Senior Staff have been made since 31 March 1973. Details of the changes can be found on pages 19 and 20.

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Acknowledgments

Plate 2, illustrating tree planting, is reproduced by kind permission of the *Perthshire Advertiser*.

All other illustrations are drawn from the Forestry Commission's official collection.

General Review

Forestry Policy

1 Reference was made in last year's Report to the publication on 28 June 1972 of a consultative document setting out the results of the Government's review of forestry policy. In the year currently under report consultations on the proposals contained in this document took place with a wide variety of interested bodies; written observations on the proposals were also received from some 150 organisations and individuals. On 24 October 1973, Mr Anthony Stodart, Minister of State, Ministry of Agriculture, Fisheries and Food, made a statement to the House of Commons setting out the Government's conclusions on the general framework of its future policy for forestry resulting from these consultative processes. Mr Stodart said:

'I am now able to give the Government's conclusions on the general framework. Consultations will continue on more detailed aspects.

Within our limited land surface and the increasing pressures upon it, the Government are concerned that forestry should form part of a really effective pattern of rural land use, in which it is harmonised to the best possible advantage with agriculture and the environment. Accordingly the Forestry Commission, in administering grant aid to private forestry, will consult with the Agricultural Departments and local planning authorities on land use and amenity aspects of woodland owners' proposals. The Commission's Regional Advisory Committees will be reconstituted to include representatives of agricultural and of local planning and amenity interests as well as members representing the forestry industry and will have the function of advising both on broad area strategy and on individual cases of doubt arising in the administration of grants. There will thus be much improved arrangements for ensuring that proper weight is given to amenity considerations. Additionally my Rt. Hon. Friends and I have asked the Chairman of the Forestry Commission specially to ensure that, in carrying out the Commission's own operations as well as in the exercise of their functions as Forestry Authority, every possible opportunity is taken to encourage and secure effective integration between agriculture and forestry.

Such is the importance which the Government and all those with whom they have consulted attach to land being properly used, and thus being well managed over the long term, that we propose to introduce a new Dedication Scheme more directly linked with these objectives. This single Scheme will succeed the previous Dedication, Approved Woodlands, and Small Woods Planting Grant Schemes, and its terms will differ from those for woodlands that are already dedicated. Thus in future a Dedication covenant will normally terminate when approved felling takes place, but with provision for re-dedication. Owners entering the Scheme will receive an outright acreage payment as and when approved planting or re-planting takes place, in return for accepting a continuing obligation to

manage the woodland concerned in accordance with plans of operations designed to secure sound forestry practice, effective integration with agriculture and environmental safeguards, together with such opportunities for recreation as may be appropriate. Departures from the plans of operations could involve recovery of grant wholly or in part. An appreciably higher rate of grant will be available for planting or re-planting where a significant proportion of hardwoods is involved.

Those having rights and obligations under the previous Schemes will have the option of retaining them or of transferring to the new terms. It is the Government's intention that in any year the total of continuing payments under the old Schemes and of payments under the new arrangements should be broadly the same as would have obtained if the old Schemes had remained open to new entrants and planting had been at more or less the same rate.

My Rt. Hon. Friends and I hope that the remaining consultations will be concluded before the end of the year and further details, including rates of grant, will then be announced. In the meantime the Forestry Commission will model its own planting and management policies upon the principles I have described; will give still further emphasis to providing recreational facilities; and will develop a planting and replanting programme, on the lines and at the level set out in the Consultative Document, and with special regard paid to the contribution which the Commission's operations can make towards stemming depopulation in rural areas.'

2 Following this statement the Forestry Commission began discussions with the Forestry Committee of Great Britain, representing the interests of woodland owners, on the details of the new Dedication Scheme. These discussions will be followed at an early date by consultations with other interests on the arrangements for dealing with land use and amenity aspects of private forestry, as announced in the statement.

3 The Government's policy statement confirmed the new planting and replanting programme of up to 55,000 acres (approximately 22,250 ha) a year as proposed for the Forestry Commission in the consultative document. The Forestry Commissioners regard this as a realistic programme in the light of their current landholdings, but feel bound to point out that they may find it difficult to achieve in a few years time if the present shortage of suitable land on the market continues. The Commissioners are conscious of the special responsibility that has been placed upon them with regard to land use and amenity questions arising in connection with grant aid to private forestry, and they welcome the emphasis to be given to these factors and to the provision of recreational facilities in their own woodlands. The Commissioners have for many years recognised the importance of treating forestry and agriculture as complementary forms of land use and they are pleased to note the special emphasis given in the policy statement to the need to ensure that every possible opportunity is taken to encourage and secure effective integration between the two.

4 Forestry Ministers gave notice in the consultative document of the Government's intention to recast the Commission's Accounts, and this has been brought into effect in the Accounts for the year covered by this Report. A description of this reconstruction can be found on pages 13 and 14, but the Commissioners draw attention here to the fact that the value of their estate, as presented in the new form of the accounts, does not take account of current land prices, although this would express more clearly in todays terms the real worth of the national asset which has been built up over the fifty and more years since the Commission's inception.

The Common Market and Forestry

5 Our entry into the Common Market did not make much immediate impact on forestry in this country. There is no common forestry policy in the European Economic Community, as there is a common agricultural policy. However, the EEC Commission are giving consideration to a draft Directive which is mainly devoted to the improvement of the structure of agricultural holdings, but which has forestry implications.

6 Regulations to implement two EEC Directives concerned with improving the genetic and other standards of forest reproductive material – seed, parts of plants and young plants – by regulating its marketing, became effective on 1 July 1973.

7 At the close of the year, the EEC was considering a Directive on the harmonisation of plant health controls.

Seventh World Forestry Congress

8 The Commission was represented by the Chairman, Director General, Senior Officer for Scotland, an Assistant Conservator and a District Officer at the Seventh World Forestry Congress, organised jointly by the Government of the Argentine Republic and the United Nations Food and Agriculture Organisation, and held in Buenos Aires in October 1972. There were also present a number of representatives of other organisations from the United Kingdom. All played a full part in the work of the eight Commissions set up to prepare the Report of Congress and the final Declaration. The Chairman was elected a vice-president of the Congress, and the Director General was appointed Chairman of Commission No VIII, 'The Open Forum' Commission, in which members could raise any matters not adequately covered by the other seven Congress Commissions. He was also appointed a member of the Policy Group, which directed discussions on the reports of the Commissions and the Declaration.

9 The text of the Declaration is set out below:—

'THE SEVENTH WORLD FORESTRY CONGRESS has met at Buenos Aires, Argentina, from the 4th to the 18th October 1972. Thus a World Forestry Congress has been held for the first time in Latin America, where the time and place have been specially apt for the selected theme: Forests and Socio-Economic Development.

Forests cover one-third of the earth's land surface. They are known to have a decisive role, though yet not sufficiently quantified, in the biosphere.

Man's history is of struggle to conquer nature, a struggle which has led man to devise increasingly complex technologies and new forms of social organisation. For millenia a user of forests, only in modern times has man acquired an integral concept of the manifold contribution of forests and associated wildlands to his welfare.

Products of the forest enter into every sphere of man's activities, and thus make a decisive contribution to economic growth. Forests counter erosion, protect agriculture, reduce floods, assure clean water. They reduce pollution, provide amenity and recreation, shelter wildlife and constitute a main defence against environmental deterioration.

The Congress has examined many facets of the contemporary challenge: how to accelerate economic and social progress while maintaining or enhancing

the quality of the environment, recognising that the aspiration to raise living standards often finds expression in forms that threaten the environment.

The Congress is not a competent body to pass judgement on the political, economic and social objectives of governments. Nevertheless, as a special assembly broadly representative of many countries and many walks of life concerned with the forest, one of the world's principal renewable resources in relation to the future of humanity—it is with a profound sense of responsibility that the Congress makes this call.

The Congress believes that the Plan of Action formulated by the United Nations Conference on Human Environment at Stockholm in 1972 will influence forestry development throughout the world in the years to come. Recognising that in many countries declared forest policies are not in accord with new knowledge, new preoccupations and new aspirations, the Congress considers it is now urgent to re-define forest policies in view of these new circumstances. The Congress firmly believes that, whatever the political objectives, whatever the form of economic organisation, whatever the present pattern of forest land tenure, governments are responsible for planning the continuous flow of the productive, protective and social goods and services from the forest, ensuring that the physical output and environmental benefits of the forests are available for the general welfare of their peoples now and for all time. Since we live in one world, and since the forest resources of the world are unevenly distributed, national policies and plans should take account of the international context.

The Congress has noted with concern that the gap between developed and developing nations continues to widen. Some of the largest forest resources of the world lie in countries where economic and social development is lagging. Over and above considerations of social justice, the fact that these resources have a world significance requires greatly intensified efforts by, and aid to, less developed countries for the development and proper management of their forest resources, so that these resources may simultaneously serve to raise the living standards of their own peoples and contribute to the world's expanding need for forest products.

In particular, this requires greatly intensified research, which too should be carried out within the developing countries, in certain key problem areas. These include the integral utilisation of heterogeneous forests; the regeneration and treatment of natural tropical forests; species and planting techniques for man-made forests under a wide variety of ecological conditions; the adaptation of technologies to accelerate domestic processing and use; the role of forests in rehabilitating marginal lands and halting desertifications; the global and local environmental influences of the forest; and the contribution of wildlife management.

The Congress considers that, having regard to the increasing complexity of knowledge required for wise forestry decisions, the resources presently devoted to research in the physical and social sciences relevant to forestry are still insufficient. Of even greater concern, however, is the fact that arrangements for the transmitting of knowledge, including the transfer of research findings to policy-makers and managers, are becoming inadequate. The Congress urges all forest research agencies and forestry administrations to give high priority to ensuring that new knowledge is swiftly incorporated into forestry activities and practices.

The Congress recognises that if the forests are to increase their contribution to socio-economic development, the share of the developing countries in international trade in forest products must expand, and this will require improved conditions of trade.

The Congress noted that some of the main obstacles to forestry development today were institutional; status and structure of forest services, forest legislation, and organs concerned with education, research and extension. There is need to strengthen and adapt forestry institutions in the light of the changing calls on the forestry sector to enable them to make their full contribution to political understanding and social and economic development.

The Congress critically examined the status and responsibilities of the forestry profession. Foresters have been pioneers in the struggle to conserve and rationally use renewable resources. They cannot but view with satisfaction the growing concern about environmental quality and the need for proper management of the world's renewable resources. Foresters recognise that forestry is concerned not with trees, but with how trees can serve people.

This Congress declares that the forester, being a citizen as well as a professional, has the clear duty and responsibility to ensure that his informed judgement is heard and understood at all levels of society. His allegiance is not to the resource, but to the rational management of that resource in the long-term interest of the community. To this end, forestry education needs to be broadened, with greater emphasis than heretofore on those disciplines that contribute to the understanding and exercise of his social responsibility.

Finally, this Congress does not share the views of the prophets of doom. It recognises that the world will need an ever increasing flow of goods and services from the forest. It is fully confident that these needs can be met, through the rational management and valorisation of existing forests and through the creation of new, man-made forests.

It is also confident that the government and peoples of the world are capable of achieving this task simultaneously with the task of ensuring not only maintenance, but enhancement, of environmental quality. Members of the Congress unanimously pledge their unstinted contribution to these targets.'

10 There is a rapidly growing awareness that many of the resources of our planet cannot continue indefinitely to produce material and non-material benefits without careful husbanding and management. It is furthermore becoming realised that the more the material benefits are exploited the more the non-material ones increase in relative value. The declaration of the Seventh World Forestry Congress is a clear affirmation of this understanding which is reflected in recent developments in Great Britain.

11 The Forestry Commission has always followed a policy of controlled and sustained production. In recent years, however, increasing attention has been paid to the landscaping, conservation and recreational aspects of forestry and these environmental values were emphasised in the recent consultative document on forestry policy. Political and professional opinion in Britain are thus in sympathy with the Declaration of the Forestry Congress.

12 The Declaration draws attention to the frequent discrepancies between research findings and forestry practice. In this sphere the Forestry Commission is particularly fortunate. Not only is the research organisation responsible for applied research a division of the State forestry service, but there is a continual

interchange of staff between research and field management. As a result there is in Britain an unusually close link between research findings and current field practice.

Tenth Commonwealth Forestry Conference

13 Preparations were started during the year on the organisation of the Tenth Commonwealth Forestry Conference which is to be held in the United Kingdom from 4th to 28th September 1974. The Conference will open in Oxford, where it is proposed to hold all plenary sessions, except the final one, and the meetings of the Technical Committees. The last week will be spent in Aberdeen on a programme of tours, and the Conference will end in the final plenary session on the formal adoption of the Report and Resolutions of the Conference. The Republic of Cyprus will also be organising short tours before and after the Conference. The last Conference was held in India in January 1968.

Reconstruction of the Accounts

Forestry Enterprise

14 The Forestry Commission has been in existence since 1919, a period of fifty-three years during which 1,215,000 hectares of land have been purchased or leased, of which 749,000 hectares had been planted by March 1972. The historic acquisition cost of this land is £12.266 million while the accrued cost of growing the trees is £404.6 million; the total capital employed was £474 million.

15 In the accounts of the Forestry Commission it has been the practice to charge interest at the current Government lending rate irrespective of the earning power of the industry. £246 million or just over half of the above figure at March 1972 therefore represents accrued interest on money advanced over the whole of the fifty-three year period. This figure of interest burden results from varying rates throughout the years and is equivalent to an average of 5% compound from 1919 to 1972.

16 A large proportion of Forestry Commission planting was undertaken for strategic and social reasons and, more recently, with increasing environmental impact. In many instances these plantings have been on relatively poor sites, often far removed from markets, and capable of yielding only a very low rate of return on the money invested.

17 It will be seen therefore that over a great part of the Forestry Commission's existence investment has been made for what were regarded as strategic and social reasons, without an expectation that a return at the current lending rate would be achieved. Most of the expenditure on the existing semi-mature forest estate has now been incurred, and the strategic reserve concept has ceased to have the same relevance.

18 The Government has decided that it is therefore an appropriate time at which to restructure the Forestry Commission accounts, and to require in future that the Forestry Enterprise aim at a target rate of return on the funds entrusted to them. This rate has been set at 3% in real terms.

19 A rate of return of 3% in real terms is regarded as the maximum return that may be earned in Northern Europe on the best sites close to markets.

20 The historic cost of acquisition of land by the Commission up to March 1972 of course bears no relation to the value at which such land is currently changing hands. If the total Forestry Commission estate is divided into the

historic cost the resulting average of £10 per hectare underlines the subsequent appreciation in the land value of the large estate which has been acquired for the nation.

21 Apart from its great recreation and amenity asset, however, the Forestry Commission estate is considered primarily in the financial context as a means of producing timber. It has therefore been felt most appropriate to arrive at a valuation of plantations determined solely by reference to an estimate of future expenditure and income discounted at a rate of 3%. The net discounted revenue so obtained comes to £128 million. The addition of £25 million for other assets produces a total of £153 million which represents the present economic value of the estate assuming that it will be managed for the production of timber. (The detailed results of the capital reconstruction together with some explanatory notes are shown in the accounts at page 100).

22 The difference between 3% and the rate of interest charged to trading accounts of Government Departments will be recorded as a forestry subsidy each year and this will indicate the economic cost of putting these resources into forestry. In addition where less profitable activities are undertaken for reasons of Government policy, the Commission will be given additional subsidies each year to bridge the gap between 3% and the expected rate of return from any such activity. Those subsidies will be reviewed quinquennially when account will be taken of the effects of changes in the general level of prices.

23 The Forestry Commission estate will be revalued at five-yearly intervals and each valuation will be based on a physical inventory of the growing stock and the fixed assets. A comparison of successive valuations will show how the investment in forestry is developing and whether progress is in line with the achievement of the target rate of return of 3% in real terms. It will however be possible to see annually whether programmes are being achieved and to judge approximately how far the departures from the standards necessary to earn 3% in real terms are attributable to general movements in the level of prices and how far the effects of price increases are balancing those of cost increases.

Other Accounts

24 The opportunity has been taken to change the form of presentation of other accounts apart from those of the Forestry Enterprise. There is no longer a summary of the Forestry Fund because with the changing value of the £ a report of receipts and payments for the last 53 years is not now regarded as being of any significance.

25 Previously a Balance Sheet for the Forestry Authority was produced in order to give an arithmetical proof of the accumulated expenditure. This statement has been dispensed with and in its place the expenditure on the various sections making up the Forestry Authority is shown in detail and reconciled in total with the cash appropriated from the Grant-in-Aid of the Forestry Fund for 1972–73. Fuller details are given in paragraphs 99 to 103 on page 26.

Dutch Elm Disease

26 During the summer of 1972 the disease continued to spread throughout Southern England and close liaison was maintained with local authorities on control measures. Most authorities in affected areas took powers the previous year through Orders made under the Plant Health Act 1967. These enabled them to inspect or fell infectious elms or require them to be felled. A further 20 authorities took powers in 1972, bringing the total to 140. To assist liaison

between the Forestry Commission and local authorities a District Officer was appointed to work full-time on elm disease matters.

27 The sum of £250,000 made available by the Commission towards the extra administrative expenses of local authorities, of which £100,000 had been allocated by 31 March 1972, was completely disbursed during the year under report. Altogether claims from 117 local authorities were met.

28 Up-to-date information on the spread of the disease resulted from a further survey by the Commission. This covered the same territory as the 1971 survey plus parts of South Wales and South West England. Of the 23 million elms surveyed, about 1·4 million (6%) were recently dead or dying and a further 1·6 million (7%) had slight to moderate infection.

29 The results and implications of this survey were discussed by forestry Ministers with the organisations directly concerned and subsequently Mr Anthony Stodart, Minister of State, Ministry of Agriculture, Fisheries and Food, made the following announcement in the House of Commons on 8th December, 1972:

'The Forestry Commission's latest report revealed that the disease had become more widespread and more virulent, with new characteristics which make it even more difficult to combat; and that it had taken a firm hold even where the major felling strategy had been pursued with the utmost vigour. After personally discussing this changed situation with the representatives from a wide range of organisations concerned my right hon. Friends have reluctantly concluded that it would be unrealistic to persist with the main felling campaign by which we had hoped to contain the disease. I am glad to have this opportunity of paying tribute to the considerable efforts made by local authorities, landowners and others concerned with that campaign; and, as one who shares the widespread appreciation of the elm, I greatly regret that, in common with other countries which have suffered from this disease, we have been unable to halt its progress.

We therefore propose to revoke the Dutch Elm Disease (Local Authorities) Orders, which gave certain local authorities special powers of control, including the power to require the felling of diseased elms. This will be put in hand immediately. Meanwhile I am suggesting to the local authorities concerned that they should refrain from taking further action in exercise of their powers, and to suspend any that may be in train. Local authorities will be entitled to claim expenses for extra administration incurred by them in the exercise of the Orders up to January 31, 1973, within the overall financial ceiling previously authorised.

We do not preclude the possibility that selective felling of infectious elms on an essentially local and voluntary basis might offer some prospect of saving local elm populations in the relatively few areas where there are unquestionably good natural barriers to the disease, where infection is still comparatively light, and where there is a strong local wish to continue with felling measures, even though there is no clear assurance of success. Where local authorities have areas answering to this description they will be encouraged to contact the Forestry Commission so that there can be an urgent joint assessment of the feasibility of small-scale local action and the form this might take.

The Forestry Commission will also be advising local authorities generally on the use of the fungicide benomyl. This may help to prevent the disease in specific conditions and where owners or occupiers feel justified in incurring the relatively heavy cost of annual treatments. The Commission are planning large-scale trials

with this fungicide in which they will be seeking the co-operation of local authorities and landowners.

My right hon. Friend, the Secretary of State for the Environment, will be considering with the Forestry Commission and Countryside Commission and with the counties most affected how best to formulate long-term replanting plans for renewing their woodland landscape, and to embark on these plans during Tree Planting Year'.

30 In accordance with the new policy outlined in the Minister's statement, a series of training courses in the technique of benomyl injection was arranged. These courses were essentially practical and were attended by approximately 250 local authority employees and a further 100 individuals from other public organisations and private estates. They provided course members with the necessary knowledge to apply the technique at the optimum time.

31 The Department of the Environment held Tree Planting Conferences in March 1973 at Gloucester and Chelmsford at which tree planting problems arising as a result of Dutch elm disease formed a major item of discussion. These were attended by representatives from County Councils in the two areas, the Countryside Commission, National Trust, Nature Conservancy and private forestry organisations, as well as the Forestry Commission.

32 Investigations by Commission research staff during the year suggested that the new aggressive fungus strain probably entered the country on diseased Rock elm logs from Canada. This research was described by the two Commission pathologists principally involved in a paper published in the scientific journal *Nature* on 27 April, 1973.

Grey Squirrels

A Serious Problem

33 Grey Squirrel damage to broadleaved trees continues as a serious problem in the southern half of the country. It takes the form of bark stripping during the summer. Most severely affected are beech and sycamore plantations between 10 and 40 years old, the Commission's holdings of which are greater than those of the private sector.

Control Campaign Launched

34 Following discussions with interested bodies, the Minister of Agriculture, Fisheries and Food laid an Order before Parliament permitting the controlled use of Warfarin poison against grey squirrels in those counties in England and Wales where the red squirrel is not present in significant numbers. This was approved on 16 April, 1973.

35 In conjunction with the Ministry, the Commission launched a publicity campaign at the beginning of May 1973 aimed at the selective reduction of the grey squirrel population. Past campaigns to exterminate the grey squirrel failed because it was impossible to organise systematic, concentrated control measures over its extensive range, and the object of this new drive is to achieve concentration of control measures in and around susceptible crops just before and during the four-month damage period of April to July.

36 Although Warfarin is expected to prove a useful control weapon, it should not be regarded as the sole remedy. Other techniques, such as shooting, trapping and drey-poking, are still important. The full range of control methods is

Plate 1

Tree Planting Year. Pupils of a Scottish school play their part by planting a young larch in a Commission forest close to Perth.

Plate 2

The attractive Thorpe Farm camp ground set amidst the pinewoods of Thetford Forest in East Anglia; 1973 was a record year at all the Commissions' camping sites.

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described in a new Forestry Commission Leaflet No. 56, *Grey Squirrel Control*, issued in May, 1973. (HMSO, 12 p.).

37 The Commission ran courses on grey squirrel control for private woodland owners and their staff during 1972, and further courses were planned for 1973.

Tree Planting Year: The Commission's Contribution

38 The Commission has given extensive support to Tree Planting Year, launched by the Department of the Environment in January 1973.

39 A number of special planting schemes in conjunction with local authorities included three reclamation projects of particular significance. At Ullcoats Industrial Site, Egremont, Cumberland, about two hectares (five acres) of a derelict iron ore site owned by Cumberland County Council have been planted. At Kilsyth, Stirlingshire, the Commission is working with the County Council to plant 20,000 trees on six hectares (15 acres) of a landscaped coal tip. The largest of the three major schemes is in Dare Valley Country Park, Aberdare, Glamorgan. In this derelict mining valley the Commission is restoring some 12 hectares (30 acres) to the type of woodland that existed before mining began.

40 A large number of smaller schemes were well advanced in some 30 counties by the end of March. Schoolchildren have been encouraged to take part in many of these.

41 A special pamphlet *Trees and People* was published at the start of Tree Planting Year, giving hints on buying, planting and maintaining trees. A booklet on the identification of common trees was also published. (Booklet 38. *Common Trees*. H.M.S.O. 8p.)

42 The Commission continued its long-standing encouragement to schools to carry out forestry studies and start their own forest plots and it was hoped that an increasing number of school-children would be involved in these projects by the end of Tree Planting Year. The number of young trees offered by the Commission free of charge for educational and other purposes was doubled to a maximum of 200 for each scheme initiated during the period.

The Wood Market: A Year of Change

43 The year was remarkable in its closing months for the impact on the home timber market of the changes which took place on the world market. Prices for imported sawn softwood increased dramatically as a result of a combination of factors, such as rising demand in a number of countries including Britain, shortage of supplies in some exporting countries, currency exchange rates and low stocks. The result was an unprecedented increase in demand for home grown sawlogs at prices which rose slowly to start with and then almost doubled within the last quarter of the year under report.

44 During the year similar but less pronounced changes began to affect prices in other important industries, such as the pulp and paper industry and the chipboard industry, but these developments had yet to reach back to the forest. Nevertheless, at the end of the year under report prices of smallwood had started to rise and were expected to do so more sharply during 1973.

45 The sawmilling industry in Britain, taking advantage of technological progress and a readier acceptance of home grown timber for a wide range of uses, has increased its intake of roundwood faster than the predicted increase of supplies. This has caused greater competition for wood of intermediate diameter which the pulpmills had been hoping to use in part to replace imported raw

material and in part to meet their plans for expansion. There has also been a rapid expansion of the British chipboard industry which has not only added to the competition for small roundwood but has also revolutionised the market for sawmill residues upon which this industry so largely depends.

46 The future situation on the world market remains as unpredictable as ever and the strong desire among the wood-using industries in Britain for greater dependence on home grown timber is likely to continue.

Publicity

47 Increasing press, television, radio and public interest in, and enquiries about forestry matters, such as afforestation, the supply of timber to industry, the provision of recreational facilities, wildlife conservation and landscaping, has led the Commission to expand its Information staff to include officials in both Scotland and Wales.

48 This increased interest is shown by the greater number of calls made on the Commission's staff, both at Headquarters and in the field, for lectures, planned forest visits, assistance towards television features and exhibitions. The following table indicates how this work has expanded over the past five years:

	1967/69 (18 months)	1969/70 (Golden Jubilee Year)	1970/71	1971/72	1972/73
i Public lectures given	1,286	1,212	1,030	1,100	1,173
ii Forest visits by organised parties	1,766	2,395	2,712	2,603	3,019
iii School forest plots started	30	20	25	15	30
iv Forest visits by Teacher Training Colleges	96	132	161	168	235
v Press tours in forests	41	61	42	79	160
vi Television/radio programmes assisted	61	83	74	123	106
vii Exhibitions supported (excluding agricultural shows)	26	36	33	33	67

49 The Commission has for the last twenty years been encouraging both rural and town schools to pursue forestry projects by either allotting them forest plots to look after (para 48 iii above), of which 118 are at present active, or by supplying, on loan, picture sets and wood samples, and by giving advice on books, film strips and other visual aids. Subject to availability, the Commission also gives to any school applying, up to 100 young forest trees for planting for study purposes in school grounds or playing fields, or for raising in pots in the classroom; in the year under review, 891 schools asked for this assistance and some 73,600 young trees were despatched to them.

50 During the year the Commission's Show Units mounted exhibits at the following major urban shows:

1972	
22/25 May	Chelsea Flower Show
8/18 November	International Camping and Caravan Exhibition, Earl's Court
28 December to 1973 7 January	Camping and Outdoor Life Exhibition, Olympia
5/18 January	International Holiday Exhibition, Olympia
24 January to 3 February	Northern Caravan and Camping Exhibition, Leeds
17 February to 3 March	Birmingham Boat and Leisure Life Exhibition
6/31 March	Ideal Home Exhibition, Olympia

The Commission's Touring Show Units also exhibited at 20 of the more important agricultural shows, including the Royal, the Royal Highland and the Royal Welsh Shows. At all of these the Commission's local staff supported the indoor exhibit with an open-air layout.

Forestry Commission Headquarters: The Move to Edinburgh

51 Plans went ahead, in close consultation with the Staff Side of the Forestry Commission Whitley Council, for reunifying the Commission's Headquarters, in Edinburgh. A site at Corstorphine was selected and work on the building is progressing satisfactorily.

52 The transfer of Headquarters' work and staff will begin during the second half of 1974 but the greater part of the move will take place in the first half of 1975. A start has been made in transferring staff unable to go to Edinburgh to other Government Departments.

Commissioners

53 There were no changes in Commissioners during the period under report. However, the opportunity is taken to record a number of changes which took place in 1973 in the following paragraphs.

54 The terms of office of three of the part-time Forestry Commissioners, Mr E. Gwynfryn Davies, Major Sir William Strang Steel and Mr H. J. Watkins, expired on 30 September 1973. They were succeeded by Mr M. L. Bourdillon, Mr A. M. Donnet and Mr C. G. A. Latham.

55 Mr Bourdillon has been a member of the Commission's National Committee for Wales since 1963 and has succeeded Mr Gwynfryn Davies as the Committee's Chairman. He is keenly interested in the integration of forestry and farming.

56 Mr Donnet has been the Scottish Regional Secretary of the National Union of General and Municipal Workers since 1959, and was elected national Chairman of the Union in 1970 after six years' service as Vice-Chairman. He is a member of the General Council of the Scottish Trades Union Council, of which he was President in 1970/71, and in 1972 became a member of the General Council of the British TUC.

57 Mr Latham is Joint Managing Director of James Latham Limited, a firm of timber importers. He is Chairman of the Council of the Timber Research and Development Association. Mr Latham is the son of a previous Forestry Commissioner, Mr E. B. Latham, who served from 1957 to 1963.

58 Dr F. C. Hummel resigned his appointment as Commissioner for Harvesting and Marketing on 31 October 1973 on his appointment as Head of the Forestry Division in the Director General of Agriculture's Office at the European Economic Community Headquarters in Brussels. He was succeeded by Mr G. D. Holmes, formerly Director of Research. Mr Holmes joined the Commission in 1948 and until 1963 served in successive posts in Research Division. He then transferred to the North Wales Conservancy where he had responsibility for harvesting and marketing of timber. In 1968 he returned to Research Division as Director for Research.

Senior Staff

59 Mr G. D. Rouse, Conservator South West England and Deputy Surveyor Forest of Dean, retired in December 1972. He was succeeded by Mr L. C. Troup, formerly an Assistant Conservator in the same Conservancy. These were the only changes in senior staff during the year. The opportunity is taken in the following paragraphs, however, to record a number of staff changes which have arisen subsequent to the year under report.

60 Mr J. M. Hunter took up duty as Secretary to the Commission on 15 October 1973 on transfer from Her Majesty's Diplomatic Service. He has served in many Embassies and High Commissions overseas, and prior to joining the Commission was Head of the Latin American Department at the Foreign and Commonwealth Office in London.

61 Mr D. R. Johnston, former Director of Management Services, was appointed Director of Research and Development on 1 November 1973. On the same date, Mr A. J. Grayson, on promotion to Conservator, took over full responsibility for Planning and Economics.

62 In September 1973, Mr J. S. R. Chard, Conservator North West England, retired. He was replaced by Mr J. H. James, formerly Conservator North Wales. The post of Conservator North Wales thus left vacant was filled by Mr J. N. Kennedy on promotion to Conservator.

63 Mr E. G. Richards, Conservator East Scotland, took up a new post as Director at Headquarters, London on 1 January 1974. He will be mainly concerned with the direction and coordination of land use matters in the light of the emphasis placed on effective land use in the Government's forestry policy statement of 24 October 1973.

64 Mr G. E. Godwin, formerly Conservator North East England, replaced Mr Richards as Conservator East Scotland. Mr J. A. Spencer, Head of Forest Management Division at Headquarters, replaced Mr Godwin as Conservator for North East England and, in turn, was succeeded by Mr D. Y. M. Robertson, an Assistant Conservator in North East England, on promotion.

Obituaries

65 Sir Henry Beresford-Peirse, Bt, CB, Director General of the Forestry Commission from 1962 to 1968 and Deputy Chairman from 1965 to 1968, died in August, 1972. Sir Henry joined the Commission in 1929 in North Scotland. He

was appointed Director Scotland in 1948 and Deputy Director General in 1953. Following secondment to the United Nations Food and Agriculture Organisation in Rome as Deputy Director of its Forestry Division, he returned to the Commission in 1962 on appointment as Director General. A man of great drive, enthusiasm and energy, Sir Henry was an excellent ambassador of forestry, and was in constant demand for international assignments by FAO and the World Bank during his service with the Commission and after his retirement. He will be long remembered with respect and affection by his colleagues and many friends in forestry at home and abroad.

66 The Commissioners record with profound regret the death of Mr J.J.V. Summers, Secretary of the Commission, in June 1973. Following wartime service with the Ministry of Supply's Home Timber Production Department in Aberdeen, Mr Summers transferred to the Commission's Headquarters. Progressing through several grades, he was promoted Assistant Secretary in 1966 and shortly afterwards became Secretary of the Commission. Mr Summers will be remembered always for his intense loyalty to the Commission and as a most generous mentor and guide to those close to him. His wide knowledge and ability will be sorely missed. In his death the Commission has suffered a considerable loss.

67 The Commissioners are also sorry to record the death in September, 1972, of Mr Owen J. Sangar, CBE, MC, Director for England from 1946 to 1958. Mr Sangar joined the Commission on its inception in 1919. He held successive posts in various areas of Britain culminating in his appointment as Director for England. Mr Sangar gave outstanding service to forestry abroad as well as at home. In 1947 he was attached to the FAO European Commission on Forestry and Forest Products and was its chairman from 1948 to 1952.

Forestry Authority

Legislation

68 The European Communities Act 1972 extended the Forestry Commissioners' powers under the Plant Health Act 1967, in relation to pests and diseases of forest trees and timber, to cover Community obligations. The Act also amended the Plant Varieties and Seeds Act 1964 to permit regulations to be made on the marketing of forest reproductive material, and to empower the Commissioners to establish and maintain an official seed testing station.

69 Work continued on the preparation of regulations to implement EEC Directives on marketing forest reproductive material. These came into force on 1 July 1973.

70 Following the Government's decision to abandon the main felling campaign against Dutch elm disease, the Dutch Elm Disease (Local Authorities) Order 1971 (SI 1971/1708) and three later Orders (SI 1971/1823, 1971/1963 and 1972/1242), which gave powers of inspection and control to local authorities in severely affected areas, were revoked by the Dutch Elm Disease (Local Authorities) (Revocation) Order 1972 (SI 1972/1937).

71 The Grey Squirrels (Warfarin) Order 1973 (SI 1973/744), permitting the controlled use of the poison Warfarin against this pest in certain parts of England and Wales, was laid before Parliament: it took effect from 16 April 1973.

72 The Drivers' Hours (Goods Vehicles) (Exemptions) Regulations 1972 (SI 1972/574), which came into force on 10 May 1972, exempt the carriage of recently felled trees from certain regulations on drivers' hours. The Regulations provide for the limit of daily and weekly duty periods for drivers to be increased and also, subject to certain conditions, for the aggregation of weekly rest days.

Cowal-Ari Sawmilling Company Limited

73 This Company was incorporated on 7 July 1953 with the main objects of developing the commercial utilisation, including the sawmilling, converting, seasoning and other processing, of small sized softwood timber, and to investigate, develop and expand the markets for the products and waste products arising from such processing.

74 The capital of the Company was initially £30,000 of which £15,000 was subscribed by Adam Wilson & Sons Ltd, Timber Merchants, Troon. The Forestry Commissioners provided capital in the form of Debentures for £15,000.

75 The Commissioners' long association with this Company has ended with the repayment of the Debentures in 1973 as originally arranged. The Commissioners

wish to take this opportunity of recording their recognition of the pioneering work done by the Company in the processing and marketing of fast-grown Sitka spruce; and their appreciation of the part played by Mr R. Finlay Wilson, the Managing Director of the Company, and Mr J. M. Turner, Chartered Accountant, the independent chairman whose firm acted as Secretaries to the Company.

Private Forestry

76 The Government's consultative document on forestry policy, issued on 28 June 1972, suspended entry to the dedication and other grant-aid schemes by new applicants from that date, pending decisions on new long-term arrangements. Despite this, the amount of planting helped by grants showed little variation from last year – 23,800 hectares (58,800 acres) compared with 24,000 hectares (59,300 acres). An estimated 771 hectares (1,905 acres) were planted without grants – 285 hectares (704 acres) up on last year. In total, planting with and without grants, was some 49 hectares (121 acres) higher in the current year. Afforestation of bare land rose from 82 to 84% of the total, the actual area increasing from 19,700 hectares (49,000 acres) to 20,000 hectares (49,500 acres).

77 The area dedicated rose to 459,256 hectares (1,134,822 acres) and the number of dedication schemes increased by 108 to 3,774. A further 225 cases involving 29,700 hectares (73,400 acres), for which application had been made before the closure of the scheme to new applicants on 28 June 1972, were under consideration on 31 March 1973.

78 The total area under the Approved Woodlands Scheme increased by 1,053 hectares (2,600 acres) to 69,400 hectares (171,500 acres). Twelve cases involving 1,114 hectares (2,750 acres) were still under consideration at the end of the year.

79 An Interim Planting Grant Scheme was introduced on 4 April 1973 to cover approved planting started and completed during the period 28 June 1972 to 30 September 1974 (the end of the 1973/74 planting season). The closing date for applications was set at 31 December 1973 or the date of introduction of new long-term arrangements if this proved to be earlier.

Research

80 A full Report on Forest Research* is published every year. The following paragraphs draw attention to a few of the activities of the Commission's Research staff.

81 Investigations on Dutch elm disease continued, a survey showing that the range of the disease and of the aggressive strain of its causal fungus had increased since 1971. Evidence was found suggesting that the aggressive strain of the fungus entered this country on logs imported from North America. Experiments indicated that a systemic fungicide injected into the trees and an insecticide sprayed on their foliage could both be useful to protect trees of high amenity value from the disorder.

82 Species of the fungus *Phytophthora* cause damage to a wide range of plants in field, nursery and garden. Evidence of the importance of this fungus as a cause of disease of tree species is now rapidly accumulating.

**Report on Forest Research*, 1972, HMSO, £1.60
Report on Forest Research, 1973, HMSO, £1.75

83 The Spruce sawfly, *Gilpinia hercyniae*, is still causing needle loss in spruce plantations in North Wales. By the end of the year about 1,600 hectares (4,000 acres) of Norway and Sitka spruce had been affected. A careful watch is being made on the distribution and spread of the insect. The possibility of control of the pest by the use of a naturally occurring virus and of various parasites is being examined, although the artificial spread of the virus can only be embarked upon after careful investigation and clearance under the Pesticides Safety Precautions Scheme of the Ministry of Agriculture, Fisheries and Food. In early April 1973, before the start of the growing season, a public meeting was arranged by the Conservator for North Wales to explain the situation to interested bodies and to inform them of the control methods likely to be employed. Research staff from the Commission and the Natural Environment Research Council's Unit of Invertebrate Virology (which is investigating the virus disease and its effects) attended the meeting to provide the necessary technical information. Arrangements have been made with the Commonwealth Institute of Biological Control for the supply of suitable insect parasites for release in the affected area, and it is hoped that by the combined action of the virus and the parasites the pest infestation will be controlled without the need to resort to the use of chemical insecticides. A second sawfly, *Cephalcia alpina*, which has caused severe needle loss in larch in South Wales, is being studied and may also be a subject for biological control.

84 Grey squirrels have done much damage to trees in recent years, but reports of damage and its severity were less in 1972 than in 1971. A study of the factors affecting reproduction of the animal was begun. This work may in time make it possible to reduce the reproductive capacity of the squirrel by the use of a chemical inhibitor.

85 Analysis of tree foliage of conifer species as an aid to manurial practice is becoming of increasing importance to the forest manager, and improvements in analytical methods have been introduced. More information is needed before the technique can be used to provide advice on the manuring of broadleaved trees, and fertiliser experiments have therefore been laid down to cover our native oaks, beech and birch and Red oak and Southern beech.

86 Difficulties have been experienced in the extraction of seed from the cones of Douglas fir, and of Scots pine from seed orchards. Means to improve the extraction of the seed of these species were therefore sought. Losses of seed in nursery seed beds, caused mainly by birds, were also investigated.

87 Problems arose in many of the earlier seed orchards laid down by the Commission, largely because of a lack of information on compatibility of the flowering times of the constituent clones. New seed orchards are now being set out, taking advantage of data from the older orchards and from recent genetical work. Investigations now being made on flower induction by the use of gibberellic acid should also have a bearing on future seed production in seed orchards and other seed stands.

88 A National List of approved Forest Reproductive Material was prepared in accordance with EEC forestry Directives. The list, which covers most of the country's important forest species, will be revised periodically, and copies can be inspected at the Forestry Commission's main offices (see page 91).

89 More work was done on the vegetative propagation of broadleaved trees, needed both for general amenity planting and for the replacement of elms lost through Dutch elm disease. The studies concentrated particularly on Grey poplar,

Plate 3
In this New Forest glade schoolchildren seek information from a Forest Ranger, who wears the new uniform introduced this year.

Plate 4 The new Cwmcarn Forest-Drive through Ebbw Forest in Monmouthshire opens fresh vistas over wooded hillsides, with handy car parks.

Plate 5
Australian eucalyptus trees blend with oak and Scots pine at the entrance to Kilmun Arboretum. Here attractive footpaths thread a scenic hillside close to Dunoon in Argyll.

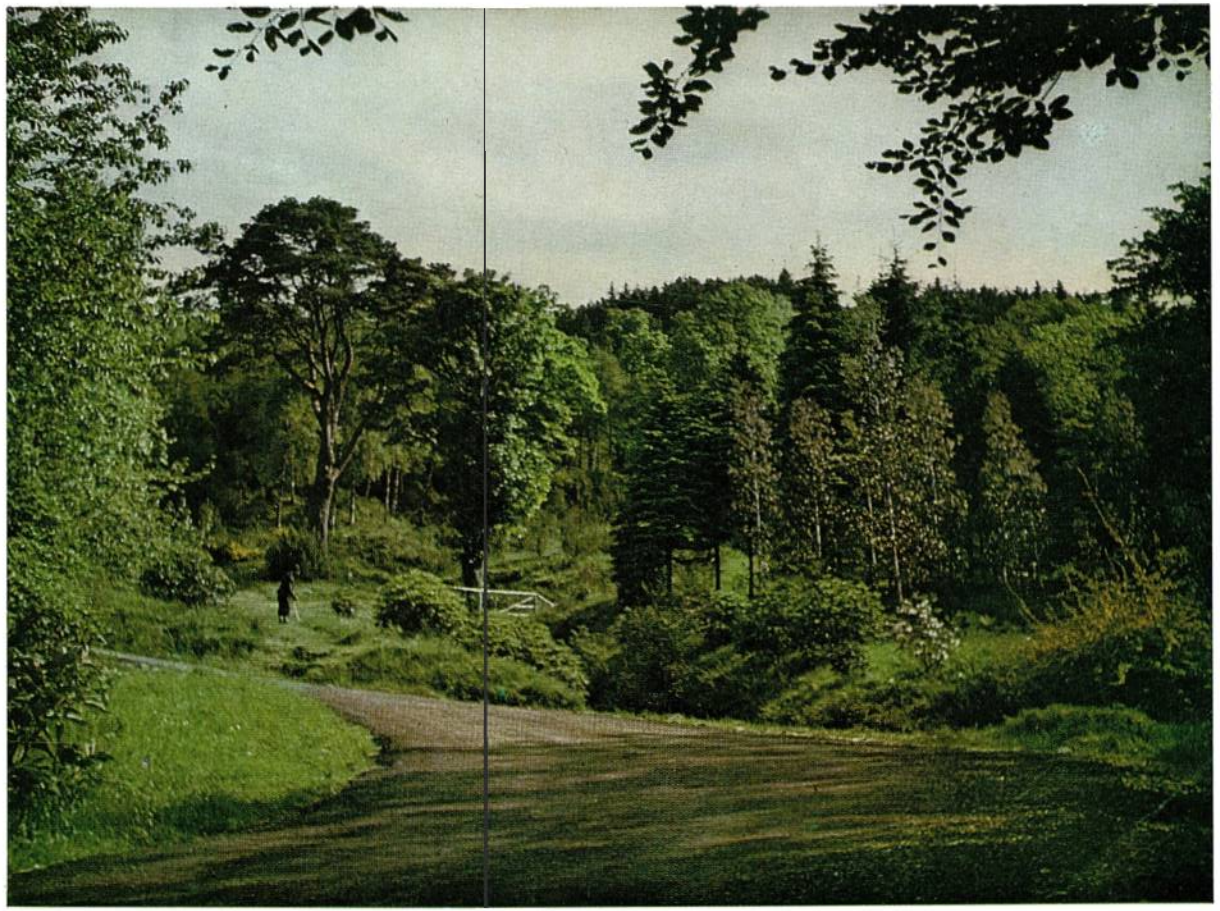


Plate 6
A bi-lingual sign in Welsh and English indicates the halting place called Pen yr Heol – 'head of the road' in Coed Taf Fawr, near Merthyr Tydfil in Breconshire.

and on some species of the Southern beech (*Nothofagus*) the seed of which is very difficult to obtain.

90 In forestry, the geographical origin of the seed greatly affects the growth of the crop. The range of origins included in experiments to study the growth of Sitka spruce, commercially our most important conifer, was therefore increased. So was that of Grand fir, a species about which we have little information regarding the influence of origin.

91 Increasing demands are being made for aerial surveys to assist forest managers in various ways. To aid in this work, a special camera mount incorporated in an aircraft door has been developed to fit a range of Cessna aircraft.

Education and Training: An Active Time

92 The developing needs of internal management and technical training placed heavy demands on training staff. 123 courses were held for non-industrial staff attended by 1,482 persons. These courses included management of harvesting operations for junior managers, and functional training for first-line supervisors, mainly in highlead and skyline winching and in tractor skidding. In addition, retraining was arranged for individual officers returning from specialist to field duties. A new series of courses for junior managers dealing with the establishment of tree crops was developed during the year for introduction in the following year.

93 There were 358 courses for industrial employees, ranging from one day to three weeks. These courses, which were attended by 1,590 workers, dealt mainly with harvesting operations such as the use of chainsaws, extraction by winch and the use of the latest tree-length skidding equipment, but also covered such subjects as planting, chemical spraying, high-tensile fencing, mechanical weeding, thinning control and tree-injection.

94 Ten Foresters attended a National Diploma in Forestry revision course at the Cumberland and Westmorland College of Agriculture and Forestry. This College and the Forestry Centre at Inverness were supported in a number of ways. Help was also provided to the City and Guilds of London Institute for whom members of the Commission's Education and Training Branch acted as examiners and assisted in the revision of the syllabus for Stage I of the Institute's forestry course for craftsmen.

95 Advantage was taken of courses in various aspects of management run by the Civil Service College and other organisations, and these were attended by 103 members of staff. In addition, 107 members of the Commission's civil and mechanical engineering staff attended outside courses conducted by such organisations as the Cement and Concrete Association, Construction Industry Training Board, Transport and Road Research Laboratory, Explosives and Chemical Products Ltd, Northumberland Technical College and Bowmaker Plant Ltd.

96 Seven students from the Cumberland and Westmorland College of Agriculture and Forestry were employed to gain training and practical experience during the middle year of their three-year sandwich course for the Ordinary National Diploma (Forestry). Eight others, who had received similar training during the previous year, returned to the College to complete their final year. Employment for pre-course training and practical experience was also arranged for six young men provisionally accepted by the College.

97 For the private forestry sector, the Commission provided 14 technical courses attended by 91 industrial workers and a special course on soil identification and site appreciation attended by 18 forestry managers. Courses in forestry were also provided for teachers and for students preparing for the examination of the Royal Institution of Chartered Surveyors, and in conservation and forest protection for other people from outside the Commission. All of these courses were given on a re-payment basis.

Home Grown Timber Advisory Committee

98 The membership of the Committee is included in Appendix I, page 45 and the Committee's annual report is published as Appendix II on pages 47 to 51.

Finance

99 The account of the Commission's Forestry Authority activities is in Table 1 on page 62. The call on funds amounted to £4.354 million compared with £4.257 million last year, an increase of 2%. This was made up as follows:—

	£ *million*
Increase in cost of activities	0·291
Less: variations in current (£0·171 million) and fixed assets	0·194
	0·097

100 There was a reduction of £0·036 million in Services to Private Woodland Owners. This was caused by a drop in the amount of the management grants paid in the year (£0·039 million) together with miscellaneous reductions (£0.021 million), offset by an increase of £0·024 million in Dedication Basis I grant payments.

101 Special Services increased by £0·255 million mainly because of increases of £0·192 million in the allocation of overhead expenses and £0·058 million for payments to local authorities in respect of Dutch elm disease. The latter amount completed the contribution of £0·250 million over the two years up to 31 March 1973.

102 The cost of Research increased by £0·089 million chiefly comprising Publications (£0·045 million) Pathology and Entomology (£0·023 million) and Grants to Institutions (£0·014 million).

103 The variation in current assets is due mainly to the clearance in this year of machinery development charges held in suspense at 31 March 1972.

Forestry Enterprise

Planting

104 New planting was a little below last year's total. The area restocked after felling and extraction also decreased because the restocking of the area wind-blown in Scotland in 1968 was completed the previous year. Totals were:

	New Planting		*Restocking*	
	Hectares	Acres	Hectares	Acres
England	1,735	4,287	1,419	3,506
Scotland	16,174	39,966	1,590	3,929
Wales	1,469	3,630	771	1,905
Total: Great Britain	19,378	47,883	3,780	9,340

Diagram 1 below illustrates the trend of total area under plantations.

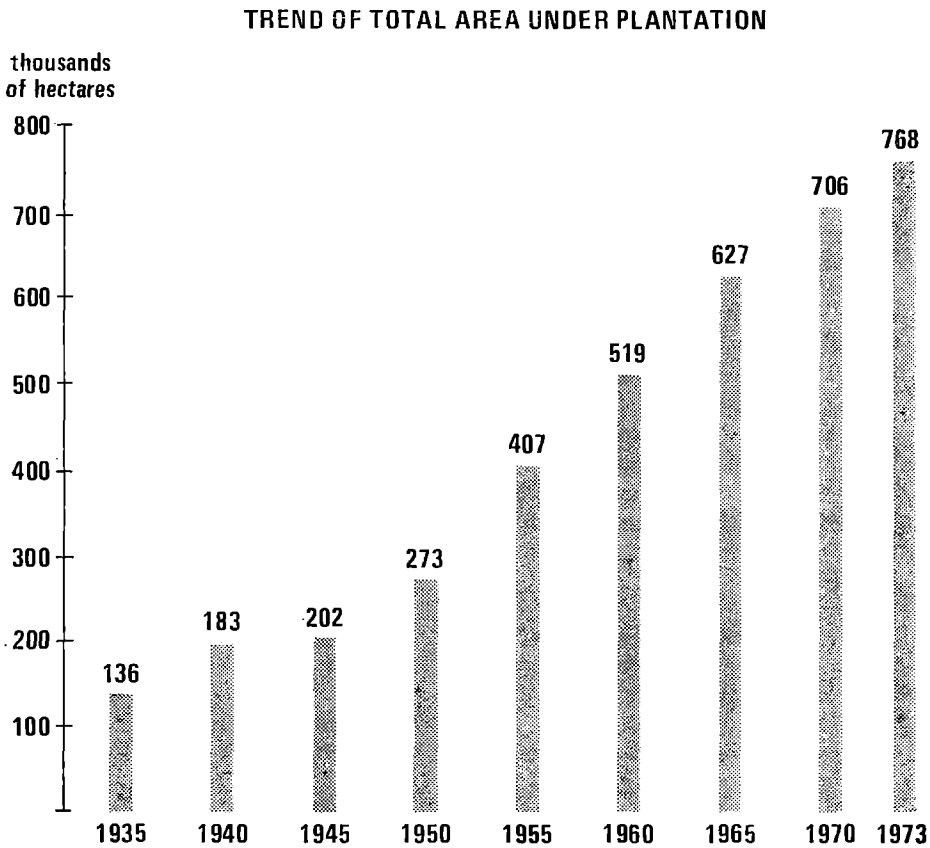


DIAGRAM 1. The trend of total area under Forestry Commission plantations, 1935 to 1973, in thousands of hectares. After slowing down during the war years, 1939 to 1945, there has been a steady increase. (1 hectare = 2·471 acres).

105 Fifty-five million trees were planted. The commonest species used were spruce (34·4 million) and pine (14·8 million). Planting of broadleaves, mainly beech and oak, more than doubled, to a total of 688,000 trees.

Tree Seed: A Poor Crop

106 The seed crop for major forest tree species was the poorest for the past five years. Only 220 kg (485 lb) of conifer seed and 284 kg (623 lb) from broadleaved species were collected. The main conifer species were: Corsican pine – 150 kg (330 lb) from East England (Thetford); Scots pine – 18 kg (40 lb) from seed orchards; and Hybrid larch – 15 kg (33 lb) and Lodgepole pine – 10 kg (22 lb) from selected stands. The main broadleaved crop was sycamore – 177 kg (390 lb). There was no acorn or beechnut crop.

107 These shortages were largely made good by the importation of 3,513 kg (7,738 lb) of conifer seed and 826 kg (1,819 lb) of broadleaved species. Main imports were: Sitka spruce – 1,752 kg (3,859 lb); Japanese larch – 1,106 kg (2,436 lb); Norway spruce – 440 kg (969 lb); European larch – 115 kg (253 lb) and Red oak – 788 kg (1,736 lb). Unfortunately it was not possible to obtain beechnuts and the acorns of Sessile and Pedunculate oak because of similar crop failures on the Continent.

Land Acquisitions

108 Slightly over 6,600 hectares (16,300 acres) of plantable land were acquired – about 10,400 hectares (25,700 acres) less than last year. Of this, 5,000 hectares (12,400 acres) were in Scotland, mainly in the South, West and North Conservancies. Acquisitions in England, totalling 100 hectares (240 acres), were similar to last year. But in Wales there was an increase of 200 hectares (500 acres) to a figure of 1,500 hectares (3,700 acres), acquired almost entirely in the South Wales Conservancy. Diagram 2 illustrates the rate of acquisition of plantable land from 1961 to 1973.

109 Doubts expressed last year about maintaining the acquisition rate were justified. The number of suitable properties on the market fell considerably, mainly due to better sheep farming prospects and a tendency to avoid selling pending Common Market entry. The relatively few properties on the market fetched very high prices. There was every indication that this situation would continue.

110 The average cost of plantable land – £59·95 per hectare (£24·27 per acre) – was £8·56 per hectare (£3·49 per acre) more than in 1971/72. The rapid rise of land prices did not affect the average price of acquisitions completed successfully during the year, as terms had been agreed earlier. A sharp rise in average prices was expected in 1973/1974, however.

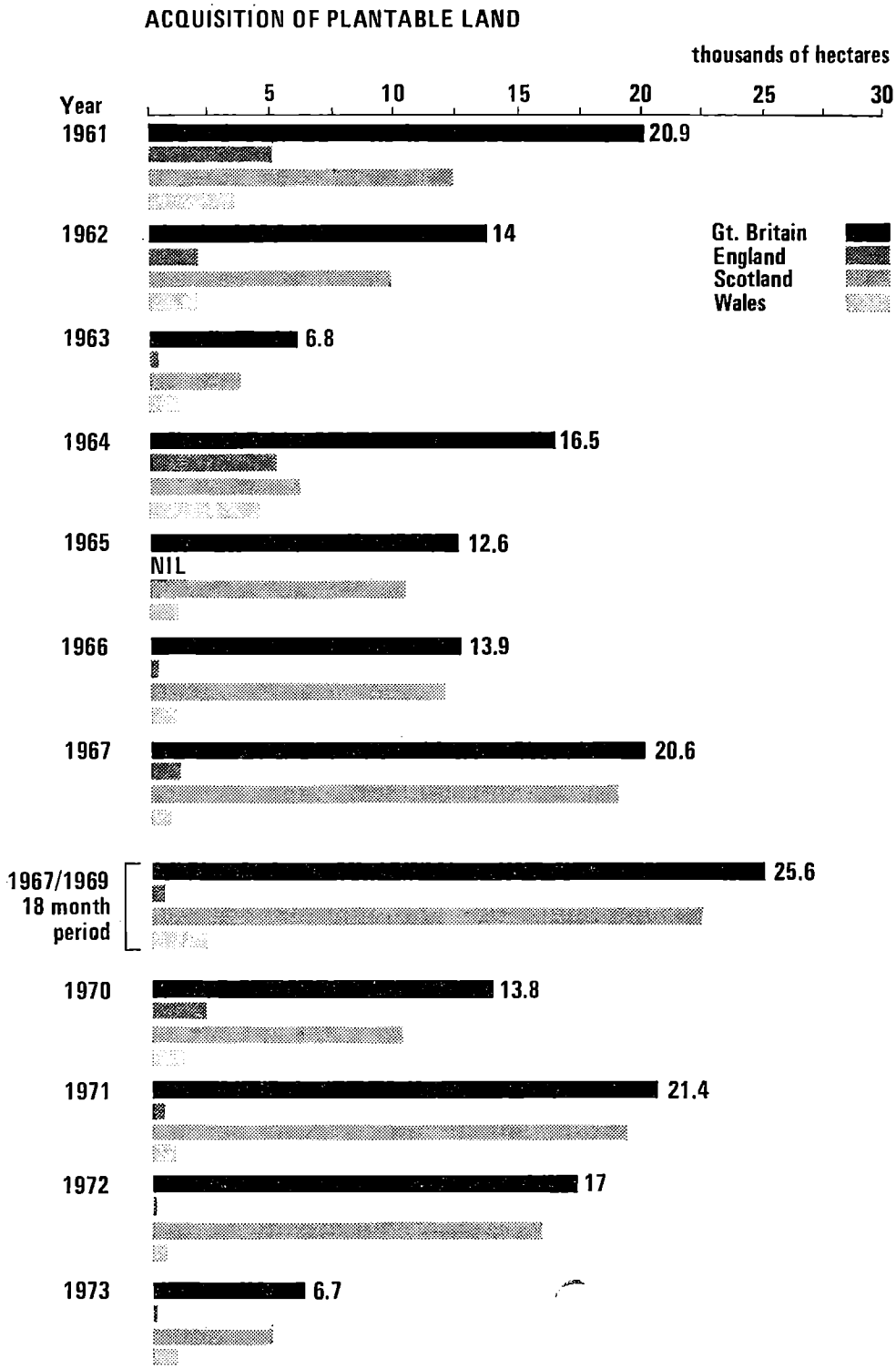


DIAGRAM 2. Acquisition of plantable land by the Forestry Commission, 1961 to 1973, by countries and overall, in thousands of hectares. Since 1971 the Commission has been unable to achieve its full acquisition programme due to a shortage of suitable land on the market. (1 hectare = 2·471 acres)

DIAGRAM 3. Production of softwoods by the Forestry Commission, 1963 to 1973, with forecasts to 1990, by countries and overall, in thousands of cubic metres. There has been a steady increase which it is forecast will accelerate from 1980 onwards.

Harvesting and Marketing

111 The volume harvested was similar to that of 1971/72. Income and surplus per cubic metre showed modest advances. The following summary gives the main features:—

	Unit	1969/70	1970/71	1971/72	1972/73
Production					
Total	million cubic metres	1·53	1·57	1·59	1·59
Broadleaved	,,	0·09	0·08	0·06	0·04
Conifer	,,	1·44	1·49	1·53	1·55
By sale standing	,,	0·68	0·68	0·69	0·63
By Commission harvesting ...	,,	0·85	0·89	0·90	0·96
Gross Income	£'000	5,853	6,851	7,620	8,259
Gross expenditure (including labour on costs, excluding overheads) ...	,,	3,001	3,252	3,448	3,935
Surplus	,,	2,852	3,599	4,172	4,324
Income per cubic metre	£	3·83	4·36	4·79	5·19
Expenditure per cubic metre (excluding overheads)	,,	1·96	2·07	2·17	2·47
Surplus	,,	1·87	2·29	2·62	2·72

Diagram 3 opposite shows the rising production trends of conifers from the Commission's forests since 1963 and forecasts to 1990.

112 Production figures quoted in the summary in para 111 are the volumes felled and removed from forests. However, it is disappointing to record that, for the first time in many years, total removals have not increased, but fell short of the planned volume by 60,000 cubic metres. This was caused, almost wholly, through buyers failing to harvest their purchases of standing trees, particularly in those parts of Scotland where the forestry industry is experiencing labour problems.

113 Most of the Commission's marketing is by forward sales. The relatively small improvement in prices shown in the table opposite is therefore a reflection of the stable market conditions at the end of 1971 and early 1972. A further influence was the application, except for sales by auction and by competitive tender in the open market, of the 5% voluntary limitation on price rises initiated by the Confederation of British Industry during the early part of the year, and the Government's Phase I prices standstill in the second half of the year.

114 Reference has been made in paragraphs 43 to 46 to the increased demand for all produce sold by the Commission, especially during the latter part of the year. As a result there was no difficulty in finding ready buyers; indeed, towards the year's end, the Commission faced the problem of how to boost production to alleviate shortages.

115 Prices for new forward sales of sawlogs at forest roadside rose on average by 21·5% over the previous year. Most of this occurred in the latter part of the year, influenced by price increases for imported sawn softwoods. During this time the average price was 33·5% more than in the corresponding period the year before.

116 Prices for pulpwood in the forest remained static, reflecting overseas costs for comparable material, and this was reinforced for part of the year by the Government's prices policy. Higher prices were expected during 1973/1974 in line with a general improvement in the pulp and paper industry's position and strong competition for home grown wood.

117 The average price for all trees sold standing was 17·3% above last year's level. However, this is only a general guide to price movements because of differences in species, location, tree size and other factors in each year's sales. The Price Index, based on competitive sales of conifers in smaller size categories only, rose from 141·1 to 170·0 (year ended September 1967 = 100).

118 Expenditure per cubic metre of timber harvested by the Commission rose by only 4% in spite of increased wages and costs of machinery. The apparently greater increase shown in the table opposite is largely due to the smaller proportion of total removals sold standing.

119 New wood-using industries under development during the year were mainly in the chipboard field. Ulster Chipboard Ltd started operations at South Molton, Devon, Messrs Kronospan Ltd, at Chirk in Denbighshire, and Scottish Timber Products Ltd, at Cowie, Stirlingshire, in anticipation of starting production in the summer of 1973, began to take delivery of wood. Scotboard Ltd, Irvine, Ayrshire, brought major additional capacity into production.

120 Consultation through the Committee for Market Development with representatives of private growers and the home timber trade continued. The Committee's main concern has been to establish fuller and more authoritative statis-

tics on future supply and demand of home grown wood. Their deliberations became more significant as a result of the current market situation and consumers' anxiety over meeting future requirements. Substantial progress was made in compiling statistics and the Committee authorised publication of estimates of future production of conifer roundwood and sawmill residues in Britain.

Estate Management

Surplus Assets

121 The disposal of surplus land and buildings continued. Generally, prices continued to rise and this, coupled with a larger programme, produced well over £2 million. Properties sold included a hotel, a vehicle repair depot, building plots and land for development, as well as houses of varying age and condition.

Commons Registration

122 Good progress has been made towards resolving claims of common rights over Commission land and objections to rights claimed by the Commission over other land. During the year three cases which could not be resolved were heard by the Commons Commissioners. In two of them Commission objections were upheld; a decision was still awaited on the third.

Expenditure and Income

123 During the year buildings were constructed, improved or acquired at a cost of £432,000. Of this £317,000 was spent on housing and offices, £20,000 on properties let commercially and £95,000 on commercial recreation. Additionally, £103,000 was spent on forest recreation facilities. Proposals for new information and interpretive centres at the Forest of Dean and Westonbirt Arboretum, both in Gloucestershire, were prepared by Robin Wade Design Associates.

124 Expenditure on repairs and maintenance of all buildings was £464,000. Rent income was £585,000, of which £102,000 arose from the letting of shooting and sporting rights.

Conservation and Recreation: More Facilities for the Public

125 Recreation Planning Officers have been appointed in most Conservancies and considerable progress has been made in preparing Conservancy Recreation Plans. Progress has also been made in implementing the recommendations of the New Forest Joint Steering Committee's report *Conservation of the New Forest*, notably the establishment of car-free areas associated with day visitor sites, and the change from camping in the forest at large to controlled camping in two fully-equipped sites and a number of informal but well-designed areas. The Recreation Planning Officers attended two symposia which brought them into direct contact with planning officers, landscape architects, museum directors, and representatives of other government agencies concerned with the countryside.

126 Research in recreational matters included sponsorship of work by Edinburgh, Birmingham and Reading Universities, as well as projects undertaken by the Commission's own Planning and Economics Branch. The Commission continued to be represented on the Countryside Recreational Research Advisory Group.

127 A firm of consultants, Coopers and Lybrand Associates, Ltd, were commissioned to undertake a feasibility study into the development of low cost tourist accommodation on Commission land.

Plate 7

The Forestry Commission's Deep Tine Plough, mounted by a hydraulic device on a crawler tractor, model CAT/D7. This plough penetrates to a depth of 3 feet (90 centimetres) and is used to break through deep indurated layers, hard as concrete, to prepare land for planting or replanting. These layers developed in the last Ice Age, and cannot, unless broken, be penetrated by tree roots. About 120,000 hectares of Forestry Commission land in Scotland shows this condition to a greater or lesser degree. A 4361

Plate 8

This experimental tractor, with hydrostatic drive to each separate wheel, can negotiate exceptionally difficult ground when hauling logs from the forests. It carries winching equipment at the rear. A 5694

128 A new Forest Information Centre was opened at Queen's View in Tummel Forest in Perthshire by the Duke of Atholl. A new exhibition room, designed free of charge by Miss Patricia Riley, a London design consultant, was added to the Information Centre in Grizedale Forest, Lancashire, where also a new observation hut was built to overlook an artificial lake at Moss Wood. Pools for fishing and for wildlife observation at Inglewood Forest in Cumberland were nearing completion.

129 In May 1972, Mr David Gibson-Watt, Minister of State, Welsh Office, opened Cwmcarn Scenic Forest Drive through Ebbw Forest near Newport, the first such drive in Wales, which subsequently received a Prince of Wales Award. A joint experimental project with the Countryside Commission, it is aimed at testing the feasibility and popularity of such a facility close to a large centre of population. The route covers seven miles through interesting woodland of different ages, and includes magnificent views over the Bristol Channel. In the first year there were over 60,000 visitors and valuable management experience

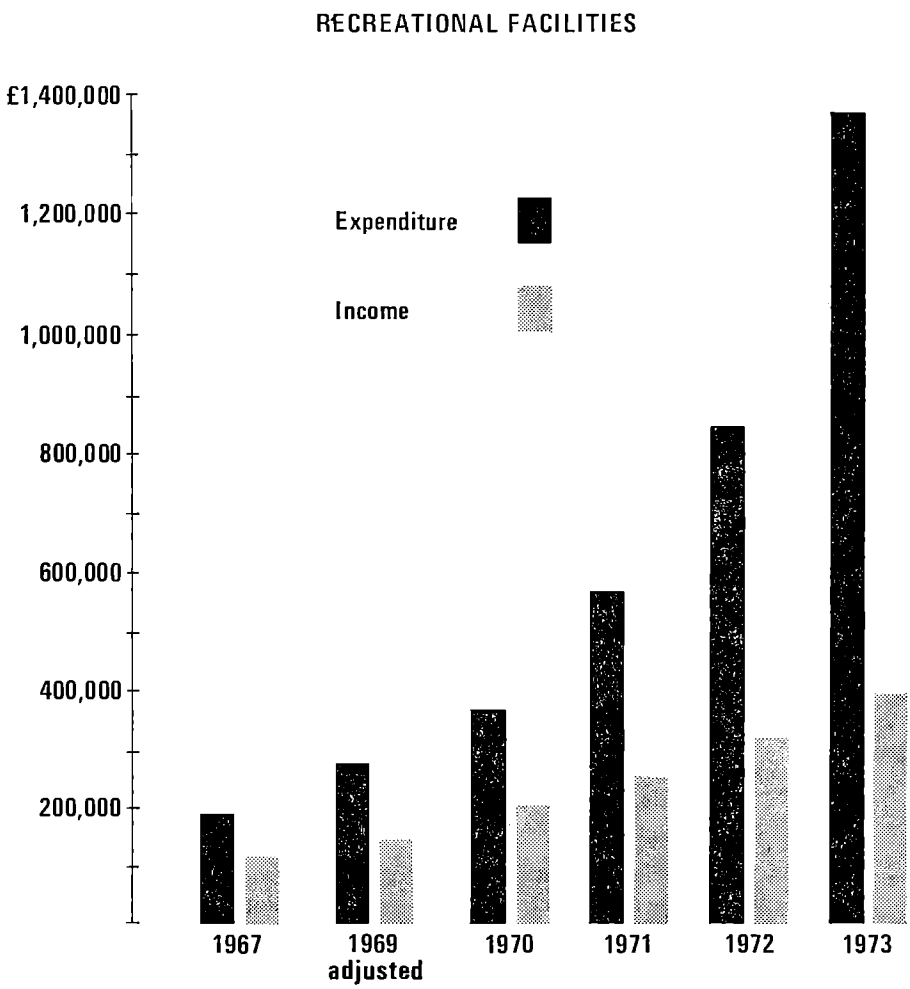


DIAGRAM 4. Expenditure and income for recreational facilities, 1967 to 1973. The substantial increase in outlay has been followed, as anticipated, by a growing, though slower, return.

was gained. Further projects concerned to assist people in understanding and enjoying the countryside are continuing.

130 The Commission's detailed directory of its country-wide recreational facilities *See Your Forests* was completely revised and is now issued in four parts covering Northern England, Southern England, Scotland and Wales. In conjunction with Bartholomews Ltd, a route-planning *Guide Map to Your Forests* was published showing the broad location of all recreational facilities on Commission land. Such was the demand for this map that, at the end of the year, a question of reprint had to be considered.

131 Diagram 4 opposite indicates the Commission's growing expenditure and income on recreational facilities.

Engineering: Many Developments

Civil Engineering

132 The cost of labour, materials and all services rose at an unprecedented rate, and efforts to hold the cost of road construction and maintenance occupied much time. Measures taken included intensifying the search for local sources of road-making material, trials on improved work methods, more efficient use of plant and vehicles, and increased staff training.

133 The search for construction materials was not confined to the Commission's own requirements. Where worthwhile deposits were found near major public works, arrangements were made for them to be exploited on a royalty basis. Within the Commission's quarries efforts were directed to further improvements in blasting techniques. In several areas costs were lowered by improved handling methods, and the use of mobile crushers was extended, leading to cheaper construction and maintenance.

134 Increasing timber production, combined in many areas with the growth of traffic for recreational and other purposes, has led to the greater use of forest roads. Despite further mechanisation and careful organisation of maintenance work, this has led to heavy expenditure on road upkeep. There seems little scope for further economy, but bituminous surfacing trials of the most heavily used roads, started the previous year, are encouraging. Counters used in these trials show far more traffic than had been previously estimated. The census will be extended to other roads to aid planning and design.

135 The introduction of more efficient construction plant and of vehicles with a greatly increased payload continues, and during the year improved drills devised by Commission engineers were brought into use. This equipment consists of a rock drill and chain feed mounted on a small hydraulic excavator, allowing fully mechanised drilling on road works for the first time. Wider introduction of this method will not only save workers the arduous and unpleasant use of hand-held rock drills, but will lead to a significant reduction in the cost of constructing roads through rock.

136 The review of staff, commenced the previous year, was completed, and began to come into effect. The long-term result will be some reductions where the need for roads has diminished, and some upgrading of posts which now involve more work and responsibility. Increasing complexity of machinery, the need to keep abreast with changing techniques, and a constant striving for maximum efficiency – all have emphasised the importance of training operators, supervisors

and engineers. Several courses were held; and Commission engineers also contributed to the planning and preparation of material for courses held by other organisations.

137 The total length of forest roads is 9,299 miles (14,975 km). During the year 171 miles (275 km) were completed to final standard and 30 miles (49 km) to the initial stage, and 35 bridges were built, and old ones reconstructed. In addition, a great deal was done for recreation and amenity, including tip reclamation, building dams to form wild life ponds, and work on sites for car parks and camping and picnic places. Design work was carried out on several workshops; one was completed and work started on another.

Mechanical Engineering

138 Work continued, in conjunction with Work Study Branch, on improving the design of cable cranes and skidding tractors. The development of the prototype Hydrostatic skidding tractor was almost completed and the patenting of certain features and arrangements for large-scale production began.

139 Following the publication of the Department of Environment's code on the exposure of employees to noise, a machine-noise survey programme was commenced.

140 The closure of the Central Repair Depot at Mile End, Forest of Dean, was completed and the building and site sold to the local authority.

141 The use of radio continues to increase. The radio workshop was transferred from South West England Conservancy Headquarters, Bristol, to Itton, Chepstow, nearer the work load in Wales. A replacement radio workshop was built at Dunkeld in East Scotland Conservancy.

Forest Protection

Fires: A Bad Period

142 There were 860 fires, 35% up on last year. The area burned increased by 100% to 549 hectares (1,357 acres), while the value of plantations destroyed also went up by 100% to £177,294. Most of the fires occurred in February and March 1973.

143 The largest fire was at Montreathmont Forest, East Scotland, in March 1973 where 67·2 hectares (161 acres) worth £28,825 were lost. Nearly two-thirds of the outbreaks were in South Wales, although plantations lost there only amounted to about 40% of the national total lost.

Rabbits: An Increase

144 There was a marked increase in the rabbit population, due most probably to continuous breeding during the recent mild winters. Myxomatosis continues to flare up in certain areas but recovery appears to be more rapid than usual. Every effort is being made by the Commission and Rabbit Clearance Societies to reduce numbers.

Windblow

145 Incidents of windblow continued to be slight, the only significant case reported during the year being at Ratagan Forest in North Scotland Conservancy where crops reaching rotation age were extensively blown.

Staff

Numbers

146 Staff savings continued where possible. The need for each new post was examined critically and only introduced in circumstances where the operational demand was unavoidable.

147 The total of non-industrial staff fell from 2,415 at the beginning of the year to 2,383 at the end. This reduction, although not as great as in the previous year, resulted mainly from savings among engineers and foresters.

148 On 31 March 1973 the industrial labour force, including part-timers, totalled 6,144 compared with 6,641 last year. As in previous years, the fall was largely through resignations and retirements. Forty workers were unavoidably made redundant, after it had been confirmed that no alternative employment was available in the Commission; these workers were paid the appropriate redundancy compensation.

149 The basic weekly wage for forest worker grades int roduced with effect from 31 January 1972 was £16.60 and remained unchanged until 1 April 1973, when the basic weekly wage was increased by £1.93 to £18.53. The basic weekly wage of forest workers is closely linked with the minimum wage for agricultural workers as determined by the Agricultural Wages Boards: the agricultural minimum wage was increased by £3.30 to £19.50 a week from 1 April as a result of an award announced immediately before the introduction of the Counter-Inflation Programme. This settlement exceeded the Stage 2 limits of '£1 + 4%', but since no corresponding agreement had been reached in respect of forest workers, their pay could only be increased from 1 April within those limits, i.e. by £1.93 a week. This was subsequently accepted as an anomaly and under the provisions of the Stage 3 pay code forest workers received the full agricultural increase of £3.30 a week from 7 November 1973. The two 1973 awards totalling £3.30 a week are payable to workers whether on time work or piece work, but piece work rates may not be re-negotiated as a consequence of the increase in basic pay. The average gross weekly earnings of adult male employees in the forest worker grades (who comprise about 75% of all industrial employees) were £24.79 in September 1972.

Superannuation

150 A new Principal Pension Scheme came into effect from 1 June 1972. Under this new scheme, higher superannuation is payable to unestablished staff and part-time staff employed for 18 hours or more each week, as well as to established staff. A new Scheme of Widows' and Dependants' Benefits, and provision for the purchase of "added years" for pension purposes, were also introduced. Both schemes are in line with those introduced at the same time throughout the Civil Service.

Safety

151 The report of the Committee on Safety and Health at Work, under the Chairmanship of Lord Robens, was presented to Parliament in July 1972. It recommended, inter alia, that annual reports should contain information about accidents and occupational diseases suffered by employees. The Commission has decided to adopt this practice.

152 During the calendar year 1972 there were no fatal accidents, but forestry workers suffered 494 injuries for which they had three days absence or more; total time lost was 12,100 working days. The accident rate was 7.7 per 100 employees,

an improvement since the 1964 figure of 9.2 per 100. When compared with an average rate for manufacturing industries of 3.3 (1971) and 1.6 (1971) in agriculture there is clearly a need for continued efforts to improve safety.

153 During the past decade the Commission's line managers, specialist staff and forestry workers have combined to devise safe working methods for new machines and new silvicultural and harvesting practices. The main developments have been:

a The introduction of technical training courses in 1962. The Commission now provides a basic range of 14 courses for both forest workers and supervisors, in subjects varying from manual planting to the operation of specialised forest machinery. Since their introduction these courses have concentrated on teaching safe working methods and always include specific safety instructions. Since 1970 the courses have been reinforced by a scheme of testing and certification of operators of machines and vehicles.

b Also in 1962, an officer was appointed in each Conservancy with responsibility for safety, and in 1965 the post of Safety Officer for the whole Commission was introduced.

c Investigations into vibration-induced white fingers (VWF) began in 1969 and a report was made to the Industrial Injuries Advisory Council. This research, largely among chain-saw operators, has resulted in the Commission purchasing only chainsaws with efficient anti-vibration devices.

d Wheeled tractors, widely used for hauling timber, have been fitted with safety cabs in advance of legal requirements. A great deal has been done to provide additional guarding for drivers.

e Personal safety equipment provided to workers includes helmets, ear defenders' goggles and eye shields and protective gloves, including special gloves for chain-saw operators.

f The Trade Union Side of the Commission's Industrial and Trade Council has been consulted on safety proposals and local discussion is provided for by local Joint Consultative Committees.

154 Current projects for improving health and safety include:

a Continuing research, with other organisations, into vibration-induced white fingers.

b An examination by the Commission's Industrial and Trade Council of the introduction of protective boots and wet weather clothing.

c The establishment of safe working methods through written Codes of Practice.

Finance

155 The salaries, wages and expenses incurred by the Forestry Commissioners in the exercise of their powers and performance of their duties are financed from the Forestry Fund, constituted in 1919. All sums received by the Commissioners are paid into this Fund.

156 The Grant-in-Aid of the Forestry Fund voted by Parliament for 1972–73 was 15.8 million. Mainly because of receipts being greater than estimated, the

amount actually drawn into the Fund was £15.4 million, compared with £16 million in the previous year. Payments and receipts were as follows:—

1971–72 £ *Million*	*Payments*	1972–73 £ Million
15·420	Salaries, wages and related expenses	15,955
1·243	Pensions and gratuities to retired staff	1,487
5·427	Materials, contract services and general expenses	5·616
1·214	Acquisitions of land, buildings and plantations	0·835
1·192	Machinery and equipment	1·244
2·148	Grants to private woodland owners, universities, institutions etc	2·131
0·100	Payments to local authorities for dealing with Dutch elm disease	0·150
26·744		27·418
0·053	Variation in cash balance	0·219
26·797		27·637
	Receipts	
16·000	Grant-in-Aid	15·400
7·700	Sales of timber	7·973
1·100	Disposal of surplus assets	2·303
1·997	Miscellaneous	1·961
26·797		27·637

157 Despite reductions in both non-industrial and industrial staff, payments for salaries, wages and related expenses increased mainly due to improvements in rates of pay. The reduction in acquisition payments reflects the difficulty in obtaining plantable land. The £0·674 million increase in total payments was more than off-set by improved receipts; in particular, receipts from the disposal of surplus assets were greater than estimated because more properties were sold than had been planned and higher prices generally were obtained.

158 The Grant-in-Aid was applied as follows:—

Forestry Enterprise, £11·046 million (£11·743 million in 1971–72)

Forestry Authority, £4·354 million (£4·257 million in 1971–72)

159 Forestry Enterprise accounts audited by the Comptroller and Auditor General appear after page 93 and explanations are given below. The Forestry Authority accounts are in Table 1 on page 62. Explanations of these are given in paragraphs 99 to 103, page 26.

160 The development was largely completed of a computer-based accounting system, to which most Conservancy accounts were converted during the year. With minor exceptions, all Conservancy accounting was on computer by 1 April 1973.

Balance Sheet of the Forestry Enterprise (page 94)

161 As explained in notes 1 and 2 to the Accounts the capital of the Forestry Enterprise was revalued at 1 April 1972 to £153·409 million. £8·898 million was added to this during the year made up of £3·447 million from interest and £5·451 million from cash (after allowing for the planting, restocking and recreation and amenity subsidies, and a notional refund of selective employment tax); there was also an addition to the Notional Superannuation Fund of £1·597 million. The total increase in funds was thus £10·495 million. This was employed as follows:—

		£ *million*
Increase in the standard (1972) value of plantations (see para 176)		10·759
Variance over standard for plantations (see para 176)		0·549
Increase in current assets (see para 175)		0·484
		11·792
Deduct balance on Profit & Loss account (see para 163)	0·421	
Reduction in book value of fixed assets (see para 162)	0·876	
		1·297
		10·495

162 The decrease of £0·876 million in fixed assets arises as follows:—

	£ *million*	
a Land – Book value of unplanted land sold	0·187	
Book value of land planted during year	1·184	
	1·371	
Less: Cost of land acquired during year	0·382	
		0·989
b Buildings – Additions of £0·432 million exceeded book value of disposals of £0·324 million by £0·108 million; provision for depreciation on buildings of £0·264 million off-set the net addition by		0·156
		1·145
c *Less* – net increase in vehicles, machinery, equipment and furniture		0·269
		0·876

Profit and Loss Account (Statement 1 Page 95)

163 The credit balance of £0·421 million on the Profit and Loss Account comprises four accounts – the surplus of £0·982 million on two of the accounts (mainly from sale of land and buildings) is off-set by the deficit on the other two of £0·561 million. Details are given in the following paragraphs.

Harvesting and Marketing Account (Statement 3, page 96)

164 The value at 1972 standard prices of thinnings and fellings (£2·209 million) which has been charged to this account is the amount which has to be recovered from the net harvesting revenue in order to avoid any deviation from a 3% target. In fact there was a deficit of £0·286 million made up of a surplus over standard for net harvesting revenue of £0·219 million, which off-set the increase of £0·505 million in overhead expenses and interest. The deficit of £0·286 million appears in the Profit & Loss Account.

165 The net harvesting revenue of £5·051 million is £0·219 million in excess of the amount required to meet the harvesting contribution towards a 3% target. Although there was a dramatic increase in the selling price of timber in the last quarter of the year, this occurred too late to have any significant effect on the net harvesting revenue. Further details of these results are given in paragraphs 111 to 120 on pages 30 to 31.

166 The increase in overhead expenses resulted mainly from increases in salaries and wages and increased provision for pensions and gratuities to reflect the improved superannuation arrangements.

167 The annual balances on this account will be accumulated in the Profit and Loss Account so that at the end of the quinquennium it can be seen whether it matches the standard 1972 prices, which represents the measure of success on harvesting in meeting the requirements of the 3% target. Account will have to be taken of the cumulative volume sold during the quinquennium compared with the planned programme.

Miscellaneous Trading Accounts (Statement 4 Page 97)

168 The standard for the Estate Management and the Commercial Recreation Accounts is an annual surplus equivalent to 10% on the capital employed. In the case of the account covering Agency Services and loan of labour the standard is zero.

169 The Estate Management Account relates to different categories of properties. One category refers to those properties which are temporarily tenanted pending resumption for planting. The other category consists of land and buildings which have been acquired with the purchase of plantable land and which, not being essential for the Forestry Enterprise, will be disposed of as surplus assets. It is not feasible, however, to segregate these two categories for accounting purposes. A large-scale programme for the disposal of surplus assets is now in full swing; details of this year's contribution are given in paragraph 121, page 32. The deficit of £247,801 compares with a standard surplus of £582,633, but allows for a 3% interest charge of £174,790.

170 The account for Commercial Recreation shows the surplus for the year from the low-cost accommodation in the form of public camping and caravan sites, forest cabins, etc for overnight visitors in or near forest areas. In order to

meet the requirement of a 10% return a surplus of £42,217 would have been needed. The account shows a surplus of £10,249 after charging the standard rate of 3% on capital employed (£12,665).

171 The account for Agency Services and loan of labour should be in balance, with income equalling expenditure. Insufficient allowance was made in the calculations of predetermined rates for the recovery of overhead expenses, resulting in a deficit of £37,569 (7% of income).

172 The net deficit on these trading accounts of £275,121 appears in the Profit & Loss Account (page 95).

173 The sale of surplus land and buildings realised £976,590 over book values which appear in the Profit & Loss Account; £2 million was received for sales against the book value of £0·5 million, and disposal expenses amounted to £0·5 million.

174 Miscellaneous income comprises the surplus of £4,072 for the year on the joint management scheme at the Lake Vyrnwy estate in North Wales belonging to the City of Liverpool; and the income of £750 from debentures with the Cowal Ari-Sawmilling Company Limited (as noted in para 75 on page 22 these debentures were repaid in April 1973). The total credit of £4,822 appears in the Profit & Loss Account (page 95).

Current Assets

175 The increase in current assets of £0·484 million (para 59) comprises:—

	£ million
Stocks	0·063
Debtors	0·248
Cash	0·448
	0·759
Creditors	0·275
	0·484

Plantations Account (Statement 2 Page 95)

176 The standard (1972) value of plantations as shown in the Balance Sheet increased by £10·759 million. The actual cost of achieving this was £11·308 million implying a deviation of £0·549 million from a 3% target. When the deficit of £0·286 million on the Harvesting Trading Account (which bears a cost of £2·209 million transferred from Plantations Account as the value of trees harvested during the year) is also taken into account, there is a total deficit of £0·835 million which is the measure in this first year of the quinquennium of the deviation from the 3% target.

177 The planting subsidy for 19,357 hectares is £3·597 million (averaging £186 per hectare) 77% of which applies to Scotland. The restocking subsidy for 3,772 hectares is £0·658 million (averaging £175 per hectare), 66% of which applies to England. The high cost of subsidies in North-west England, South-east England and the New Forest, and South-west England and the Forest of Dean is due in the main to the planting of small areas which are expensive in the later stages of

establishment because of the high cost of weeding and cleaning; and to planting in areas where special attention is paid to amenity including the planting of broadleaved trees where appropriate.

178 The cost (£0·370 million) of forest recreation and amenity comprising specialist facilities such as shooting, fishing, motor sports, pony trekking, orienteering etc, and general facilities such as information centres, picnic places, car parks, forest walks etc, is charged to the Plantations Account and, together with expenditure of £0·727 million included in overhead expenses, is met by a credit to the account of a subsidy of £0·920 million to supplement the income of £0·177 million in order that this activity is not financed from interest-bearing capital.

179 The variance from standard in the Plantations Account comprises:—

	£ million	£ million
a The difference between operational expenditure and standard on activities showing an increased cost over standards	0·081	
b Increase in overhead expenses over standard	0·668	0·749
c Less – Excess of standards over operational expenditure on activities	0·125	
d Increase of receipts over standard	0·075	0·200
Net difference		0·549

NOTES

a Increase over Standard. Additional expenditure on roads construction (£49,465) and other expenditure (£31,507) arose from general minor movements in programmes and cost.

b Increase in Overhead Expenses. This is due to three main causes – an increase in salaries, an increase in labour oncost caused by increased wages and an increase in labour oncost because of the need to make higher provision for pensions and gratuities following an improvement in the conditions for industrial employees.

c Savings on Standard. A saving of £39,670 on protection arose mainly on fire protection because the degree of danger was lower than normal during the first ten months of the year, and a saving of £85,531 on crop improvement arose mainly from inability to complete fertilisation by contract in some conservancies.

d Increase of Receipts over Standard. The improvement of £75,245 in income was mainly due to an increase in revenue from wayleaves and easements.

180 The plantations (including planted land and roads) appear in the Balance Sheet at £138·693 million valued at standard (1972) cost. The variance of £0·549 million has been deducted from capital. This will be accumulated with succeeding variances over the quinquennium.

181 At the end of the quinquennium the plantations will be revalued. A surplus on revalution at least equal to any debit variance at the end of the quinquennium will indicate that the 3% target has been met, provided that the Harvesting Trading Account is not showing a deficit. No attempt has so far been made to account for the changing value of the £; an appropriate adjustment is necessary to establish whether the plantations are earning 3% in real terms.

Statement of Overhead Expenses, Labour Oncost, Estate Expenses and Interest (*Statement 5 page* 100)

182 The standard for the year of £15·761 million (£11·159 + £4·602 million) has been exceeded by an actual allocation of £17·304 million (£12·702 + £4·602 million), a variance of £1·543 million. Excluding interest this represents an increase of 13·8 %.

183 The excess is mainly due to the increasing cost of personnel, despite efforts to reduce numbers as far as possible. About £0·650 million is attributable to increases in rates of salaries and related expenses such as National Insurance contributions, travelling expenses etc; £0·490 million arises on labour oncost because of increases in wage rates and related expenses such as provision for superannuation (because of a revised pension scheme), National Insurance etc; the balance of £0·403 million is attributable to increases in general expenses.

184 The activities principally affected by the increase in overhead etc expenses are plantations – which have had to bear an extra charge of £0·956 million; harvesting trading account – £0·416 million; and disposals of land and buildings – £0·252 million.

TAYLOR OF GRYFE, *Chairman*
J. A. DICKSON,
Deputy Chairman and Director General
M. L. BOURDILLON
BALFOUR OF BURLEIGH
A. M. DONNET
G. D. HOLMES
C. G. A. LATHAM
P. NICHOLLS
G. G. STEWART
R. B. VERNEY

J. M. HUNTER, *Secretary*
FORESTRY COMMISSION,
25 Savile Row,
London W1X 2AY

Appendix I
Committees

National Committees

The membership of these Committees at 31st March, 1973 was as follows:

England

Mr R. B. Verney (*Chairman*), The Earl of Bradford, Lord Balfour of Burleigh, Mr M. G. Reade, Mr G. G. Stewart, Major Sir Dennis F. B. Stucley, Bt. *Secretary to the Committee:* Miss M. J. Eden. The Committee met in May and October, 1972.

Scotland

Major Sir William Strang Steel, Bt (*Chairman*), Capt D. S. Bowser, Lord Balfour of Burleigh, Mr D. A. Mithen, Mr A. B. L. Munro-Ferguson, Col J. W. Nicol. *Secretary to the Committee:* Mr E. G. Roberts. The Committee met in July, 1972.

Wales

Alderman E. Gwynfryn Davies (*Chairman*), Mr M. L. Bourdillon, Mr R. E. Griffith, Mr T. H. Owen, Mr H. J. Watkins, Mr J. W. L. Zehetmayr. *Secretary to the Committee:* Mr E. G. Owen. The Committee met in June and December, 1972 and March, 1973.

Regional Advisory Committees

The membership of the Committees at 31st March, 1973 was as follows:

ENGLAND

North-West Conservancy

The Earl of Bradford (*Chairman*), Mr J. L. Benson, Mr M. Godfrey, Mr F. G. Humphreys, The Earl of Lonsdale, Mr I. H. Morten, Mr R. I. Price, Mr H. C. M. Tapper, Mr C. J. Venables. *Secretary to the Committee:* Mr L. A. Chaplin. The Committee met in May and November, 1972.

North-East Conservancy

Mr R. H. B. Hamersley (*Chairman*), Professor J. S. Allen, Mr P. O. R. Bridgeman, Mr J. Brocklebank, Mr A. J. Green, Mr A. H. Murray, Dr J. A. Richardson, Mr D. N. Skinner, Mr G. F. Stevenson. *Secretary to the Committee:* Mr J. Steele. The Committee met in April and October, 1972.

East Conservancy

Mr M. G. Reade (*Chairman*), Mr J. R. Boddy, Dr H. C. Dawkins, Sir Stephen Lycett-Green, Bt, Mr J. C. P. Langton, Mr F. J. Massey, Major A. G. N. Hadden-Paton, Mr M. T. Rogers, Mr D. B. Wallace. *Secretary to the Committee:* Mr A. J. Searle. The Committee met in September 1972.

South-East Conservancy

Lt-Col Sir William Mount, Bt. (*Chairman*), Mr T. J. Daniel, Sir Dudley Forwood, Bt, Mr J.P. Goring, Mr E. J. B. Hardcastle, Mr P. H. L. Hills, Mr D. T. Hodson, Mr H. W. Mackworth-Praed, Mr J. H. Stenning. *Secretary to the Committee:* Mr L. W. Bowman. The Committee met in October, 1972.

South-West Conservancy

Major Sir Dennis F. B. Stucley, Bt. (*Chairman*), Major D. J. C. Davenport, Mr W. H. Dennis, Mr M. T. S. Dower, Dr Cyril Hart, Mr N. D. G. James, Mr R. H. Marsh, Mr M. Roper, Mr W. G. Sheppard. *Secretary to the Committee:* Mr. J. E. Taylor. The Committee met in June and October, 1972.

SCOTLAND

North Conservancy

Mr A. B. L. Munro-Ferguson (*Chairman*), Mr J. F. Barron, Col A. E. Cameron, Mr P. Cameron, Mr J. Evans, Mr A. N. S. Kinnear, Mr. G. G. Lyon, Mr H. D. Skinner, Mr. R. W. K. Stirling. *Secretary to the Committee:* Mr T. S. B. Macbeath. The Committee met in May and November, 1972.

East Conservancy

Col J. W. Nicol (*Chairman*), Mr M. F. H. Abraham, Mrs J. C. Balfour, Mr J. R. Cordiner, Sir William Gordon Cumming, Bt., Lt-Col M. P. Stormonth Darling, Mr J. Hinselwood, Major R. N. Jardine Paterson, Prof K. Walton. *Secretary to the Committee:* Mr J. L. Reid. The Committee met in May and November, 1972.

South Conservancy

Capt J. M. A. Yerburgh (*Chairman*), Mr J. Hunter Blair, Mr H. A. L. Chapman, Mr H. Crawford, Mr W. Elliot, Mr T. Y. Gibson, Admiral Sir Nigel Henderson, Capt J. G. Milne Home, Mr R. C. Maxwell. *Secretary to the Committee:* Mr A. A. Cowan. The Committee met in April and October, 1972.

West Conservancy

Capt D. S. Bowser (*Chairman*), Mr D. Brierton, Capt P. Lorne Mackie-Campbell, Capt J. N. B. Baillie-Hamilton, Mr P. McAinsh, Mr W. Muir, Mr A. E. Parkinson, Mr P. Tennant, Mr W. Wolfe. *Secretary to the Committee:* Mr J. B. Wharam. The Committee met in April, 1972 and February, 1973.

WALES

North Conservancy

Mr B. J. Crichton (*Chairman*), Mr I. Edwards, Mr R. C. Williams-Ellis, Mr N. H. Gore, Mr C. L. J. Humphreys, Major P. C. Ormrod, Mr Langshaw Rowland, Mr D. H. West, Rev Chancellor J. H. Williams. *Secretary to the Committee:* Mr G. H. Bowers. The Committee met in April and November, 1972.

South Conservancy

Mr D. G. Badham (*Chairman*), Mr E. Bartlett, Mr Bryn Davies, Major W. D. D. Evans, Mr B. R. Feaver, Mr H. L. Knight, Hon T. O. Lewis, Mr A. J. Llewellyn, Mr M. A. McLaggan. *Secretary to the Committee:* Mr J. Hogarth. The Committee met in April and November, 1972.

Home Grown Timber Advisory Committee

The membership of the Committee for the year ended 31 March 1973 was as follows:

Mr F. A. Bishop	(*Chairman*)
The Duke of Buccleuch The Earl of Lonsdale Commander G. G. Marten Col J. F. Williams-Wynne	Timber Growers Organisation Ltd.
Capt D. S. Bowser The Hon James Bruce Major R. N. Jardine Paterson	Scottish Woodland Owners Association Ltd
Mr T. S. Brotherston Mr H. Taylor Mr R. F. Worgan	Home Timber Merchants Association of England and Wales
Mr T. Y. Gibson Mr Gordon G. Lyon Mr P. McAinsh	Home Timber Merchants Association of Scotland
Mr E. A. Burn	National Coal Board
Mr J. B. Dawson	Timber Trade Federation of the United Kingdom

Mr F.C.Lynam	Association of British Wood Chipboard Manufacturers
Mr J.J.Morris	Association of United Kingdom Wood Pulp Producers
Mr H.Richardson	Timber Research and Development Association
Mr R.Davis Mr Ross Pierson	Independent

Joint Secretaries: Mr R.B.M.Williams
Mr R.C.Stern

The Annual Report of the Committee is at Appendix II, page 47.

The Chairman of the Commission, the Director General and the three full-time Commissioners were present during meetings of the Committee. Forestry Commissioners R.B.Verney and H.J.Watkins, the Director of the Princes Risborough Laboratory, Department of the Environment, and a senior official of the Department of Trade and Industry also attended one or more meetings of the Committee.

The Committee met in April, July, September and October 1972 and in January 1973.

Technical Sub-Committee of the Home Grown Timber Advisory Committee

The membership of the Committee at 31st March, 1973 was as follows:

Mr H. Richardson	Timber Research and Development Association, Ltd. (*Chairman of the Sub-Committee*)
Mr A. E. Aitkins Major P. C. Ormrod	Timber Growers Organisation Ltd.
Mr D. B. Crawford	Scottish Woodland Owners Association, Ltd
Mr R. J. Tilley	Home Timber Merchants Association of England and Wales
Mr T. Smith	Home Timber Merchants Association of Scotland
Mr E. R. A. Drew	Home Grown Timber Marketing Corporation, Ltd.
Mr J. Henderson	Society of Foresters of Great Britain
Mr J. Bick	British Wood Preserving Association
Mr W. G. Trust	Council for Small Industries in Rural Areas
Mr A. W. Camburn	Association of United Kingdom Wood Pulp Producers
Col D. A. Campbell	Royal Institution of Chartered Surveyors

Secretary: Mr R. C. Stern

The Sub-Committee met in June and September, 1972 and January and March, 1973.

The Annual Progress Report of the Sub-Committee is in Appendix II, page 49.

Advisory Committee on Forest Research

At 31st March, 1973, the membership of the Committee was as follows:

Professor P. F. Wareing (*Chairman*)
Professor J. L. Harley
Professor J. P. Hudson
Mr J. F. Levy
Professor J. D. Matthews
Dr R. L. Mitchell
Professor A. J. Rutter
Dr N. W. Simmonds
Professor W. J. Thomas

Secretary: Mr N. E. Stutter

The Committee met in October, 1972.

Appendix II
Home Grown Timber Advisory Committee

Annual Report for the year ended 31st March 1973

The three-year terms of office of all Members expired during the year, and after consultation with representative organisations as required by Section 38 of the Forestry Act 1967, the Forestry Commissioners appointed a new Committee to serve for three years from 1 August 1972. Furthermore the opportunity was taken on this occasion to augment the membership by the inclusion of representatives of the remaining major consumers; the Association of British Wood Chipboard Manufacturers and the National Coal Board. The Committee met five times during the year; the normal quarterly meetings being held on 20 April, 13 July and 19 October 1972 and on 18 January 1973; with an extraordinary meeting to discuss the proposed new forestry policy on 25 September 1972.

An official statement of future forestry policy was published on 28 June 1972 as a 'consultative document', and was accompanied by a cost benefit analysis. Since this was to be the first major restatement of forestry policy for some 25 years, the Committee had awaited its publication with great interest. However, after close study of the consultative document and cost benefit analysis, the Committee's main reaction has been one of great disappointment. No member expressed enthusiasm for the new policy, and many felt that what had been proposed was more of a retrogression than a step forward. In particular the Committee felt great dissatisfaction with the cost benefit study which not only appeared to contain mis-statements and inaccuracies, but gave so little credit to the positive aspects of forestry that the Committee considered its anonymous authors might well be accused of misunderstanding verging on bias. The Committee was therefore pleased to note that the Forestry Committee of Great Britain with the support of other constituent organisations of the Home Grown Timber Advisory Committee, had commissioned an independent reappraisal by an eminent economist of some of the conclusions and assumptions of the cost benefit analysis. The outcome of this study is awaited with interest. If the Committee's own preliminary conclusions are confirmed, it will advise Ministers that the cost benefit analysis should be withdrawn or suitably modified by a further official statement.

The Committee has also been most concerned about the decision to suspend the dedication scheme so far as new areas are concerned, and the proposal to introduce a new scheme embodying a once-for-all grant, for which the qualifying criteria would be either the creation and maintenance of employment in rural areas subject to depopulation or the enhancement and preservation of the environment. Some members felt that suspension of the existing schemes with neither a period of notice nor an immediate replacement created a vacuum that would inevitably affect confidence among private growers and cause them to retard their planting programmes. In the event these fears proved to be well founded and the situation was recognised belatedly by the Government a few days after the Committee's report year closed, when they introduced an interim planting grant scheme. This will cover planting begun since the former schemes were suspended and completed by 30 September 1974 or, if earlier, the date of introduction of long term arrangements. The Committee, having noted that these long term arrangements were to be discussed between the Forestry Committee of Great Britain and the Forestry Commission, considered that any new scheme would need to embody many of the characteristics of the present dedication scheme because these were the very qualities that gave confidence, stability and security not only to the woodland owners but to the whole industry. The Committee considered that a 'once-for-all' grant would be unlikely to ensure continuity of good management, but thought that it might prove possible to import the new criteria of employment potential and environmental gain, and perhaps also better integrated land use, into a revised scheme which must in any event incorporate the maintenance of silvicultural standards and commercial viability.

The Committee furthermore considered that any proposal that would place overall approval of forestry operations in the hands of a multiplicity of local planning authorities should be

strongly opposed. Approval should be entrusted to a single overall authority, which could best be the Forestry Commission in the role of Forest Authority; for this purpose the role of the Forest Authority might need to be broadened and strengthened to take proper account of the additional considerations of land use, employment potential and the environment.

The Committee conveyed its first reactions to Ministers via the Chairman of the Forestry Commission in a letter dated 17 July 1972. A further letter embodying the Committee's general dissatisfaction with the consultative document and particularly with its associated cost benefit analysis was sent on 24 October 1972, with the promise of a further considered statement after receiving the results of the independent study of the cost benefit analysis. The Committee hopes and believes that Ministers should be influenced by the great apprehension and misgivings felt by a Committee set up under statute specifically to advise the Commissioners on the health and stability of forestry and the home timber industry, and which is representative of all those concerned.

The Committee has also seen and welcomed the various statements and commentaries made separately to Ministers by its own constituent associations and by some other bodies.

As the year under report drew to its end, the Committee has become aware of other important factors that will need to be carefully considered by all concerned before future forestry policy can be finally determined. These factors include the implications and effects of Britain's entry into the European Community, and also a Report on Land Resource Use in Scotland by the Select Committee on Scottish Affairs, which the Committee will consider in detail at a later date.

During the year the Committee has been pleased to note that progress has continued in developing several of the points that arose from the Economic Intelligence Unit's report: *A Marketing Study of British Wood Supply*. Discussions have continued between the interested parties on improving the provision of statistical information, and on greater liaison between the home grown and imported timber trades.

The Committee has received reports on the work of the Committee for Market Development, which during the year has examined the supply and demand situations likely to develop in the future and which has discussed some of the more immediate problems facing Suppliers and Consumers. In particular, the Committee was most concerned that the CMD's projections of future supply and demand indicated a serious shortage of timber in Scotland in the mid 70's. Since the end of the Committee's Report year, it has requested the Forestry Commission to convene a special meeting of all those concerned, including representatives of the consuming industries affected, to consider this situation urgently.

On legislative matters, the Committee has noted with satisfaction the extension to England and Wales of concessions on drivers' hours applicable previously only in Scotland; and also the Government's agreement to make Regulations with the approval of Parliament to enable sales of standing timber to be treated in the same way as felled timber in respect of Value-added Tax. The Committee has also discussed the implications for the forestry industry of the new system of regional development grants announced in the White Paper Cmnd 4942 and decided to review the matter later in the light of any new forestry policy and entry into Europe.

Throughout the year the Committee has taken a close interest in the attempts made to contain the extensive outbreak of Dutch elm disease. However, with the abandonment late in the year of the 'cordon sanitaire' approach and the substitution for it of a policy of replacement by replanting, the Committee has doubts whether sufficient attention will be given to making the country safer and less unsightly by the speediest possible removal of dead and dying elms. The Committee believes that every opportunity should be taken to ensure that this point together with associated marketing problems should be fully discussed and action taken at a regional level.

The Committee has been concerned by reports of the increasing volume of damage to young hardwoods caused by grey squirrels and has noted that its technical sub-committee intended to submit a paper on the subject.

The Committee has from the start supported the initiative of the Secretary of State for the Environment in proclaiming 1973 'Tree Planting Year' and welcomed the efforts of all those helping to make it a success. Moreover the Committee has especially welcomed his further announcement that he intended as part of the TPY 73 campaign to hold conferences in two of the areas most severely afflicted by Dutch elm disease.

The Committee has continued to support attempts to improve the public image of British forestry. In particular the Committee has been pleased to note that the publication of a new magazine *Forestry and Home Grown Timber* has received general approval, and to receive details from the Forestry Commission of its most recent publications and of some of its 'best sellers'.

The Committee has discussed a case of possible discrimination against home grown sawn timber and has noted with satisfaction that the position has since been rectified.

The Committee has received a summary of the discussion and papers on *Wood as a Competitive and Versatile Material* presented at a Timber Symposium in Geneva. The summary contained valuable information which the Committee has recommended should be widely disseminated.

The Committee in the early part of the year received and considered reports from the Co-ordinating Committee on the work of Marketing Liaision Committees. During the year however the Committee has agreed to the disbandment of the Coordinating Committee. In future, reports on M.L.C. activities will be prepared for the Committee's information by the Joint Secretaries.

Throughout the year the Committee has received reports from the Chairman of the Technical Sub-Committee on that body's work. A summary of the Annual Report of the Technical Sub-Committee for the year 31 March 1973 is appended.

Annual Progress Report of the Technical Sub-Committee of the Home Grown Timber Advisory Committee for the Year ended 31st March 1973

Meetings

1 The Technical Sub-Committee met on four occasions, at Buckingham on 21 September, at Llandrindod Wells on 29 March, and twice in London on 15 June and on 4 January 1973.

Membership

2 Mr Jack Bick replaced Mr W.E.Bruce as the representative of the British Wood Preserving Association.

3 As in previous years representatives of the Forestry Commission; the Princes Risborough Laboratory of the Building Research Establishment, Department of the Environment; and the Department of Trade and Industry attended the meetings.

Working Party on Harvesting Machines

4 The Working Party, which was set up during the previous year under the chairmanship of Mr J.Henderson, issued its report, after having considered all harvesting machines investigated by the Commission in recent years.

5 The following recommendations were made:—

a Funds from Government sources should be available for sponsoring research and development work of a promising nature by individual firms or organisations, where it can be shown that such work is being retarded or abandoned for lack of capital.

b In view of the increasing use and complexity of machines, the question of training must be given special attention.

c The possibility of joint research into harvesting equipment between Great Britain and the Norwegian Forest Research Institute should be examined. This recommendation is made because the Working Party recognise much common ground between the requirements of the two countries and the pooling of expertise could well be beneficial to both countries.

d All associations should be invited to suggest papers which they consider should be published (for example, the Commission's internal instruction on brashing and line thinning). This recommendation is made because the Working Party felt that there is the probability of a considerable body of experience available in various sectors of the forest industry but not generally known or used. Encouragement to these sectors to become involved in promoting improvements in the harvesting of timber can do nothing but good.

6 Report and its recommendations were accepted by the Sub-Committee, and were passed to the Parent Committee.

Working Party on Lorry Transport of Roundwood

7 This Working Party, which was set up during 1972 under the chairmanship of Major P.C. Ormrod, reported in September, and arrangements have been made for the report to be published.

8 It made 26 recommendations most of which were accepted by the Sub-Committee and it concluded that:—

a The cost of transport is more than 25% of the value of wood to the growers. Therefore loading, hauling and unloading warrant constant attention and examination at all levels of our industry. It deserves a fuller understanding and a higher priority than it has received to date.

b It would seem that the loading of lorries will ultimately become the responsibility of the hauliers as opposed to the foresters, but it will be the foresters who are the most anxious to control the costs because it directly affects their profits.

c More positive forms of encouragement are required to all parties in the industry, who are connected with transport, to develop new methods and generally to control the rise in costs.

d As a start there might be improved co-ordination of thinking and research work at a national level but, more important, that there be close and constant liaison between all interested parties on a regional basis.

Working Party on Forest Roads

9 The Working Party which was set up in the previous year with Mr Thomas Smith as chairman issued its report in March, but it has not yet been considered fully by the Sub-Committee.

Working Party on Safety in Forest Operations

10 The Working Party was set up during the year and held its first meeting under the chairmanship of Col D.A. Campbell.
The terms of reference were:—

(1) To advise on the publication of a code of practice on safety in forest operations, and to recommend the basic framework of such a code.

(2) To consider methods of implementing the enforcement of safety measures in forest operations and to make recommendations.

The Grading of Home Grown Sawn Softwood

11 Consideration was given on the advisability of separate grading rules for sawn home grown wood. It was concluded that separate rules are not desirable, and the Sub-Committee concurred with a recent decision of the British Standards Institution not to prepare metric versions of BS 3819: 1964 *Grading Rules for Sawn Home Grown Softwood.*

12 Note was taken of progress in the preparation of a revised version of British Standard 1860 *Timber Grades for Structural Use* which will be applicable to both home grown and imported softwood, and which uses the comparatively new concept of knot area ratio for grading.

Entry into the European Economic Community

13 Although Common Market membership has, so far, had virtually no effect on the home timber industry, the Sub-Committee decided to keep the subject under review; and the implications of an EEC directive on 'wood in the rough' were discussed.

Forest Management Matters

14 Sub-Committee papers were considered on grey squirrel damage, container seedlings, chemical control of weeds with particular reference to the use of granular herbicides, growing hardwoods for pulpwood, and growing hardwoods at wide spacing for high-value products.

Harvesting Operations

15 The subjects included reviews of mechanical developments in harvesting and transport with special emphasis on the use of trailers for forwarding roundwood along tracks, and safety regulations in the use of machinery.

Utilisation

16 The matters considered covered the properties of Western hemlock, the utilisation of residues including bark, and the problems involved in the use of sawn spruce for fencing.

Research into the Properties and Uses of Home Grown Wood

17 The Home Grown Timber Advisory Committee agreed that the Sub-Committee should become the forum at which the various home timber interests should express their views on the needs for research and development and should formally assume the role of advising the Commission on all such matters. Proposals for future research projects on home grown wood in the Joint Programme of Work between the Commission and the Princes Risborough Laboratory were considered and accepted.

18 An annotated bibliography of all publications resulting from the Joint Programme of Research, since its inception in 1959, was collated.

Metrication

19 Following the change by the National Coal Board to purchasing by metric measure, metric tables for pit props and small roundwood were considered and approved by the Sub-Committee.

Dissemination of Information

20 Five Technical Notes were published in the journal *Forestry and Home Grown Timber* on the recommendation of the Sub-Committee.

Appendix III
Forestry Training Council

Annual Report for the Year ended 31st March 1973

The Year's Work

The period under review was the first full year of the Council's work.

A voluntary scheme for the training and further education of forest workers was completed and published and Council's proposed revision of the syllabus for the City and Guilds of London Institute Course 012 Forestry Stage 1 was accepted by the Institute and introduced by the Colleges.

In addition to giving attention to the quality of training the Council assembled statistics on the quantity of training activity during 1971/72 and 1972/73. These show that the total number of courses leading to craft qualifications remained seven while total attendance dropped from 167 to 146. The number of courses leading to supervisory and managerial qualifications remained 3; total attendance was 56 and 58 respectively.

The Scottish Woodland Owners Association and Timber Growers Organisation arranged short courses for their members and the Forestry Commission continued to provide short courses for their work force. The total number of short courses for forest workers dropped from 433 in 1971/72 to 418 in 1972/73 but total attendance rose from 1,923 to 1,939. However, attendance of workers from the private sector dropped from 423 to 349. The total of courses for supervisory and managerial staff rose from 48 to 82 and attendance also rose from 437 to 706.

The Council submitted a 'Statement of Views on the Proposed National Training Agency' and gave evidence to the Joint Advisory Committee on Agricultural Education. The Council's policy for further education and training was published widely, together with 20 other articles and notes on training and further education.

The Council records with pleasure close and willing co-operation among many people and organisations during the year, and particularly that of the City and Guilds of London Institute, the Colleges providing courses in forestry, the Forestry Commission and the private sector of forestry. Council also records with thanks the help given by the Industrial Training Boards and the Assessors to Council.

The end of the period of transition to voluntary training and further education is in sight and, provided the present uncertainty about national forestry policy is satisfactorily resolved, Council looks forward to increasing further education and training in the forestry industry.

Terms of Reference

The purpose of the Forestry Training Council is in relation to all aspects of training in the forestry industry generally to:

a assess the quality and quantity of training activity;

b identify present and future needs (taking account of associated further education) and make recommendations for meeting them;

c encourage co-operation at all levels between the agencies and authorities concerned;

d stimulate sustained interest and effort throughout the industry; and

e review and report progress annually, through the Forestry Commission to the Secretary of State for Employment and the Forestry Ministers.

The Council's function in forestry training and associated further education is similar to that of the Industrial Training Boards and the Council includes members representing the employers,

employees, education and training, the forestry societies, the training boards and assessors. The full list of members appears in the Appendix hereto, together with the membership of the Council's Working Groups.

Meetings

The Council met three times during the year. The meeting on 1 June 1972 (which was the third since the formation of the Council) was held at the Cumberland and Westmorland College of Agriculture and Forestry at Newton Rigg near Penrith. Members of Council met staff and students, discussed the courses and inspected the facilities at this important centre of forestry education and training. The fourth meeting of Council took place on 5 October at the headquarters of the Forestry Commission in London and the fifth was held on 1 March 1973 at St. Andrews House, Edinburgh.

Training Activity

In January 1972 the Agricultural, Horticultural and Forestry Industry Training Board passed to the Forestry Training Council responsibility for servicing 62 trainees recruited under the Board's training scheme for new entrants. The AHFITB subsequently re-assumed responsibility for ten trainees in forest nursery work, thus reducing Council's responsibility in England and Wales to 37 trainees, the number in Scotland being unchanged at 15. AHFITB provided a grant of £500 toward the cost of servicing which was done by officers of the Forestry Commission. During 1972, 23 of the trainees completed their training and were awarded Certificates; 18 terminated early. Most of the 11 trainees remaining in the Board's scheme are due to complete their training by December 1973.

During the year the Forestry Training Council's Working Group on training and further education for forest workers completed the voluntary training scheme for new entrants and older workers in the forestry industry. The City and Guilds of London Institute's Course 012 Forestry Stage I is an integral part of the voluntary training scheme and the Institute agreed to consider a revised syllabus based on two modules, each of six weeks duration. In February 1973 the institute approved the use of the revised Course 012 and this is now being taught at the Colleges. The Forestry Training Council prepared a booklet describing the scheme and this has been published in time to attract young people leaving school during June and July 1973.

The Council also assembled statistics on the quantity of training activity during the two years ending 31 March 1972 and 1973.

Table A

Attendance on Courses for Recognised Craft, Supervisory and Managerial Qualifications in 1971/72 and 1972/73

Courses	Grade and Duration	1971/72 Number of Courses	1971/72 Number of Students	1972/73 Number of Courses	1972/73 Number of Students
City and Guilds 012 Stage 1	Craft (young workers) Day and Block Release	3	112	3	89
General Forestry Craft & Education	Craft (young workers) 2 year, residential ...	1	12	1	12
RFS Woodman's Certificate	Craft (adult workers) Block release	2	32	1	18
City & Guilds 012 Stage 2	Craft (adult workers) Block release	—	—	1	18
Forest Nursery Course	Craft Block and day release ...	1	11	1	9
Total for Craft Courses		7	167	7	146
Ordinary National Diploma	Supervisory 3 year sandwich course	1	17	1	16
RFS Foresters Certificate	Supervisory Block release ...	1	26	1	27
National Diploma in Forestry	Managerial Residential course ...	1	13	1	15
Total for Supervisory and Managerial Courses		3	56	3	58

Attendance on courses leading to craft, supervisory and managerial qualifications is summarised in Table A. The students were drawn from the Forestry Commission and the private sector of forestry. The total number of forest workers attending City and Guilds Stage 1 course during 1972/73 was down by 20 percent on 1971/72 but the first group of adult workers attended stage 2 of the City and Guilds course. Now that the new syllabus for Stage 1 is in use Council looks forward to a steady rise in attendance on the craft courses during 1973/74.

The total number of students on the Ordinary National Diploma course at Newton Rigg rose to 43 and the first holders of the OND in forestry will enter employment during the summer of 1973. Attendance on supervisory and managerial courses was virtually the same in 1972/73 as in 1971/72. As more information on the manpower requirements of the forestry industry becomes available the Council will be able to judge the correct level of recruitment to these courses.

The two Royal Forestry Societies continued to conduct examinations for their junior and senior forestry certificates and the Royal Forestry Society of England, Wales and Northern Ireland also held examinations for the Certificate in Arboriculture and the National Diploma in Arboriculture. The Central Forestry Examination Board report that 7 candidates were awarded the National Diploma in Forestry, the number in 1971/72 being eight.

Table B

Attendance on Short Courses for Forest Workers, Supervisors and Managers during 1971/72 and 1972/73

Level	Source of Participants	1971/72 Courses	1971/72 Students	1972/73 Courses	1972/73 Students
Craft	Private forestry ...	76	423	60	349
	Forestry Commission	357	1,500	358	1,590
	Totals	433	1,923	418	1,939
Supervisory and Managerial	Private forestry ...	10	97	12	100
	Forestry Commission	38	340	70	606
	Totals	48	437	82	706

The total number of short courses for forest workers, supervisors and managers and attendance on them is summarised in Table B. It will be seen that, in total, these kinds of training activity were well maintained during the year ending in March 1973, the main feature being the strong increase in short courses provided by the Forestry Commission for their supervisors and managers.

Both the Timber Growers Organisation and the Scottish Woodland Owners Association invited their members to declare their training needs and, in response to the replies received, appropriate short courses were arranged. In Scotland 14 of these courses were arranged by the Forestry Industry Centre Inverness, six by SWOA Regional Secretaries and one by the Research Branch of the Forestry Commission. A total of 157 people attended. Three other courses at Inverness and one arranged by SWOA had to be cancelled for lack of support, but the courses for forest managers and supervisors were well attended and some were over-subscribed. In England and Wales TGO organised 12 short courses. The instructors for eight courses were provided by Fountain Forestry Ltd, three by the Forestry Commission and one by Shellstar. Ninety eight students attended these courses.

The content of the short courses took account of the grade and knowledge of the participants and the regional variations in the industry, but the most numerous on the establishment and growing side dealt with high-tensile, spring-steel fencing, planting with the semi-circular spade, chemical control of weeds and the use of brush-cutting machines. On the production and harvesting side the use and maintenance of chainsaws, marking and measuring thinnings and the techniques of extraction (particularly skidding with tractor and winch, high lead and skyline winches and the latest type of tree length skidding) all received attention throughout the country.

The Forestry Commission continued to retrain their instructors and also took advantage of training courses provided by the Civil Service College and other organisations, mainly in the field of management. Council also took note of the course repeated at Newton Rigg for students of Landscape Architecture at Leeds University and the short courses on forestry provided by the Forestry Commission for teachers and students preparing for the examination of the Royal Institution of Chartered Surveyors.

Concerning the quality of training activity, the Council encouraged completion by TGO and SWOA of a Register of Instructors and the training and re-training of instructors is recognised by the Council as a key training activity. A notable event during the year was the publication by Mr Bardy, who is Training Development Officer in the Forestry Commission's Education and Training Branch, of the first of a series of articles on harvesting with chainsaws. When complete this series will form a chainsaw training manual of great value.

Finally, the Council noted that the standard of attainment of the trainees remaining in the AHFITB New Entrants Training Scheme continued at a high level and also that the servicing by the Forestry Commission's officers was done with great thoroughness.

Present and Future Need for Training and Further Education

Early in 1972 the Forestry Training Council received the consultative document *Training for the Future* and in May submitted a 'Statement of Views on the Proposed National Training Agency'. Soon after Council was also asked to submit evidence to the Joint Advisory Committee on Agricultural Education and the Council is grateful to Mr W. Steele for his help in this. On completion of these two statements the Council prepared and published a policy for further education and training in forestry.

In their submission to the Department of Employment the Forestry Training Council welcomed the formation of a National Training Agency (which now exists as the 'Training Services Agency') and accepted the Government's suggestion that 'the work of stimulating training by employers of adequate quantity and quality to meet the foreseeable needs of firms and industries should be carried out by the Industrial Training Boards and the National Training Agency in collaboration'. The Forestry Training Council is similar in membership and scope to the Industrial Training Boards and therefore intends to collaborate with the Training Services Agency as an independent body on the same footing as the Industrial Training Boards.

The Forestry Training Council sees the special characteristics of the forestry industry as being the small size of most of the units of employment, their very wide distribution throughout the country, often in remote areas, and the need closely to relate the supply of wood to the capacity of the developing wood-using industry. The Council's assessment is that the forestry industry needs:—

(1) Facilities for training and further education in the skills of management for owners, their managers and foresters.

(2) A comprehensive scheme of training and further education for forest workers.

(3) A training advisory service for employers.

The Council has also identified and assigned priorities to the key training activities required to sustain their programme. Detailed proposals for these key training activities will be submitted to the Training Services Agency.

Concerning the subject matter of training and further education Council has explained in their statement of policy the great importance it attaches to the principles of forest management because of the need to provide a sustained supply of wood of suitable specifications to the wood-using plants. But success in forestry also depends on sound silviculture and the Forestry Training Council wishes to see full weight given to this subject in the training and further education for all levels of the work force. A third matter of vital importance to the whole forestry industry is the prevention of accidents.

The Council also gave much attention to manpower intelligence and a detailed appraisal of existing information was completed during the year ending in March 1973. The investigation into the structure of the work force is continuing.

Co-operation Between Agencies and Authorities

During the first full year of the Council's work several acts of co-operation permitted rapid progress in important directions. The introduction of the revised syllabus for the City and Guilds of London Institute Course 012 Forestry Stage 1 required close co-operation between the Council's Working Group, led by Mr J.F. Goodwin, the officials of the Institute advised by their Advisory Committee on Forestry and the teaching staff of the Colleges who quickly introduced the revised course when the City and Guilds of London Institute had given their approval. It is too soon to comment on the reception of the syllabus but there is no doubt of the willingness of all concerned to ensure its success.

The Council were pleased to learn of the Forestry Commission's support for the Forestry Industry Centre at Inverness. The National Board of the Scottish Woodland Owners Association also reiterated their support for this national centre of further education and training in Scotland.

Professor Matthews attended two meetings of the Forestry Advisory Committee of the Inverness Centre and so learned at first hand of the progress being made with the recruitment of additional staff and the building and equipping of the very important forest centre at Culloden. When completed later this year the logging facility at Culloden will provide valuable opportunities for co-operation between staff and students from the growing and harvesting sectors of the forestry industry (the latter being largely the concern of the Furniture and Timber Industry Training Board).

A further important step in ensuring co-operation between all the agencies and authorities concerned with forestry training and further education in Scotland was taken by the Scottish Woodland Owners Association. They appointed a part-time officer to collect, sift and co-ordinate applications for training and further education within the private sector of forestry in Scotland. Mr Laband quickly contacted officials of the Youth Employment Service so that the Council's training scheme for forest workers would receive full publicity during the summer of 1973. In England and Wales the Regional Officers of the Timber Growers Organisation and the Forestry Commission Education and Training Branch worked closely together in arranging and staffing short courses for all grades.

Finally it is a pleasure for the Forestry Training Council to record the valuable advice provided by members of the Agricultural, Horticultural and Forestry Industry Training Board and the Furniture and Timber Industry Training Board and to thank the Assessors for their skilful help and guidance.

Stimulating Interest and Effort in Training and Further Education

At the third meeting of Council plans were made for a series of meetings throughout the country to introduce Council's proposals to the members of the forestry industry and particularly to owners, managers and supervisors in the private sector. In June 1972 the Government published their consultative document on Forestry Policy and the associated Cost-Benefit Study and the whole industry then had two very important documents to study. The Forestry Training Council decided unanimously to postpone the series of meetings until negotiations between the Government and the forestry industry had taken place, and to concentrate on the publication of information about further education and training.

More than twenty articles and notes covering every aspect of training and further education in forestry were published during the year, mainly in *Scottish Forestry*, *Quarterly Journal of Forestry*, *Forestry and Home Grown Timber*, *Timber Grower* and the SWOA Newsletter. The Chairman published a description of the Forestry Training Council's work and gave interviews to the national and local press. The Council's 'Statement of Policy for Further Education and Training in Forestry' was published in three of the journals named above and commented on in the others and Dr C.J.Taylor published notes on the work of the Council and qualifications in forestry. The text of Booklet 81 *Forestry* in the 'Choice of Careers' (published by HMSO for the Department of Employment and Productivity) series was also revised during the year and has been submitted for publication.

The Forestry Training Council was represented by the Chairman and Secretary at the National Conference on Careers Advisory Work for Agriculture and Dr C.J.Taylor attended meetings of the Working Party set up to investigate the formation of a small central advisory body to collect and dispense careers information and advice.

It is appropriate to conclude this report on the first full year of the Forestry Training Council's work with a quotation from the document 'Training in the Forest Industry'. . . 'The Commission, the TGO and SWOA stress the need for simplicity and flexibility in the administration of these arrangements. They recognise that proper training is essential and that money needs to be spent by employers to obtain the corresponding benefits. While the volume of training and further education might be expected to fall (at least for a time) immediately following introduction of a scheme now proposed, they believe that in the longer term it would provide a sound practical basis for maintaining the impetus of training in the spirit of the Industrial Training Act'.

The members of Council believe that the transition to voluntary training and further education is well advanced and, provided the present uncertainty about national forest policy is satisfactorily resolved, look forward to steadily increasing further education and training in the forest industry.

Signed for the
Forestry Training Council
JOHN D.MATTHEWS
Chairman
J. MCRITCHIE
Secretary to the Council

Members of the Forestry Training Council

Chairman

Professor J.D.Matthews

Employer Members

Captain D.S.Bowser R.G.Sangster	Scottish Woodland Owners Association, Ltd
Lord Norton R.M.Harley	Timber Growers Organisation, Ltd
M.P.Shapcott J.F.Goodwin	Forestry Commission
A.G.Phillips	Association of Professional Foresters

Employee Members

H.Crawford T.J.Healey I.Edwards	Transport and General Workers Union
J.H.Hose F.H.Peachey R.Pierson	National Union of Agricultural and Allied Workers

Education and Training Members

R.Macdonald N.W.Tulloch	Forestry Education Centre, Inverness Technical College
W.Steele A.G.Pyman	Cumberland and Westmorland College of Agriculture and Forestry, Newton Rigg
J.Saddler or A.E.H.Swaisland	Furniture and Timber Industry Training Board
J.R.S.Bulford	Agricultural, Horticultural and Forestry Industry Training Board

Forestry Society Members

Dr C.J.Taylor	Institute of Foresters of Great Britain
J.B.Hendry	Royal Scottish Forestry Society
R.Rowland	Royal Forestry Society of England, Wales and Northern Ireland

Assessors

D.G.Marwick	Scottish Education Department
Dr T.W.Martin	Department of Education and Science
H.Hannaby	Department of Employment

Secretary

J.McRitchie	Forestry Commission

In addition Council invited the Home Timber Merchants Association to send representatives to certain meetings and these were:

A.McIntyre	Home Timber Merchants Association of Scotland
P.Townson	Home Timber Merchants Association of England

Working Group on Further Education and Training of Forest Workers

Chairman: J.F.Goodwin
R.M.Harley
H.Crawford
A.G.Pyman
R.Rowland
Dr T.W.Martin
J.H.Hose

Working Group on Further Education and Training of Forest Supervisors

Chairman: Dr C. J. Taylor
R. M. Harley
J. F. Goodwin
R. Pierson
A. G. Pyman
Dr T. W. Martin

Appendix IV
Publications

Sixteen new priced publications were issued through Her Majesty's Stationery Office.

Reports;

Fifty-Second Annual Report of the Forestry Commissioners, 1971/72 (HC 521, Session 1972/73) (75p)

Report on Forest Research for the year ended March 1972 (£1·60)

Forestry Policy, June 1972 (18p)

Bulletins;

No. 43. Nursery Practice, by J. R. Aldhous (£1·50)

No. 46. Forest of Dean Day Visitor Survey, by R. J. Colenutt and R. M. Sidaway (60p)

Forest Records;

No. 82. Dutch Elm Disease Survey, 1971, by J. N. Gibbs and R. S. Howell (25p)

No. 83. The Pine Shoot Moth and Related Species, by T. M. Scott (14p)

No. 84. Winter Temperatures and Survival of the Green Spruce Aphid, by C. I. Carter (7p)

No. 85. The Coal Tit, by A. J. Deadman (14p)

Booklets;

No. 33. Conifers in the British Isles, by A. F. Mitchell (£2·25)

No. 36. Timber Measurement for Standing Sales using Tariff Tables, by G. F. Hamilton (14p)

No. 38. Common Trees, by A. F. Mitchell and J. Williams (8p)

Leaflets;

No. 54. The Control of Dutch Elm Disease, by D. A. Burdekin, J. N. Gibbs and A. F. Mitchell (6p)

No. 56. Grey Squirrel Control, by Judith J. Rowe (12p)

No. 57. Replacement of Elm in the Countryside, by A. F. Mitchell (4p)

Guide;

East Anglian Forests edited by H. L. Edlin (50p)

The following new issues are available from Forestry Commission Headquarters:

A Guide Map to Your Forests, priced at 30p produced by the Conservation and Recreation Branch of Forest Management Division and published in conjunction with John Bartholomew and Sons Ltd.

A new free pamphlet, *Trees and People*, produced especially for Tree Planting Year.

Appendix V
Financial and Statistical Tables

Measurements in the Statistical Tables in the following pages are in metric values. Their imperial equivalents are listed below

1 hectare = 2·471 acres	1 acre = 0·4047 hectares
1 kilometre = 0·621 miles	1 mile = 1·609 kilometres

Table 1

EXPENDITURE ON FORESTRY AUTHORITY SERVICES:

Previous year £	*Analysis of Net Additions During Year*		£
	Services to Private Woodland Owners		
	Grants under Dedication Schemes:		
19,313	Basis I		43,140
1,258,925	Basis II: Planting Grants		1,251,364
684,765	Management Grants ...		645,797
70,454	Approved Woodlands Planting Grants		78,284
80,996	Small Woods Planting Grants		73,399
1,908	Scrub Clearance Grants		896
12,871	Miscellaneous		12,943
468,778	Overhead Expenses (including Estate expenses) ...		464,084
2,598,010			2,569,907
39,074	*Less* Net miscellaneous income ...		47,041
£2,558,936			£2,522,866
	Special Services		
120,859	Licensing of Felling		116,260
55,730	Information and Shows		65,351
	Dutch Elm Disease	£	
100,000	Payments ...	150,000	
30,932	Overheads	39,114	189,114
	Miscellaneous overhead expenses ...	... ...	191,982
£307,521			£562,707
	Research		
659,399	Silviculture including Nursery Work		653,957
92,099	Genetics		98,189
145,833	Pathology and Entomology		169,236
76,383	Statistics		74,347
72,200	Publications and Library (includes overhead expenses £33,430)		117,125
20,436	Photography		20,944
33,605	Westonbirt and Bedgebury Arboreta		42,740
20,139	Grants to Institutions		34,272
160,863	Overhead Expenses		158,413
£1,280,957			£1,369,223
4,147,414	Net total additions in year		4,454,796
25,160	Notional refund selective employment tax ...		9,090
£4,172,574			£4,463,886
		£	
*46,766**	Reduction in current assets ...	124,701	
37,606	*Less* increase in fixed assets ...	15,314	109,387
£4,256,946	Amount of Grant-in-Aid appropriated for the Forestry Authority	... ...	£4,354,499

(Note 3 in Forestry Enterprise Accounts)

* increase

J. A. Dickson
Accounting Officer
28th November 1973

LAND USE

Table 2 AT 31ST MARCH 1973 Thousands of hectares

	Great Britain	England	Scotland	Wales
Total area	1,212·0	306·7	744·6	160·7
Forest Land: Total	882·1	261·7	481·9	138·5
Under plantations	768·3	239·5	399·5	129·3
To be planted	113·8	22·2	82·4	9·2
Other Land: Total	329·9	45·0	262·7	22·2
Nurseries	0·3	0·1	0·2	—
Agricultural and grazing ...	151·5	14·2	123·2	14·1
Forest Workers Holdings ...	5·1	1·1	2·9	1·1
Unplantable and miscellaneous	173·0	29·6	136·4	7·0

LAND MANAGED BY THE AGRICULTURAL AND OTHER DEPARTMENTS*

Table 3 AT 31ST MARCH 1973 Thousands of hectares

	Great Britain	England	Scotland	Wales
Total area	92·2	8·2	80·2	3·8
Forest land	8·0	—	8·0	—
Agricultural and other land ...	84·2	8·2	72·2	3·8

*Included in Table 2 above.

FOREST LAND ACQUIRED IN THE YEAR ENDED 31ST MARCH 1973†

Table 4 Thousands of hectares

	Great Britain	England	Scotland	Wales
Total area	6·0	−0·2	4·7	1·5
Standing woods	−0·3	−0·3	—	—
Land for new planting	6·3	0·1	4·7	1·5

† Net area acquired.

1 hectare = 2·471 acres 1 acre = 0·4047 hectares.

PLANTING IN THE YEAR ENDED 31ST MARCH 1973

Table 5 Hectares

	Total	New planting	Restocking
Great Britain	23,158	19,378	3,780
Conifer	22,865	19,224	3,641
Broadleaved	293	154	139
England	3,154	1,735	1,419
Conifer	2,890	1,608	1,282
Broadleaved	264	127	137
Scotland	17,764	16,174	1,590
Conifer	17,739	16,151	1,588
Broadleaved	25	23	2
Wales	2,240	1,469	771
Conifer	2,236	1,465	771
Broadleaved ...	4	4	—

PROGRESS OF PLANTING FROM 1ST OCTOBER 1963 TO 31ST MARCH 1973

Table 6 Hectares

Period*	Great Britain	England	Scotland	Wales
1964	21,960	5,344	12,476	4,140
1965	21,725	5,470	12,361	3,894
1966	21,828	5,315	13,253	3,260
1967	21,203	4,518	13,956	2,729
1/10/67 to 31/3/69 ...	27,737	6,676	17,477	3,584
1970	22,492	4,329	15,585	2,578
1971	28,526	5,427	19,751	3,348
1972	26,235	4,174	19,642	2,419
1973	23,158	3,154	17,764	2,240

* 1964–1967, year ended 30th September.
1970–1973, year ended 31st March.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

FIRES IN FORESTS IN THE YEAR ENDED 31ST MARCH 1973

Table 7

	Great Britain	England	Scotland	Wales
Number of fires ...	860	167	129	564
Area burned (hectares) ...	549	119	205	225
Value of damage (£)	177,294	37,788	72,501	67,005

CAUSES OF FIRES IN THE YEAR ENDED 31ST MARCH 1973

Table 8 Number

	Great Britain	England	Scotland	Wales
Total	860	167	129	564
Public	330	112	57	161
Unknown	370	23	16	331
Adjoining Land	128	17	41	70
Miscellaneous	19	7	11	1
Commission Employees	7	5	2	—
Railways	6	3	2	1

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

AREAS OF PLANTATIONS AND VOLUMES OF TIMBER THINNED AND FELLED IN THE YEAR ENDED 31ST MARCH 1973

Table 9

	Felled		Thinned		Total Volume Felled and Thinned (Thousand cubic metres)
	Area (hectares)	Volume (Thousand cubic metres)	Area (hectares)	Volume (Thousand cubic metres)	
Great Britain ...	3,268	678	20,985	915	1,593
England, Total ...	1,274	254	9,583	372	626
Conservancy:					
North-West ...	216	40	1,784	72	112
North-East ...	426	92	1,054	34	126
East ...	241	41	3,920	141	182
New Forest and South-East ...	173	29	1,353	55	84
South-West and Dean ...	218	52	1,472	70	122
Scotland, Total ...	1,390	291	7,329	375	666
Conservancy:					
North	245	62	1,348	88	150
East	623	96	2,506	98	194
South	155	31	2,051	101	132
West	367	102	1,424	88	190
Wales, Total ...	604	133	4,073	168	301
Conservancy:					
North	404	86	1,978	80	166
South	200	47	2,095	88	135

SALES OF TIMBER IN THE YEAR ENDED 31ST MARCH 1973

Table 10 Thousand cubic metres

Description	Great Britain	England	Scotland	Wales
Trees sold standing	630·1	165·9	314·3	149·9
Converted*	875·7	421·6	322·0	132·1
Round timber and saw logs	323·9	145·7	129·3	48·9
Telegraph and other selected poles ...	3·3	1·8	1·0	0·5
Mining timber	53·1	34·2	—	18·9
Posts and stakes	26·7	19·0	1·7	6·0
Pulpwood and boardmill material ...	413·9	173·6	183·2	57·1
Firewood	14·5	12·6	1·3	0·6
Miscellaneous	40·3	34·7	5·5	0·1
Poles sold in length (other than selected) ...	16·9	5·1	7·9	3·9

* In addition 7·2 thousand cubic metres were converted and used internally for forest and estate purposes. (England 1·7, Scotland 4·5, Wales 1·0).

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

CONSTRUCTION OF FOREST ROADS IN THE YEAR ENDED 31ST MARCH 1973
AND TOTAL LENGTH

Table 11 Kilometres

	Great Britain	England	Scotland	Wales
Completed to final standard	275	89	147	39
Completed to initial standard ...	49	20	27	2
Total length in use	14,975	5,392	6,344	3,239

PROPERTIES MANAGED BY THE COMMISSION

Table 12 AT 31ST MARCH 1973 Number

	Great Britain	England	Scotland	Wales
Forest Properties ...	5,950	2,389	2,399	1,162
Foresters Houses	846	337	351	158
Forest Workers Houses	2,053	841	1,002	210
Forest Workers Holdings	427	129	208	90
Miscellaneous	2,624	1,082	838	704
Other properties	7,787	2,681	3,571	1,535
Farms and other agricultural subjects ...	2,027	517	1,009	501
Residential and miscellaneous	3,336	1,292	1,292	752
Sporting lettings	2,424	872	1,270	282

PUBLIC RECREATIONAL FACILITIES

Table 13 AT 31ST MARCH 1973 Number

	Great Britain	England	Scotland	Wales
Camp Sites*	16	7	8	1
Picnic sites	254	129	48	77
Forest walks (way marked)	207	82	84	41
Forest (nature) trails	124	70	35	19
Information centres	21	9	11	1
Arboreta	22	9	5	8
Forest drives	6	4	1	1
Forest cabins (and holiday houses)	41	—	41	—

* In addition to the 16 public camp sites, there are special arrangements in the New Forest for camping in 17 specified enclosures. There are also 73 sites set aside for Youth camping and 4 sites for Caravan Club rallies.

1 kilometre = 0·621 miles. 1 mile = 1·609 kilometres.

PROGRESS OF THE DEDICATION SCHEME FOR PRIVATE ESTATES
IN THE YEAR ENDED 31ST MARCH 1973

Table 14

	Great Britain		England		Scotland		Wales	
	Number	Area (hectares)	Number	Area (hectares)	Number	Area (hectares)	Number	Area (hectares)
Schemes completed: Total	3,774	459,256	2,330	209,335	983	221,869	461	28,052
At end of previous year	3,666	443,206	2,298	206,271	924	209,577	444	27,358
During year ...	108	16,050	32	3,064	59	12,292	17	694
Approved or in preparation at end of year	225	29,669	78	3,875	113	21,476	34	4,318

PROGRESS OF THE APPROVED WOODLANDS SCHEME FOR PRIVATE ESTATES
IN THE YEAR ENDED 31ST MARCH 1973

Table 15

	Great Britain		England		Scotland		Wales	
	Number	Area (hectares)	Number	Area (hectares)	Number	Area (hectares)	Number	Area (hectares)
Schemes completed: Total	784	69,449	625	50,171	127	16,990	32	2,288
At end of previous year	767	68,396	618	49,836	122	16,398	27	2,162
During year ...	17	1,053	7	335	5	592	5	126
Approved or in preparation at end of year	12	1,114	9	810	2	296	1	8

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

AREA PLANTED BY PRIVATE WOODLAND OWNERS FOR WHICH GRANTS WERE PAID

IN THE YEAR ENDED 31ST MARCH, 1973

Table 16 Hectares

Country	Total			In Dedicated Woodlands			In Approved Woodlands			With Small Wood Planting Grants		
	All Planting	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking
GREAT BRITAIN												
Total	23,774	20,021	3,753	20,731	18,029	2,702	1,836	1,336	500	1,207	656	551
Conifer ..	22,659	19,520	3,139	20,127	17,808	2,319	1,625	1,223	402	907	489	418
Broadleaved	1,115	501	614	604	221	383	211	113	98	300	167	133
ENGLAND												
Total	5,730	3,496	2,234	4,362	2,812	1,550	621	280	341	747	404	343
Conifer ..	4,761	3,071	1,690	3,849	2,641	1,208	431	177	254	481	253	228
Broadleaved	969	425	544	513	171	342	190	103	87	266	151	115
SCOTLAND ..												
Total	16,502	15,233	1,269	15,011	14,061	950	1,090	949	141	401	223	178
Conifer ..	16,390	15,172	1,218	14,924	14,012	912	1,086	949	137	380	211	169
Broadleaved	112	61	51	87	49	38	4	—	4	21	12	9
WALES												
Total	1,542	1,292	250	1,358	1,156	202	125	107	18	59	29	30
Conifer ..	1,508	1,277	231	1,354	1,155	199	108	97	11	46	25	21
Broadleaved	34	15	19	4	1	3	17	10	7	13	4	9

In addition it is estimated that 771 hectares were planted without the aid of grants (England 472, Scotland 221 and Wales 78).

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

VOLUME OF TIMBER LICENSED FOR FELLING AND THINNING
ON PRIVATE ESTATES IN THE YEAR ENDED 31ST MARCH 1973

Table 17

	Great Britain	England	Scotland	Wales
Total volume (thousand cubic metres) ...	471	263	193	15
Conifer	242	81	153	8
Broadleaved	229	182	40	7
Number of licences issued	1,812	1,305	431	76

Excludes felling and thinning on Dedicated estates for which no licence is required.

AREA LICENSED FOR CLEAR FELLING ON PRIVATE ESTATES
IN THE YEAR ENDED 31ST MARCH 1973

Table 18 Hectares

	Great Britain	England	Scotland	Wales
Total	3,443	1,950	1,444	49
Conditional licences*	1,970	1,173	775	22
Unconditional licences	1,473	777	669	27

* Conditional licences require the restocking of the land concerned.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

LAND USE, PLANTING AND TIMBER PRODUCTION BY FORESTS—ENGLAND

Note: In Tables 19–21 former Crown Woods are indicated by asterisks*

Table 19

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
NORTH-WEST ENGLAND CONSERVANCY: TOTAL	55,279	42,200	6,539	6,540	375	195	112
Arden, Warwicks and Worcs ...	802	546	246	10	3	—	—
Bagot, Staffs	1,028	915	106	7	—	—	—
Blengdale, Cumberland ...	1,258	1,035	54	169	—	—	1
Bowland, Lancs and Yorks ...	1,835	1,737	26	72	—	2	1
Cannock, Staffs	2,696	2,615	30	51	—	37	14
Dalton, Westmorland and Lancs	737	589	26	122	—	—	—
Delamere, Cheshire*	970	937	—	33	—	16	6
Dunnerdale, Cumberland and Lancashire	953	800	14	139	—	—	1
Ennerdale, Cumberland ...	3,826	1,518	208	2,100	20	—	2
Goyt, Derbyshire and Cheshire	939	396	408	135	19	—	—
Greystoke, Cumberland ...	1,234	1,125	1	108	9	14	4
Grizedale, Lancs	3,072	2,720	18	334	4	—	7
Inglewood, Cumberland ...	995	940	47	8	10	—	—
Kershope, Cumberland ...	5,565	4,955	196	414	60	8	16
Kinver, Staffs	299	280	—	19	—	—	1
Launde, Derby, Leicester, Notts and Rutland	893	722	166	5	7	1	—
Lindale, Lancs and Westmorland	1,328	905	319	104	19	4	—
Long, Salop	1,246	1,012	210	24	10	9	—
Matlock, Derby	2,201	1,139	118	944	18	—	—
Mortimer:							
Bucknell, Salop	1,095	1,031	5	59	2	10	4
Ludlow, Hereford and Salop	1,266	1,225	10	31	—	7	7
Shobden, Hereford	1,160	1,123	9	28	—	13	10
Packington, Warwick and Leicester	278	249	28	1	—	—	—
Sherwood, Derby, Notts and Yorks (1)	6,524	6,072	238	214	32	43	22
Spadeadam, Cumberland and Northumberland	8,071	3,328	3,598	1,145	139	—	—
Stiperstones, Salop	694	509	165	20	—	—	—
Swynnerton, Staffs	1,019	973	32	14	—	—	1
Thornthwaite, Cumberland ...	2,654	2,172	254	228	12	18	10
Walcot, Salop	641	632	7	2	—	13	5

Note: (1) Sherwood includes Dukeries, Clipstone and Mansfield.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 19—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares)		Production (000 cu. m.)
					New planting	Re-stocking	
NORTH-EAST ENGLAND CONSERVANCY: TOTAL	101,259	76,316	8,811	16,132	1,040	300	126
Ampleforth, Yorks	2,256	1,979	128	149	4	3	2
Chillingham, Northumberland	1,943	1,002	818	123	131	—	—
Chopwell, Durham and Northumberland*	903	805	53	45	9	11	1
Cleveland, Yorks	1,714	1,448	192	74	32	8	1
Cropton, Yorks	4,580	3,782	217	581	20	4	6
Dalby, Yorks	4,534	3,142	528	864	—	17	12
Don, (1) Yorks	2,616	1,269	9	1,338	—	—	—
Falstone, Northumberland ...	6,952	5,574	197	1,181	129	6	13
Hamsterley, Durham	3,773	2,753	784	236	2	7	4
Harwood, Northumberland ...	3,977	3,430	340	207	38	15	11
Jervaulx, Yorks	1,526	1,299	168	59	27	12	3
Kidland, Northumberland ...	2,646	2,002	160	484	38	2	—
Kielder North, Northumberland	9,279	4,125	1,604	3,550	160	38	21
Knaresborough, Yorks ...	1,306	1,224	49	33	18	1	1
Langdale, Yorks	4,928	3,824	369	735	151	—	2
Mounces, Northumberland ...	9,941	7,590	92	2,259	49	53	2
Osmotherley, Yorks	1,580	1,447	17	116	8	10	1
Redesdale, Northumberland ...	5,699	5,004	94	601	16	36	13
Rievaulx, Yorks	2,210	1,623	357	230	24	—	—
Rothbury, Northumberland ...	2,251	1,679	84	488	—	—	3
Selby, Yorks	774	650	113	11	—	—	—
Slaley, Northumberland and Durham	1,189	1,070	70	49	—	1	2
Tarset, Northumberland ...	3,804	3,495	48	261	—	—	—
Wark, Northumberland ...	16,351	12,349	2,098	1,904	178	60	20
Wykeham, Yorks	2,375	1,891	41	443	—	12	8
Wynyard, Durham	646	507	81	58	—	2	—
York, Yorks	1,506	1,353	100	53	6	2	—

Note: (1) Don formerly Cawthorne and Doncaster.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 19—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
EAST ENGLAND CONSERVANCY: TOTAL	46,889	42,194	2,495	2,200	115	326	182
Aldewood, Suffolk	3,624	3,462	26	136	—	—	21
Ampthill, Beds and Herts ...	851	613	171	67	—	3	—
Bardney, Lincs and Notts ...	3,044	2,532	431	81	5	28	3
Bernwood, Oxon and Bucks ...	888	689	196	3	10	4	—
Bramfield, Herts	642	510	121	11	8	5	—
Chiltern, Bucks, Oxon, Beds and Herts	2,483	2,245	224	14	5	6	1
Hazelborough, Bucks and Northants*	1,198	1,099	78	21	—	18	1
Kesteven, Lincs and Rutland	2,119	1,931	50	138	28	4	3
Lavenham, Suffolk	816	694	117	5	6	—	—
Lynn, Norfolk	1,000	930	16	54	5	—	2
North Lindsey, Lincs	2,097	1,992	16	89	—	—	8
Rockingham, Northants and Hunts	2,887	2,469	325	93	12	26	4
Thetford, Norfolk and Suffolk	20,787	18,987	441	1,359	13	184	133
Walden, Essex, Cambs. and Herts	713	642	62	9	19	—	—
Wensum, Norfolk	2,203	2,036	95	72	4	28	5
Wymersley, Beds, Northants and Bucks*	1,537	1,363	126	48	—	20	1

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 19—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares)		Production (000 cu. m.)
					New planting	Re-stocking	
NEW FOREST AND SOUTH-EAST ENGLAND CONSERVANCY: TOTAL	57,323	38,323	2,265	16,735	66	203	84
Abinger, Surrey	1,027	841	80	106	—	—	1
Alice Holt, Hants, Surrey and Sussex*	2,563	2,321	50	192	—	13	7
Andover, Hants and Berks ...	1,428	1,220	116	92	—	—	—
Arundel, Sussex	3,077	2,901	22	154	—	—	3
Bedgebury, Kent and Sussex*	3,969	3,570	84	315	—	31	9
Bramshill, Berks and Hants ...	1,656	1,437	174	45	—	22	8
Challock, Kent	2,580	2,541	2	37	1	13	5
Hursley, Hants	1,735	1,505	200	30	17	—	1
Micheldever, Hants	1,910	1,818	34	58	—	5	2
New Forest, Hants*	27,037	11,690	367	14,980	—	60	36
Queen Elizabeth Forest, Hants and Sussex*	2,516	2,197	224	95	27	18	2
Ringwood, Hants and Dorset	2,847	2,357	282	208	—	38	5
St. Leonards, Sussex	1,934	1,358	389	187	15	—	—
Shipbourne, Kent and Surrey...	1,133	887	120	126	6	—	1
Wight, Isle of Wight	1,911	1,680	121	110	—	3	4

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 19—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
SOUTH-WEST ENGLAND AND DEAN CONSERVANCY: TOTAL	45,962	40,510	2,092	3,360	139	395	122
Brendon, Somerset and Devon	1,548	1,443	32	73	5	23	5
Cotswold, Gloucester and Worcester	607	548	53	6	1	—	1
Cranborne Chase, Dorset and Wilts	2,951	2,719	208	24	—	27	—
Dartmoor, Devon	2,407	2,115	31	261	1	14	12
Dean Forest, Gloucester, Hereford and Monmouth* ...	10,883	9,520	297	1,066	—	143	43
Eggesford, Devon and Somerset	1,154	1,076	62	16	16	23	6
Exeter, Devon	2,410	2,188	163	59	16	46	8
Halwill, Devon and Cornwall...	2,661	2,394	77	190	10	41	13
Hartland, Devon and Cornwall	1,016	947	48	21	7	3	3
Hereford, Hereford and Gloucester	1,810	1,389	385	36	—	26	2
Kernow, Cornwall (1)	3,540	3,138	238	164	7	4	8
Mendip, Somerset and Wilts ...	1,422	1,357	14	51	1	11	2
Neroche, Devon and Somerset	2,257	1,814	175	268	42	—	—
Powerstock, Dorset, Devon and Somerset	1,596	1,431	33	132	14	1	—
Quantock, Somerset	1,122	936	43	143	—	15	8
Savernake, Hants, Wilts and Berks (2)	3,518	3,150	122	246	1	—	4
Wareham, Dorset	3,413	2,926	22	465	14	—	4
Westonbirt, Gloucester ...	100	—	—	100	—	—	—
Wyre, Worcs and Salop ...	1,547	1,419	89	39	4	18	3

Notes: (1) Kernow formerly Bodmin and Wilsey Down.
(2) Savernake includes Salisbury.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 20

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares)		Production (000 cu. m.)
					New planting	Re-stocking	
NORTH SCOTLAND CONSERVANCY: TOTAL	267,434	110,963	24,305	132,166	4,847	402	150
Achnashellach, Ross	3,988	2,470	110	1,408	20	27	4
Affric, Inverness and Ross ...	27,896	6,030	1,044	20,822	275	—	3
Ardross, Ross and Cromarty...	7,770	6,667	229	874	97	18	11
Black Isle, Ross	5,909	5,520	18	371	—	48	7
Culloden, Inverness and Nairn	7,142	5,650	109	1,383	155	16	7
Dornoch, Sutherland	1,222	1,096	9	117	—	5	1
Farigaig, Inverness	4,538	3,132	343	1,063	167	—	8
Glengarry, Inverness	16,824	5,253	801	10,770	202	—	8
Glenrigh, Inverness	2,359	1,280	—	1,079	—	—	2
Glenurquhart, Inverness ...	10,664	4,677	383	5,604	86	1	7
Helmsdale, Sutherland ...	936	676	60	200	90	—	—
Hoy Experiments, Orkney ...	13	13	—	—	—	—	—
Inchnacardoch, Inverness ...	12,542	5,690	292	6,560	96	8	12
Inshriach, Inverness	4,403	3,170	541	692	25	19	11
Leanachan, Inverness and Argyll	16,240	7,130	993	8,117	271	122	11
Mull, Argyll	14,059	6,154	2,948	4,957	473	60	8
Naver, Sutherland and Caithness (1)	10,613	4,461	1,255	4,897	298	—	—
The Queen's Forest, Inverness	2,644	1,506	112	1,026	21	—	—
Ratagan, Inverness and Ross...	5,019	2,319	621	2,079	100	—	14
Rumster, Caithness	2,514	1,809	264	441	134	—	—
Shin, Sutherland and Ross ...	32,108	10,755	6,181	15,172	689	25	5
Skye, Inverness and Ross ...	20,433	5,033	3,918	11,482	388	—	6
South Strome, Ross	3,020	1,680	337	1,003	112	11	3
Strathmashie, Inverness (2) ...	18,854	3,628	1,000	14,226	412	17	2
Sunart, Argyll and Inverness (3)	18,955	7,863	2,137	8,955	440	19	11
Torrachilty, Ross	16,769	7,301	600	8,868	296	6	9

Notes: (1) Naver formerly Borgie.
(2) Strathmashie formerly Corrour.
(3) Sunart formerly Fiunary.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 20—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
EAST SCOTLAND CONSERVANCY: TOTAL	109,680	87,338	5,125	17,217	985	505	194
Alltcailleach, Aberdeen ...	1,805	1,625	83	97	18	9	6
Banchory, Aberdeen and Kincardine	5,534	5,260	7	267	—	10	11
Bennachie, Aberdeen	6,145	4,912	5	1,228	17	7	11
Blairadam, Fife, Kinross and Perth	4,948	4,044	576	328	156	171	15
Braes of Angus, Angus and Perth	4,843	3,520	455	868	1	9	—
Craigellachie, Aberdeen, Banff and Moray	4,570	4,105	205	260	20	—	4
Drummond Hill, Perth ...	3,207	2,232	152	823	9	89	23
Dunkeld, Angus and Perth ...	4,311	4,130	14	167	1	34	17
Forest of Deer, Aberdeen and Banff	2,719	2,568	1	150	—	—	8
Glenlivet, Banff	4,576	4,206	70	300	60	—	3
Huntly, Aberdeen and Banff...	10,129	8,567	175	1,387	67	19	22
Kirkhill, Aberdeen	1,200	1,167	1	32	—	11	4
Laigh of Moray, Moray and Nairn	7,267	6,560	37	670	—	39	21
Mearns, Kincardine	6,992	5,552	437	1,003	13	8	7
Montreathmont, Angus and Kincardine	1,854	1,824	—	30	—	4	10
Rannoch, Perth and Argyll ...	12,521	5,300	2,013	5,208	341	8	—
Speymouth, Moray and Banff...	9,935	9,361	215	359	90	47	12
Strathardle, Perth	3,203	2,766	191	246	55	17	7
Tentsmuir, Fife	1,595	1,483	15	97	—	10	9
Tornashean, Aberdeen ...	4,119	2,853	141	1,125	57	—	—
Tummel, Perth	8,207	5,303	332	2,572	80	13	4

1 hectare = 2·471 acres,, 1 acre = 0·4047 hectares.

Table 20—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
SOUTH SCOTLAND CONSERVANCY: TOTAL	170,028	103,907	31,222	34,899	5,147	118	132
Ae, Dumfries	5,898	5,668	16	214	24	11	23
Arecleoch, Ayr	3,314	2,420	820	74	306	1	—
Bareagle, Wigtown(1)	4,412	3,610	594	208	142	—	2
Bennan, Kirkcudbright ...	6,770	5,905	371	494	253	12	7
Carrick, Ayr	16,709	7,176	1,737	7,796	42	21	2
Castle O'er, Dumfries and Selkirk	6,226	5,105	717	404	209	2	13
Clatteringshaws, Kirkcudbright	6,408	3,796	984	1,628	247	—	3
Clydesdale, Lanark, Midlothian and West Lothian	3,477	2,236	931	310	276	—	1
Craik, Roxburgh, Selkirk and Dumfries	4,468	3,537	686	245	275	—	3
Dalmacallan, Dumfries ...	3,314	1,857	842	615	192	—	3
Dundeugh, Kirkcudbright ...	3,492	2,702	331	459	124	—	3
Duns, Berwick	726	690	—	36	7	—	1
Edgarhope, Berwick and Midlothian	977	779	—	198	22	10	3
Elibank and Traquair, Selkirk, Peebles and Roxburgh ...	4,205	3,400	329	476	156	—	1
Fleet, Kirkcudbright	7,898	5,549	1,960	389	—	—	3
Garraries, Kirkcudbright ...	5,222	2,376	1,441	1,405	133	—	—
Glenbreck, Peebles	4,914	1,291	2,163	1,460	158	—	—
Glentress, Peebles and Midlothian	4,469	3,054	1,086	329	203	30	8
Glentrool, Kirkcudbright and Ayr	22,503	11,149	1,656	9,698	304	—	4
Greskine, Dumfries and Lanark	8,150	3,302	1,692	3,156	264	2	3
Kirroughtree, Kirkcudbright ...	6,353	4,187	11	2,155	—	—	9
Kyle, Ayr	5,547	1,514	3,691	342	328	—	—
Moffat Water, Dumfries and Selkirk	3,307	1,701	1,397	209	144	—	—
Newcastleton, Roxburgh and Dumfries	3,811	3,413	391	7	—	7	15
Penninghame, Wigtown ...	6,254	3,464	2,173	617	377	1	—
Solway, Kirkcudbright and Dumfries	6,295	5,257	519	519	272	20	20
Stenton, East Lothian, Midlothian and Berwick... ...	1,404	952	390	62	122	1	—
Upper Nithsdale, Ayr and Dumfries	4,458	1,764	1,957	737	255	—	—
Wauchope, Roxburgh	9,029	6,053	2,337	639	312	—	5
Bush Nursery, Midlothian ...	6	—	—	6	—	—	—
Whittingehame Seed Orchard, East Lothian	12	—	—	12	—	—	—

Note: (1) Bareagle includes Kilsture.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 20—*continued*

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
WEST SCOTLAND CONSERVANCY: TOTAL	197,506	97,331	21,717	78,458	5,195	565	190
Achaglachgach, Argyll ...	5,102	3,082	1,543	477	68	—	5
Achray, Perth	5,319	3,632	159	1,528	14	1	3
Ardgartan, Argyll and Dunbarton	13,199	4,859	532	7,808	125	45	14
Barcaldine, Argyll	7,860	4,111	416	3,333	134	8	6
Benmore, Argyll and Renfrew...	10,853	4,873	832	5,148	183	11	14
Buchanan, Stirling and Dunbarton	6,428	2,850	675	2,903	157	8	3
Carradale, Argyll	5,011	2,376	—	2,635	133	—	3
Carron Valley, Stirling and Perth	3,970	3,368	235	367	—	19	12
Devilla, Fife, Clackmannan and Stirling	1,612	1,432	13	167	—	31	3
Eredine, Argyll	6,904	2,801	2,259	1,844	350	10	5
Fearnoch, Argyll	2,040	1,297	455	288	171	—	4
Garelochhead, Dunbarton ...	2,395	1,315	276	804	124	16	—
Glenaray, Argyll	5,670	2,118	2,040	1,512	480	—	—
Glenbranter, Argyll	9,532	4,180	273	5,079	10	132	32
Glencoe, Argyll (1)	8,558	4,058	270	4,230	105	16	13
Glendaruel, Argyll	3,603	1,962	82	1,559	137	—	2
Glenorchy, Argyll	17,070	4,597	3,555	8,918	849	—	—
Glenrickard(2), Arran, Buteshire	8,076	3,917	1,227	2,932	290	6	—
Inverliever, Argyll*	13,375	6,790	1,331	5,254	325	141	22
Kilmichael, Argyll	11,423	8,306	172	2,945	61	—	3
Knapdale, Argyll	7,327	3,506	903	2,918	186	37	19
Loch Ard, Perth and Stirling ...	9,880	6,615	64	3,201	100	83	18
Mannan, Dunbarton, West Lothian, Stirling and Lanark	1,181	1,021	71	89	82	—	—
Raera, Argyll	3,340	1,001	771	1,568	259	—	—
South Kintyre, Argyll	10,796	4,728	1,512	4,556	440	—	—
Strathyre, Perth and Argyll ...	7,669	4,670	70	2,929	—	1	9
Tighnabruaich, Argyll ...	4,332	2,030	462	1,840	91	—	—
Whitelee, Ayr and Lanark ...	4,980	1,836	1,519	1,625	321	—	—
Chapelhall Depot, Lanark ...	1	—	—	1	—	—	—

Notes: (1) Glencoe includes Glenduror and Loch Etive.
(2) Since renamed Arran.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

Table 21

	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares)		Production (000 cu. m.)
					New planting	Re-stocking	
NORTH WALES CONSERVANCY: TOTAL	78,831	63,924	2,052	12,855	480	421	166
Aeron, Cardigan	2,396	2,292	5	99	13	7	1
Beddgelert, Caernarvon and Merioneth	3,955	3,120	130	705	11	—	4
Ceiriog, Denbigh, Flint and Salop	1,808	1,747	8	53	—	—	2
Ceri, Montgomery, Salop and Radnor	1,882	1,852	—	30	1	33	11
Clocaenog, Denbigh and Merioneth	7,125	6,188	7	930	25	21	16
Clwyd, Denbigh and Flint(1) ...	2,086	1,878	34	174	12	—	1
Coed Sarnau, Radnor	3,265	2,939	69	257	87	—	4
Coed-y-Brenin, Merioneth ...	9,090	6,291	131	2,668	5	83	22
Cynwyd, Merioneth	785	700	—	85	—	8	3
Dyfi, Merioneth and Montgomery	4,210	3,805	29	376	9	79	19
Dyfi Corris, Merioneth and Montgomery	5,040	4,218	106	716	87	30	18
Dyfnant, Montgomery and Denbigh	3,297	2,403	124	770	12	—	4
Gwydyr, Caernarvon and Denbigh	8,086	5,924	9	2,153	35	94	27
Hafren, Montgomery	4,310	3,521	16	773	—	3	7
Mathrafal, Montgomery and Salop	1,578	1,461	36	81	23	4	2
Newborough, Caernarvon and Anglesey	1,859	1,506	7	346	8	6	1
Penllyn, Merioneth	3,931	3,165	435	331	90	—	1
Radnor, Radnor and Hereford	2,418	2,302	4	112	—	29	13
Rheidol, Cardigan and Montgomery	4,716	3,421	77	1,218	56	—	2
Ystwyth, Cardigan and Montgomery	6,994	5,191	825	978	6	24	8

Note: (1) Clwyd includes Elwy.

1 hectare = 2·471 acres. 1 acre = 0·4047 hectares.

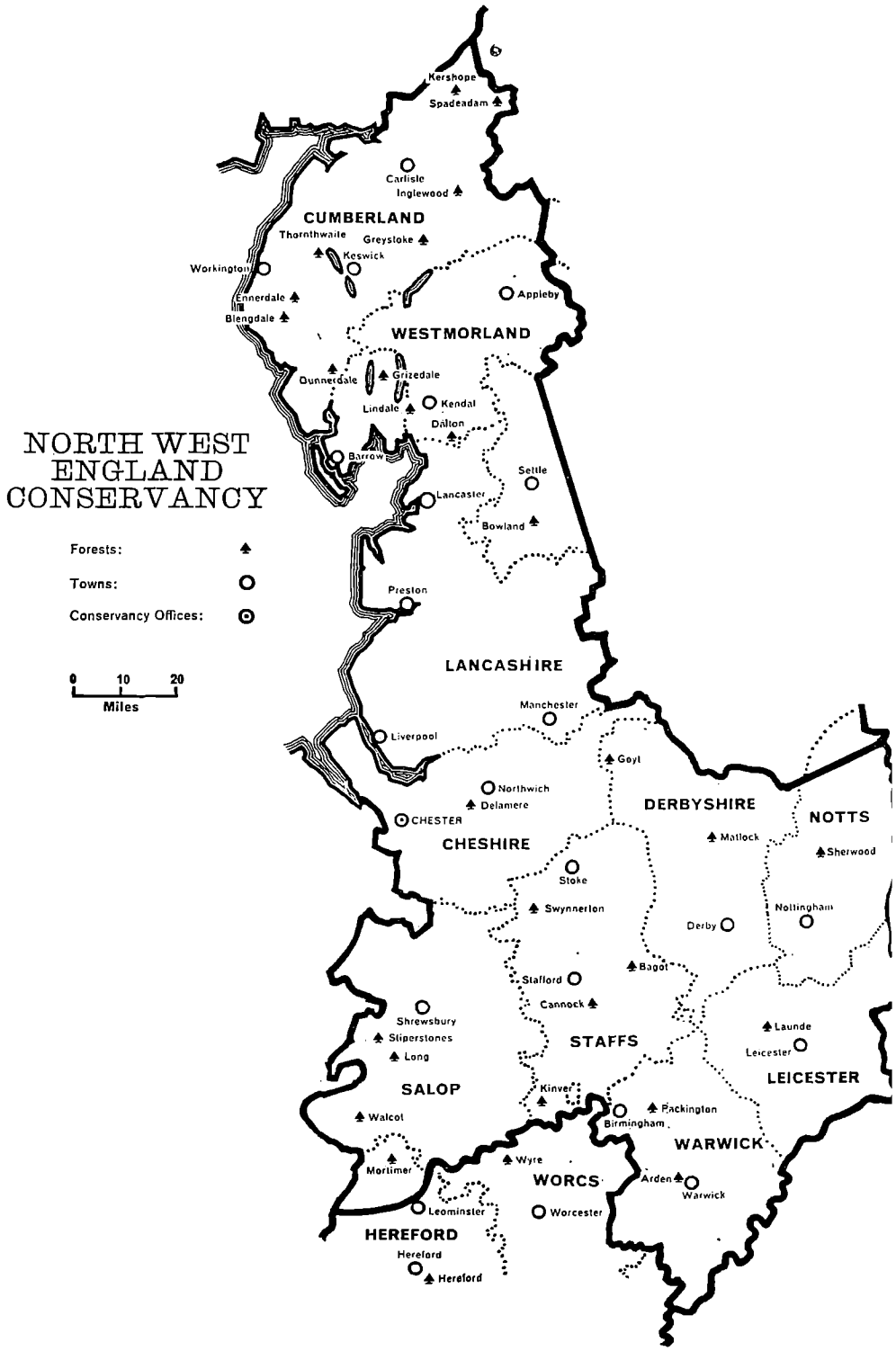
Table 21—*continued*

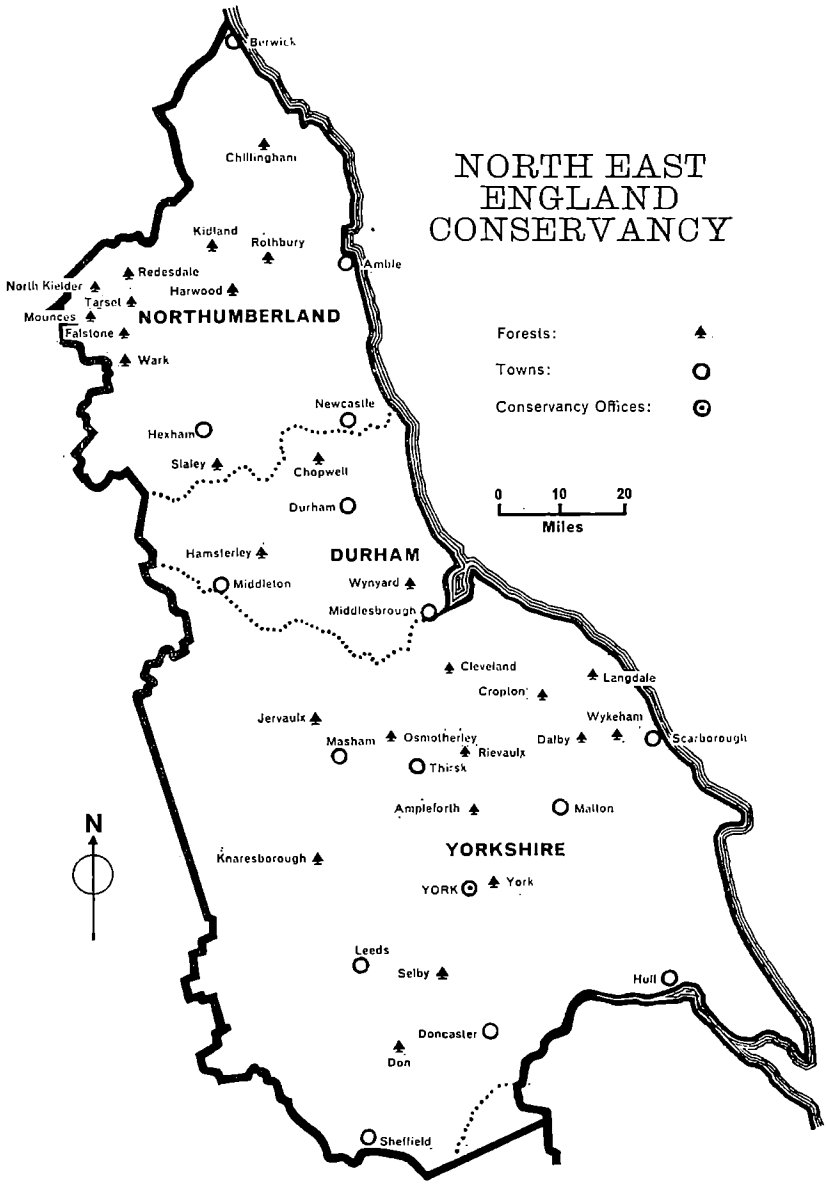
	Land use at 31st March 1973 (hectares)				During Year 1972/73		
	Total	Under plantations	To be planted	Agricultural and other land	Planting (hectares) New planting	Planting (hectares) Re-stocking	Production (000 cu. m.)
SOUTH WALES CONSERVANCY: TOTAL	81,871	65,379	7,181	9,311	989	350	135
Brechfa, Carmarthen and Cardigan	6,831	6,042	325	464	33	11	18
Brycheiniog, Brecon, Hereford and Radnor	1,618	1,506	2	110	5	53	10
Caeo, Carmarthen	2,454	1,877	394	183	13	—	6
Cilgwyn, Brecon and Carmarthen	1,013	971	—	42	—	3	1
Coed Abertawe, Glamorgan ...	877	796	10	71	27	23	—
Coed Deufor, Cardigan, Carmarthen and Pembroke ...	1,987	1,844	68	75	20	5	—
Coed Taf Fawr, Brecon ...	1,657	1,403	15	239	15	15	1
Coed Morgannwg:							
Crynant, Glamorgan ...	2,572	2,032	284	256	23	7	1
Cymer, Glamorgan	5,562	4,521	243	798	72	11	1
Margam, Glamorgan ...	4,866	4,315	4	547	41	20	5
Rheola, Glamorgan ...	5,259	4,498	5	756	—	40	16
Coed-y-Rhaiadr, Brecon ...	2,649	1,351	424	874	39	1	—
Crychan, Brecon and Carmarthen	3,803	3,504	43	256	—	—	21
Ebbw, Glamorgan and Monmouth...	5,233	4,314	276	643	33	43	5
Glasfynydd, Brecon and Carmarthen	1,449	1,414	10	25	—	—	6
Irfon, Brecon	2,598	2,164	100	334	8	—	1
Mynydd Du, Brecon and Monmouth...	1,476	1,300	24	152	—	3	7
Pembrey, Carmarthen	2,001	1,252	—	749	28	—	2
Preseli, Pembroke and Carmarthen	1,356	1,085	124	147	—	—	—
Rhondda, Glamorgan	4,663	2,130	2,145	388	151	17	—
Slebech, Pembroke	841	779	11	51	3	—	—
St. Gwynno, Glamorgan ...	3,741	2,744	641	356	82	7	5
Taf Fechan, Brecon	922	617	268	37	—	—	—
Tair Onen, Glamorgan ...	1,398	1,181	—	217	—	—	3
Talybont, Brecon	1,597	1,503	13	81	30	16	6
Tintern, Monmouth	3,905	3,543	23	339	15	71	17
Tywi, Cardigan, Brecon and Carmarthen	8,463	5,747	1,729	987	351	—	—
Wentwood, Monmouth ...	1,080	946	—	134	—	4	3

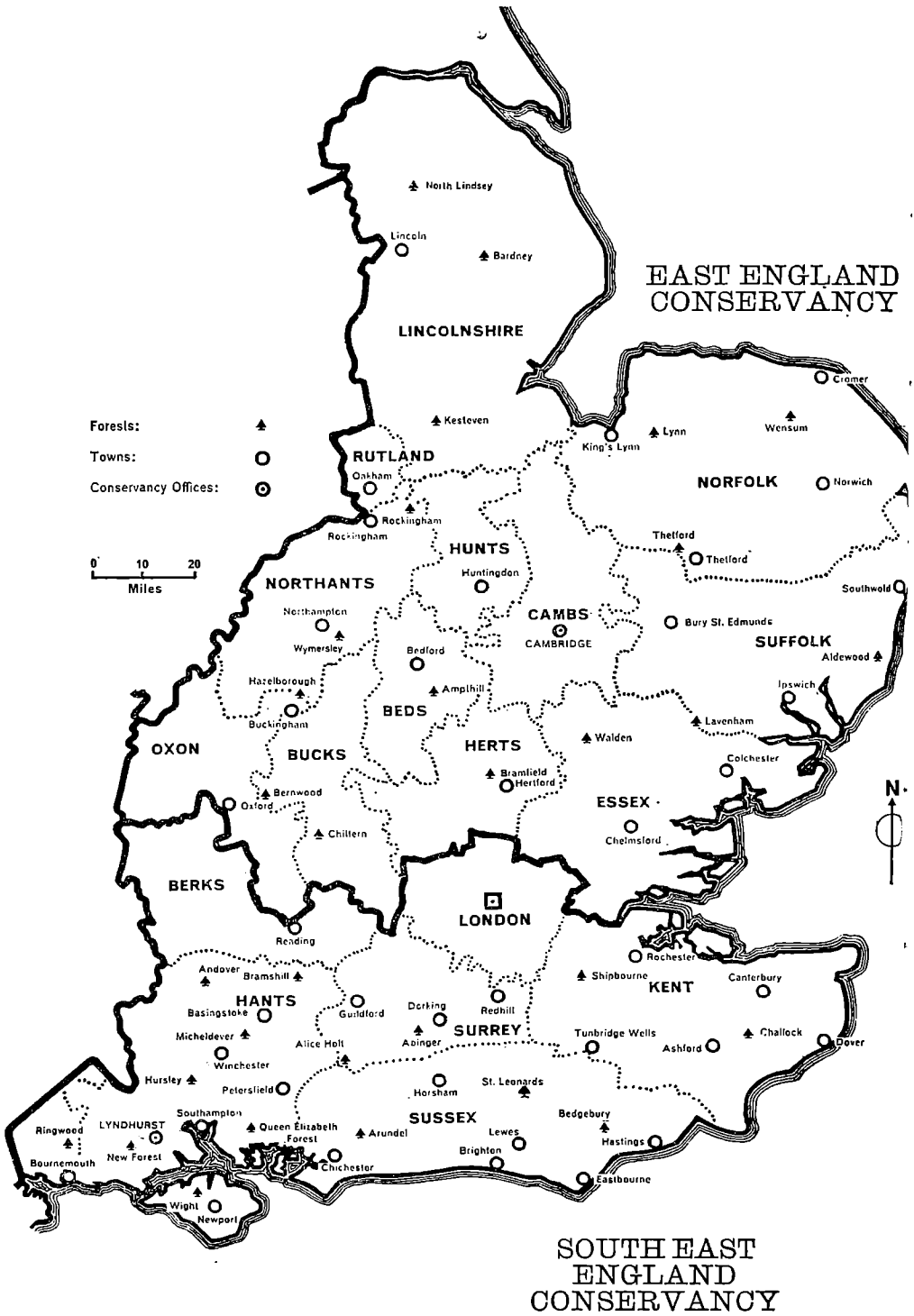
1 hectare = 2·471 acres. **1 acre = 0·4047 hectares.**

APPENDIX VI
MAPS

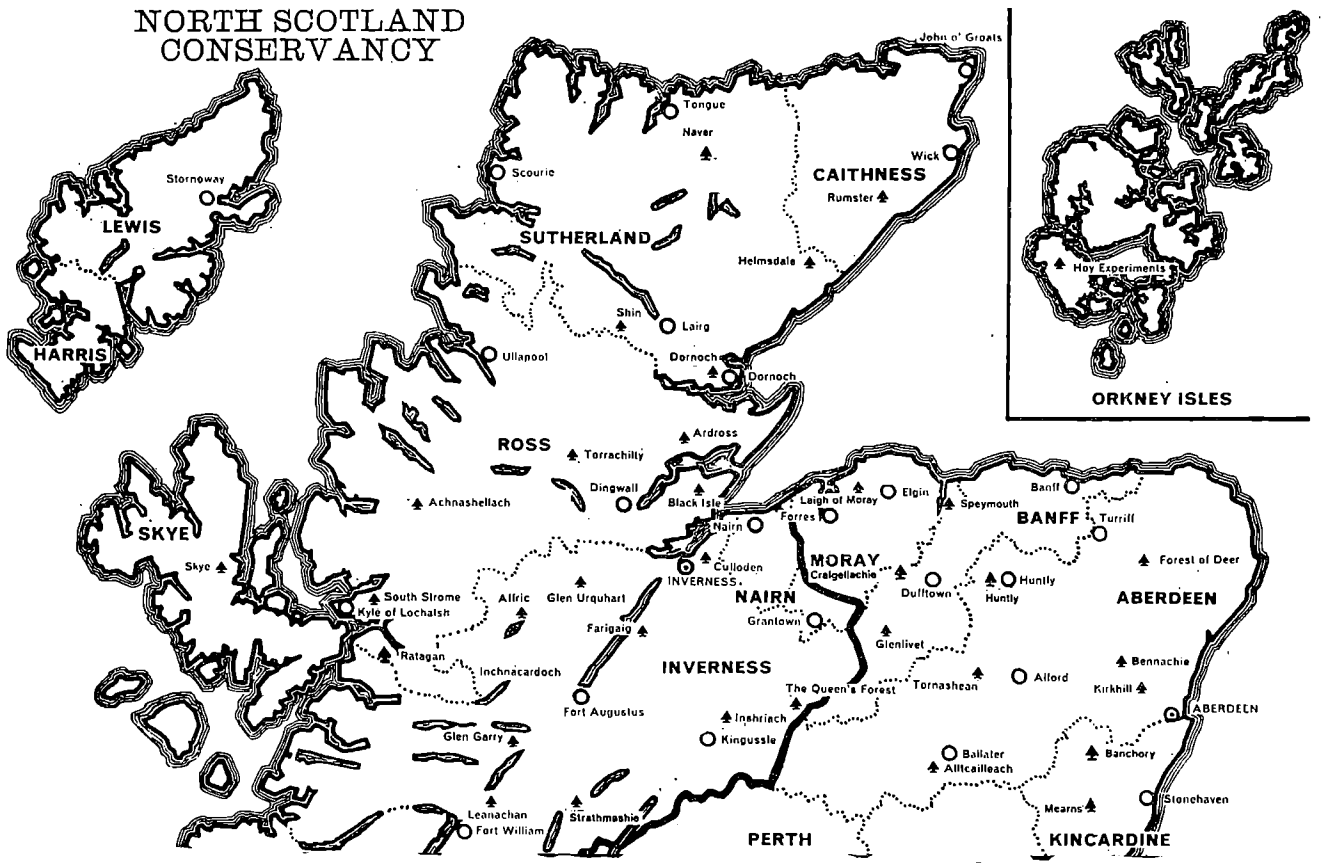
Maps showing the situation of the Commission Forests and the boundaries of the Conservancies as at 31 March 1973 follow

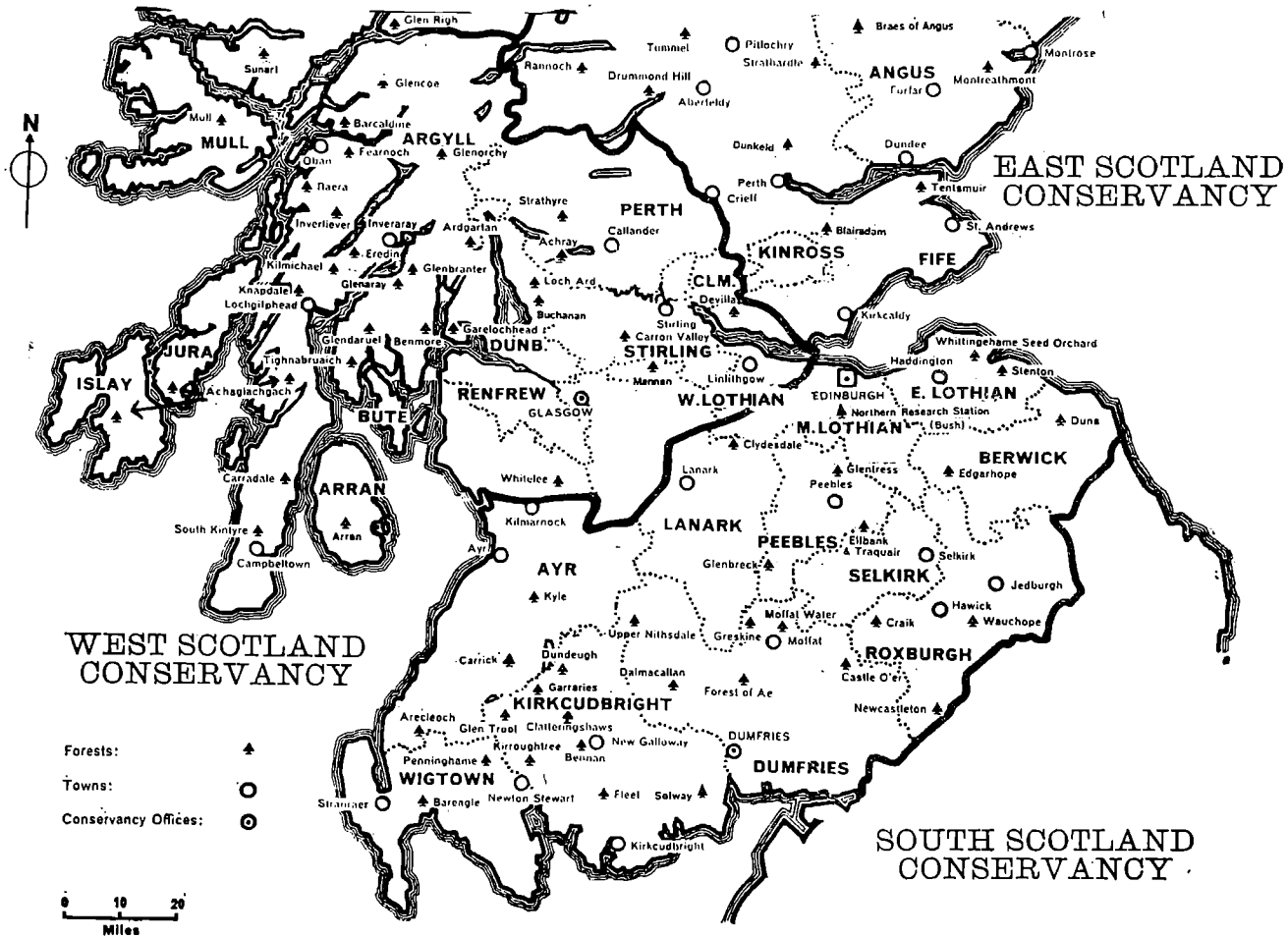

NORTH WEST ENGLAND CONSERVANCY
Forests:
Towns:
Conservancy Offices:
0 10 20
Miles
Kershope
Spadeadam
Carlisle
Inglewood
CUMBERLAND
Thornthwaite
Greystoke
Keswick
Workington
Ennerdale
Blengdale
Appleby
WESTMORLAND
Dunnerdale
Grizedale
Lindale
Kendal
Dalton
Barrow
Settle
Lancaster
Bowland
Preston
LANCASHIRE
Manchester
Liverpool
Goyt
Northwich
Delamere
CHESTER
CHESHIRE
DERBYSHIRE
NOTTS
Matlock
Sherwood
Stoke
Swynnerton
Nottingham
Derby
Bagot
Stafford
Cannock
Shrewsbury
Stiperstones
Long
STAFFS
Launde
Leicester
LEICESTER
SALOP
Kinver
Packington
Walcot
Birmingham
WARWICK
Wyre
Mortimer
WORCS
Arden
Warwick
Leominster
Worcester
HEREFORD
Hereford
Hereford

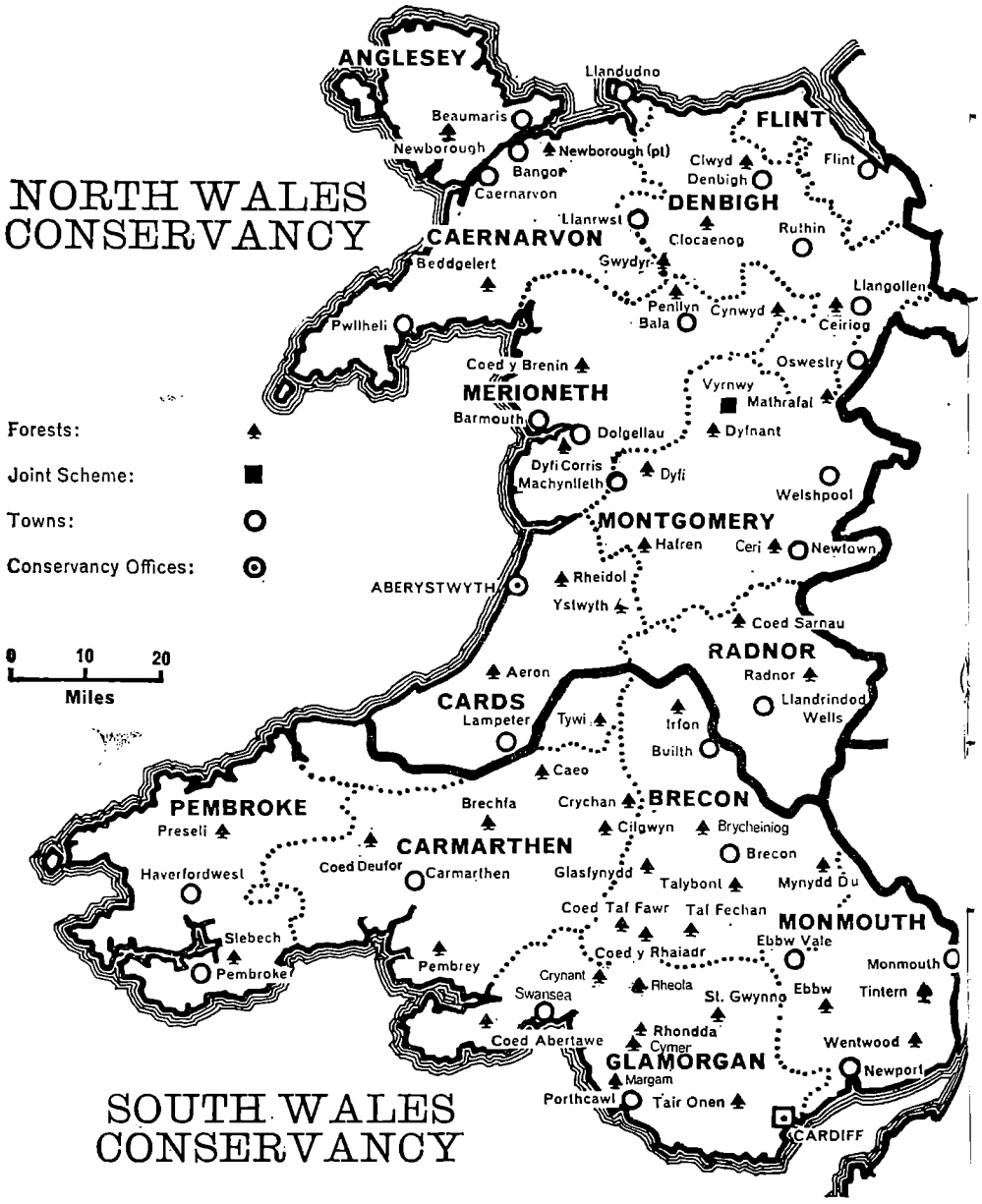

NORTH EAST
ENGLAND
CONSERVANCY
Forests:
Towns:
Conservancy Offices:
0 10 20
Miles
N
NORTHUMBERLAND
DURHAM
YORKSHIRE
Berwick
Chillingham
Kidland
Rothbury
Amble
Redesdale
North Kielder
Harwood
Tarset
Mounces
Falstone
Wark
Newcastle
Hexham
Slaley
Chopwell
Durham
Hamsterley
Middleton
Wynyard
Middlesbrough
Cleveland
Langdale
Cropton
Jervaulx
Wykeham
Masham
Osmotherley
Dalby
Scarborough
Rievaulx
Thirsk
Ampleforth
Malton
Knaresborough
YORK
York
Leeds
Selby
Hull
Doncaster
Don
Sheffield


EAST ENGLAND CONSERVANCY
Forests:
Towns:
Conservancy Offices:
0 10 20
Miles
North Lindsey
Lincoln
Bardney
LINCOLNSHIRE
Cromer
Kesteven
Lynn
Wensum
King's Lynn
RUTLAND
Oakham
NORFOLK
Norwich
Rockingham
Rockingham
Thetford
Thetford
HUNTS
Huntingdon
NORTHANTS
Southwold
Northampton
CAMBS
CAMBRIDGE
Bury St. Edmunds
Wymersley
Bedford
SUFFOLK
Aldewood
Hazelborough
Ampthill
Ipswich
BEDS
Buckingham
Lavenham
OXON
BUCKS
HERTS
Walden
Colchester
Bramfield
Hertford
Bernwood
Oxford
ESSEX
Chiltern
Chelmsford
BERKS
LONDON
Reading
Rochester
Andover
Bramshill
Shipbourne
Canterbury
KENT
HANTS
Basingstoke
Guildford
Dorking
Redhill
SURREY
Micheldever
Alice Holt
Abinger
Tunbridge Wells
Challock
Ashford
Dover
Winchester
Hursley
Petersfield
Horsham
St. Leonards
Southampton
SUSSEX
Bedgebury
Ringwood
LYNDHURST
Queen Elizabeth Forest
Arundel
Lewes
Hastings
Bournemouth
New Forest
Chichester
Brighton
Eastbourne
Wight
Newport
N
SOUTH EAST ENGLAND CONSERVANCY

SOUTH WEST
ENGLAND
CONSERVANCY
Forests:
Towns:
Conservancy Offices:
0 10 20
Miles
N
WORCS
Wyre
Leominster
Worcester
HEREFORD
Hereford
Hereford
Cotswold
Dean Forest
Gloucester
GLOS
Westonbirt
BRISTOL
Hungerford
Savernake
Devizes
SOMERSET
Minehead
Brendon
Mendip
Frome
Wells
WILTS
Barnstaple
Quantock
Bridgwater
Salisbury
Hartland
Taunton
Neroche
Cranborne Chase
Halwill
Eggesford
Powerstock
Blandford
DEVON
Exeter
Exeter
DORSET
Okehampton
Wareham
Dorchester
CORNWALL
Dartmoor
Bodmin
Kernow
Plymouth
Truro


NORTH SCOTLAND CONSERVANCY
LEWIS
Stornoway
HARRIS
SKYE
Skye
South Strome
Kyle of Lochalsh
Ratagan
Achnashellach
Alfric
Glen Urquhart
Inchnacardoch
Fort Augustus
Glen Garry
Leanachan
Fort William
Strathmashie
ROSS
Torrachilty
Dingwall
Ardross
Black Isle
Nairn
Culloden
INVERNESS
Farigaig
Ullapool
SUTHERLAND
Scourie
Shin
Lairg
Tongue
Naver
Helmsdale
Dornoch
CAITHNESS
Wick
Rumster
John o' Groats
Hoy Experiments
ORKNEY ISLES
NAIRN
Grantown
INVERNESS
Inshriach
Kingussie
The Queen's Forest
PERTH
MORAY
Craigellachie
Leigh of Moray
Forres
Elgin
Dufftown
Glenlivet
Speymouth
Banff
BANFF
Turriff
Huntly
Huntly
Tornashean
Allford
Ballater
Alltcailleach
ABERDEEN
Forest of Deer
Bennachie
Kirkhill
ABERDEEN
Banchory
Mearns
Stonehaven
KINCARDINE


N
EAST SCOTLAND CONSERVANCY
WEST SCOTLAND CONSERVANCY
SOUTH SCOTLAND CONSERVANCY
Forests:
Towns:
Conservancy Offices:
0 10 20
Miles
MULL
ARGYLL
PERTH
ANGUS
KINROSS
FIFE
CLM.
STIRLING
DUNB.
RENFREW
W.LOTHIAN
E. LOTHIAN
M.LOTHIAN
BERWICK
LANARK
PEEBLES
SELKIRK
ROXBURGH
AYR
KIRKCUDBRIGHT
DUMFRIES
WIGTOWN
ISLAY
JURA
BUTE
ARRAN
Glen Righ
Sunart
Glencoe
Mull
Barcaldine
Oban
Fearnoch
Glenorchy
Raera
Inverliever
Inveraray
Eredine
Kilmichael
Glenaray
Knapdale
Lochgilphead
Glendaruel
Benmore
Garelochhead
Tighnabruaich
Achaglachgach
Carradale
South Kintyre
Campbeltown
Arran
Rannoch
Tummel
Pitlochry
Strathardle
Drummond Hill
Aberfeldy
Braes of Angus
Montrose
Montreathmont
Forfar
Dunkeld
Dundee
Perth
Crieff
Tentsmuir
St. Andrews
Blairadam
Strathyre
Ardgartan
Achray
Callander
Loch Ard
Buchanan
Devilla
Stirling
Carron Valley
Mannan
Linlithgow
Kirkcaldy
Whittingehame Seed Orchard
Haddington
Stenton
EDINBURGH
Northern Research Station (Bush)
Duns
Clydesdale
Glentress
Edgarhope
Peebles
Lanark
Whitelee
Kilmarnock
Ayr
Kyle
Ellbank
Traquair
Selkirk
Glenbreck
Jedburgh
Hawick
Wauchope
Craik
Moffat Water
Greskine
Moffat
Upper Nithsdale
Dundeugh
Carrick
Dalmacallan
Forest of Ae
Castle O'er
Garraries
Newcastleton
Arecleoch
Glen Trool
Clatteringshaws
Kirroughtree
New Galloway
Penninghame
Bennan
Newton Stewart
Fleet
Solway
Stranraer
Barengle
Kirkcudbright


NORTH WALES CONSERVANCY
SOUTH WALES CONSERVANCY
Forests:
Joint Scheme:
Towns:
Conservancy Offices:
0 10 20
Miles
ANGLESEY
Llandudno
Beaumaris
Newborough
Newborough (pl)
Bangor
Caernarvon
FLINT
Clwyd
Denbigh
Flint
DENBIGH
Llanrwst
Clocaenog
Ruthin
CAERNARVON
Beddgelert
Gwydyr
Llangollen
Penllyn
Cynwyd
Bala
Ceiriog
Pwllheli
Coed y Brenin
Oswestry
MERIONETH
Vyrnwy
Mathrafal
Barmouth
Dolgellau
Dyfnant
Dyfi Corris
Machynlleth
Dyfi
Welshpool
MONTGOMERY
Hafren
Ceri
Newtown
ABERYSTWYTH
Rheidol
Ystwyth
Coed Sarnau
RADNOR
Radnor
Aeron
CARDS
Lampeter
Tywi
Irfon
Llandrindod Wells
Builth
Caeo
PEMBROKE
Preseli
Brechfa
Crychan
BRECON
Cilgwyn
Brycheiniog
Brecon
CARMARTHEN
Haverfordwest
Coed Deufor
Carmarthen
Glasfynydd
Talybont
Mynydd Du
Coed Taf Fawr
Taf Fechan
MONMOUTH
Slebech
Ebbw Vale
Pembroke
Pembrey
Coed y Rhaiadr
Monmouth
Crynant
Rheola
Swansea
St. Gwynno
Ebbw
Tintern
Rhondda
Coed Abertawe
Cymer
Wentwood
GLAMORGAN
Newport
Margam
Porthcawl
Tair Onen
CARDIFF

ADDRESSES OF THE MAIN OFFICES OF THE FORESTRY COMMISSION

Headquarters of the Forestry Commission:
25, Savile Row, London, W1X 2AY (01-734 0221)
Priestley Road, Basingstoke, Hampshire. (025-6 3181)

Senior Officer for Scotland:
25, Drumsheugh Gardens, Edinburgh, EH3 7RS. (031-225 4782)

Senior Officer for Wales:
Churchill House, Churchill Way, Cardiff, CF1 4TU. (022-2 40661)

Director of Research and Development:
Alice Holt Lodge, Wrecclesham, Farnham, Surrey. (042-04 2255)
Northern Research Station, Roslin, Midlothian, Scotland. (031-445 2176)

Conservancy Offices

England:
North-West: Dee Hills Park, Chester, CH3 5AT. (024-4 24006)
North-East: 1A Grosvenor Terrace, York, YO3 7DB. (090-4 24684)
East: Brooklands Avenue, Block D, Cambridge, CB2 2DY (022-3 54495)
New Forest and South-East: The Queen's House, Lyndhurst, Hants., SO4 7NH. (042-128 2801)
South-West and Dean Forest: Flowers Hill, Brislington, Bristol BS4 5JY. (027-27 78311)

Scotland:
North: 21, Church Street, Inverness, 1V1 1EL (046-3 32811)
East: 6, Queen's Gate, Aberdeen, AB9 2NQ. (022-4 33361)
South: Greystone Park, Moffat Road, Dumfries, DG10 9ED (038-7 2425)
West: 20, Renfrew Street, Glasgow, G2 3BG (041-332 7261)

Wales:
North: Victoria House, Victoria Terrace, Aberystwyth, SY23 2DA Cardiganshire. (097-0 2367)
South: Churchill House, Churchill Way, Cardiff, CF1 4TU. (022-2 40661)

Education and Training

Education and Training Officer:
Priestley Road, Basingstoke, Hampshire. (025-6 3181)

ACCOUNTS 1972-1973

BALANCE SHEET of the Forestry Commission Forestry Enterprise as at 31st March 1973, and ACCOUNTS for the year ended 31st March 1973, together with the Report of the Comptroller and Auditor General thereon.

CONTENTS

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Harvesting Trading Account	3	96
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FORESTRY COMMISSION

ACCOUNTS OF THE FORESTRY ENTERPRISE FOR THE YEAR ENDED 31 MARCH 1973

BALANCE SHEET AS AT 31 MARCH 1973

	£	£
Source of Funds		
CAPITAL		
Balance at 1 April 1972 (Note 1)	473,652,505	
Less Adjustment on revaluation (Note 2)	320,243,059	
	153,409,446	
Deduct Notional Superannuation Fund	13,430,675	
Balance of capital at 1 April 1972	139,978,771	
Addition during the year (Note 3)	8,897,735	
	148,876,506	
Deduct Variance transferred from Plantations Account (Statement 2) (Note 4)	548,686	
Balance at 31 March 1973 (Note 5)		148,327,820
Profit and Loss Account – Balance at 31 March 1973 ...	...	420,667
Notional Superannuation Fund (Note 6)	...	15,027,587
		£163,776,074
Employment of Funds		
FIXED ASSETS (Note 7)	...	21,844,800
UNQUOTED INVESTMENTS (Note 8)	...	15,000
NET CURRENT ASSETS		
Stocks and work in progress (Note 9) ...	1,961,106	
Debtors and sundry debit balances	2,076,069	
Cash at banks and in hand (Note 10)... ...	895,325	
	4,932,500	
Less Sundry creditors and accrued expenses ...	1,709,008	
		3,223,492
Plantations (valued at standard (1972) cost) (Statement 2)		138,692,782
		£163,776,074

The notes on pages 100 to 106 form part of these Accounts.

J. A. Dickson
Accounting Officer
28 November 1973

I have examined the above Balance Sheet and the annexed Statements 1 to 5, in accordance with the provisions of the Exchequer and Audit Departments Act 1921. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion this Balance Sheet and the Statements 1 to 5 are properly drawn up so as to exhibit a true and fair view of the state of affairs and transactions of the services to which they relate.

D. B. Pitblado
Comptroller and Auditor General

For Report of Comptroller and Auditor General, see page 107.

Statement 1

FORESTRY COMMISSION

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1973

	£	£
Debit balance from previous year		16,720,428
Less included in revaluation		16,720,428
Balance from Harvesting Trading Account (Statement 3) Dr	285,624	
Balance from Miscellaneous Trading Accounts (Statement 4) Dr	275,121	
Balance from Miscellaneous Income (Statement 4) Cr ...	*4,822*	
Balance from Sale of Land and Buildings (Statement 4) Cr	*976,590*	
Credit balance carried forward to next year in Balance Sheet...		*£420,667*

Statement 2

PLANTATIONS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1973

	£	£
At 1 April 1972: 749,000 hectares valued at ...		127,934,000
EXPENDITURE		
Plantations acquired	698	
Formation	1,786,419	
Protection	898,830	
Crop improvement	1,340,069	
Recreation and amenity	369,854	
Roads construction (See Note 7)	1,410,665	
Roads maintenance	502,392	
Land acquired and planted (See Note 7)	1,183,436	
Overhead expenses } See Statement 5 {	7,553,074	
Interest } See Statement 5 {	4,298,605	
		19,344,042
		147,278,042
INCOME		
Sundry income	256,743	
Recreation and amenity (including shooting & fishing)	176,455	
Disposal of plantations	218,418	
	651,616	
Recreation and amenity subsidy } See Note 3 {	920,115	
Planting and restocking subsidy } See Note 3 {	4,255,643	
Transfer to Harvesting Trading Account (Statement 3) for thinnings and fellings (Note 11)	2,209,200	
		8,036,574
Net total		139,241,468
At 31 March 1973: 768,385 hectares valued at standard (1972) cost		138,692,782
BALANCE being variance from standard transferred to Capital in Balance Sheet (Note 4)		£548,686

Statement 3

FORESTRY COMMISSION

HARVESTING TRADING ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1973

	£	£
INCOME		
Sale of produce	8,198,484	
Value of produce used in Commission's forests ...	60,892	
		8,259,376
EXPENDITURE		
Marking, measuring, harvesting, extraction & conversion	2,308,002	
Carriage and other expenses	759,730	
Decrease in stocks	140,859	
		3,208,591
NET HARVESTING REVENUE		5,050,785
Deduct Overhead expenses } See Statement 5 {	3,038,535	
Interest } See Statement 5 {	88,674	
Value (at standard (1972) stumpage) of thinnings and fellings transferred from Statement 2 ... (Note 11)	2,209,200	5,336,409
BALANCE, being variance from standard transferred to Profit and Loss Account (Statement 1) (Note 11)... ...		*£285,624*

FORESTRY COMMISSION

MISCELLANEOUS TRADING ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1973

		£	£
ESTATE MANAGEMENT			
(Farms, grazings, houses, buildings, etc)			
Direct expenditure		260,991	
Overhead expenses } Statement 5 { ...		250,509	
Interest } Statement 5 { ...		174,790	
Decrease in stocks		48,239	
		734,529	
Rents receivable		486,728	
(*Note:* Standard surplus £582,633) (Note 12)	... Deficit		247,801
COMMERCIAL RECREATION			
(Camp sites, holiday homes)			
Direct expenditure		106,708	
Overhead expenses } Statement 5 { ...		118,111	
Interest } Statement 5 { ...		12,665	
		237,484	
Income from lettings, etc		213,604	
Overheads on future projects deferred to later years		34,129	
(*Note:* Standard surplus £42,217) (Note 12)	Surplus		10,249
AGENCY SERVICES AND LOAN OF LABOUR			
Direct expenditure		396,549	
Overhead expenses } Statement 5 { ...		172,595	
Interest } Statement 5 { ...		6,493	
		575,637	
Income		538,068	
(*Note:* Standard is NIL balance) (Note 12)... ...	... Deficit		37,569
Net deficit on trading accounts transferred to Profit and Loss Account (Statement 1) (*Note:* Aggregate standard surplus £624,850)			£275,121
SALE OF LAND AND BUILDINGS	£		
Land —Selling price		684,817	
Deduct Book value	198,547		
Overhead expenses } Statement 5 {	191,690		
Interest } Statement 5 {	3,867		
		394,104	
	Surplus		290,713
Buildings—Selling price		1,367,958	
Deduct Book value	322,763		
Overhead expenses } Statement 5 { ...	354,121		
Interest } Statement 5 { ...	5,197		
		682,081	
	Surplus		685,877
Surplus transferred to Profit and Loss Account (Statement 1) (*Note:* Standard is NIL balance)			£976,590
MISCELLANEOUS INCOME			
Joint Management Scheme at the Lake Vyrnwy estate in North Wales belonging to the City of Liverpool		4,072	
Income from debentures		750	
Balance transferred to Profit and Loss Account (Statement 1) (*Note:* No standard has been arranged for this minor item)			£4,822

Statement 5

FORESTRY COMMISSION

STATEMENT OF OVERHEAD EXPENSES, LABOUR ONCOST, ESTATE EXPENSES, AND INTEREST FOR THE YEAR ENDED 31 MARCH 1973

		Total	Plantations	Harvesting	Estate Management	Commercial Recreation	Agency	Disposals of Land and Buildings	Forestry Authority	Distribution Accounts
	£	£	£	£	£	£	£	£	£	£
OVERHEAD EXPENSES										
LOCAL SUPERVISION										
Salaries and national insurance ...	2,439 159									
Travelling and subsistence	428,162									
Office Expenses	343,272									
Provision for pensions and gratuities	408,286									
	3,618,879									
Less Miscellaneous income ...	6,520									
		3,612,359	2,148,427	1,043,483	15,438	20,777	49,636	10,927	71,713	251,958
DISTRICT AND AREA SUPERVISION										
Salaries and national insurance ...	596,364									
Travelling and subsistence	62,405									
Office Expenses	37,903									
Provision for pensions and gratuities	102,320									
		798,992	456,465	105,356	24,265	7,468	6,427	16,795	142,989	39,227
CONSERVANCY OFFICE ADMINISTRATION										
Salaries and national insurance ...	1,214,878									
Travelling and subsistence	88,785									
Office Expenses	99,248									
Depreciation	14,567									
Losses, compensation and bad debts	49,190									
Miscellaneous expenses	197,733									
Provision for pensions and gratuities	178,014									
	1,842,415									
Less Miscellaneous income ...	27,754									
		1,814,661	658,442	252,799	109,049	33,502	2,422	171,468	179,567	407,412
HEADQUARTERS ADMINISTRATION										
Salaries and national insurance ...	1,241,411									
Travelling and subsistence	112,280									
Office expenses	279,711									
Training establishments	—									
Depreciation	20,047									
Losses, compensation and bad debts	8,090									
Miscellaneous	496,719									
Provision for pensions and gratuities	193,200									
	2,351,458									
Less Miscellaneous income ...	54,840									
		2,296,618	579,060	415,149	64,005	11,990	—	316,477	589,743	320,194
Totals of Overhead Expenses ...		8,522,630	3,842,394	1,816,787	212,757	73,737	58,485	515,667	984,012	1,018,791

LABOUR ONCOST										
National insurance, holidays and sick leave	1,074,806									
Wet time	392,710									
Transport of workers, travelling and subsistence	1,082,472									
Miscellaneous	238,551									
Provision for pensions and gratuities	790,110									
	3,578,649									
Less Miscellaneous income ...	16,766									
		3,561,883	2,147,655	726,802	6,957	17,838	79,910	—	—	582,721
ESTATE EXPENSES (Net)										
Forest Workers Houses	139,059									
Forest Workers Holdings	30,937									
Hostels and Bothies	4,461									
Foresters Houses	148,603									
Administrative and other buildings...	202,494									
Repair Depots	17,727									
Lease Rents	74,053									
		617,334	340.051	105,510	16,832	3,487	8,230	16,676	21,377	105,171
Distribution accounts		—	1,222,974	389,436	13,963	23,049	25,970	13,468	17,823	1,706,683 cr
TOTALS ...		12,701,847	*7,553,074	3,038,535	250,509	118,111	172,595	545,811	1,023,212	—
Standard		11,159,000	6,597,400	2,622,500	341,000	63,000	158,500	293,300	1,083,300	
Interest...		4,602,283	*4,298,605	88,674	174,790	12,665	6,493	9,064	11,992	

*Includes £726,716 (of which £17,258 is interest) attributed to forest recreation and amenity.

FORESTRY COMMISSION

FORESTRY ENTERPRISE

NOTES ON THE ACCOUNTS

1. Balance at 1 April 1972 includes interest accrued, assets acquired without payment, surplus on disposal of land, debit balance on Profit and Loss Account and provision for pensions and gratuities and fire insurance.

	£	£
2. Details of adjustment on revaluation		
Growing stock at 31 March 1972		404,609,439
Land at 31 March 1972		12,266,323
Roads and bridges at 31 March 1972		40,416,770
		457,292,532
Deduct present value of future income less expenditure in respect of the existing plantations discounted at 3%	127,934,000	
Land in use other than for plantations	9,534,750	
		137,468,750
		319,823,782
Add elimination of overhead expenses from stocks and work-in-progress (£323,320) and adjustment of depreciation on buildings (£95,957)		419,277
Adjustment on revaluation		£320,243,059
3. Additions during the year		
Grant-in-Aid of the Forestry Fund for 1972/73		15,400,000
Less appropriated for the Forestry Authority ...		4,354,499
Grant-in-Aid of the Forestry Enterprise		11,045,501
Deduct: planting subsidy (notes (i) & (ii) below) ...	3,597,453	
restocking subsidy (notes (i) & (ii) below) ...	658,190	
	4,255,643	
forest recreation and amenity subsidy (notes (i) & (iii) below)	920,115	
notional refund of selective employment tax ...	415,703	
reduction in liabilities for properties (Note 5)	3,550	
		5,595,011
Balance of Grant-in-Aid to be added to capital		5,450,490
Add notional interest on capital (note (iv) below)		3,447,245
Addition to capital		£8,897,735

Notes on the Accounts (*continued*)

(i) Details of subsidies

	Planting			Restocking			Forest Recreation and Amenity
	Area Planted (hectares)	Subsidy per hectare	Subsidy	Area Planted (hectares)	Subsidy per hectare	Subsidy	
		£	£		£	£	£
Great Britain	19,357	186	3,597,453	3,772	175	658,190	920,115
England, Total	1,735	220	382,165	1,419	305	433,381	460,522
Conservancy:							
North West	375	317	118,875	195	346	67,470	44,073
North East	1,040	95	98,800	300	89	26,700	66,948
East	115	366	42,090	326	229	74,654	78,850
New Forest and South-East ...	66	414	27,324	203	414	84,042	206,507
South-West and Dean	139	684	95,076	395	457	180,515	64,144
Scotland, Total	16,174	172	2,778,720	1,590	74	116,905	224,885
Conservancy:							
North	4,847	212	1,027,564	402	*Cr.* 45	*Cr.* 18,090	56,791
East	985	180	177,300	505	171	86,355	52,868
South	5,147	113	581,611	118	10	1,180	54,269
West	5,195	191	992,245	565	84	47,460	60,957
Wales, Total	1,448	302	436,568	763	141	107,904	234,708
Conservancy:							
North	480	363	174,240	421	210	88,410	106,264
South	968	271	262,328	342	57	19,494	128,444

Analysis of Great Britain Subsidy:

	£
Expenditure	369,854
Overheads and Interest (Statement 5)	726,716
	1,096,570
Less Income	176,455
	£920,115

(ii) The subsidies for planting and restocking are calculated by multiplying the areas planted and restocked in the year by factors derived from planting and restocking models based on analysis of soil types for the reserve of plantable land at April 1972 in every Conservancy.

(iii) Forest Recreation and Amenity covers information centres, car parks, forest walks, nature trails, conservation of wild life, etc, and small scale amenity planting from which no commercial rate of return can be expected, together with shooting, fishing, motor sports and other special activities in respect of which a capital value is not assigned. Expenditure on these facilities with an allocation of overhead expenses is met by this subsidy.

	£	£
(iv) Notional Interest and Forestry Subsidy Interest at 8·6% on opening balance of £153,409,446 and on one-half of addition of £5,450,490 during the year.		13,427,583
Deduct 3% of opening balances of net assets, of which:—		
Credited to Capital	3,447,245	
Credited to Superannuation Fund	1,155,038	
Interest effectively charged (Statement 5)		4,602,283
Balance being Forestry Subsidy		£8,825,300

4. VARIANCE ON PLANTATIONS ACCOUNT

The increase in the value of the plantations (at 1972 standard costs and prices) is £10,758,782 while actual net expenditure amounted to £11,307,468 – a variance of £548,686 which arose as follows:—

Operational expenditure	£	£	£
Savings – Protection	39,670		
Crop improvement ...	85,531		
		125,201	
Additional costs – Road construction	49,465		
Other expenditure	31,507		
		80,972	
Net		44,229	
Income improvement		75,245	
Net saving on direct expenditure			119,474
Overheads: Additional costs of £955,674 less £287,514 attributable to Recreation and Amenity			668,160
Net Variance ...			£548,686

The saving in protection arose mainly on fire protection due to easier conditions and on crop improvement arose mainly from inability to complete fertilisation by contract in some conservancies. Additional expenditure on roads construction and other expenditure arose from general minor movements in programmes and costs. The income improvement was mainly due to an increase in revenue from wayleaves and easements. Increases in overheads are due to three main causes – increases in salaries, increases in labour oncost because of increases in wages and an increase in labour oncost because of a higher provision for pensions and gratuities following an improvement in the conditions for industrial employees.

5. THE CAPITAL AT 31 MARCH 1973 INCLUDES—	£	£
Value of properties etc, including New and Dean Forests acquired under Forestry (Transfer of Woods) Orders 1924–61	1,491,794	
Value at 21 September 1939 of properties acquired under Forestry (Transfer of Woods from Secretary of State for Air) Order 1939	8,633	
Value of properties acquired by transfer from Ministry of Agriculture Fisheries and Food under S.4 Forestry Act 1945	29,402	
Value of timber acquired by transfer from H.M. Board of Admiralty under S.4 Forestry Act 1945	8,393	
Value of timber acquired by transfer from the Board of Trade	40,225	
Gifts	148,380	
		£1,726,827*

* Value at 31 March 1972 £1,730,377.

6. NOTIONAL SUPERANNUATION FUND		
Balance 1 April 1972	13,430,675	
Interest at 8·6% on opening balance ...	1,155,038	
Provision made during year	1,789,028	
Contributions received during the year ...	122,802	
	16,497,543	
Less payments made during the year	1,469,956	
Balance 31 March 1973		£15,027,587

Note: The notional superannuation fund has not yet been revalued. A substantial change in future liabilities arose in 1973 with the announcement of changes particularly in respect of industrial employees.

7. FIXED ASSETS

	Land	*Buildings*	*Vehicles Machines and Equipment*	*Office Furniture and Equipment*	*Total*
	£	£	£	£	£
Value at 1 April 1972 ...	9,534,750	13,699,329	6,563,978	315,721	30,113,778
Additions	381,824	432,189	1,350,694	58,403	2,223,110
Disposals and Transfers ...	1,370,780	486,955	841,331	21,300	2,720,366
Balance at 31 March 1973	8,545,794	13,644,563	7,073,341	352,824	29,616,522
Accumulated depreciation at 1 April 1972	—	3,550,572	3,655,526	186,677	7,392,775
Provision for year ...	—	264,000	934,365	23,940	1,222,305
Disposals and Transfers ...	—	162,562	669,848	10,948	843,358
Accumulated depreciation at 31 March 1973 ...	—	3,652,010	3,920,043	199,669	7,771,722
Balance at 31 March 1973	8,545,794	9,992,553	3,153,298	153,155	21,844,800

Notes

(i) The valuation of growing trees is dependent upon assumptions made as to the value of land occupied by plantations and the roads thereon. Accordingly it has been decided to present the opening values of land under plantations, roads and growing trees at 1 April 1972 as a single value for Plantations (Statement 2) and to charge to the Plantations Account in year values of additional land planted for the first time and costs of additional road con-construction. Land under plantations and roads are now excluded from the statement of fixed assets.

(ii) Land not under plantations was revalued at 1 April 1972; land to be planted at early 1972 purchase prices, land not to be planted at average historic cost.

(iii) Transfers of land includes land afforested during 1972/73.

(iv) Buildings, vehicles, machines, furniture and equipment are stated at cost except that buildings used for forest recreation and amenity have been revalued to a nominal sum of £100 per asset.

(v) Depreciation is provided by charges to operating costs of the amounts required to write off the original cost of the assets by equal annual instalments over their estimated effective lives.

(vi) A correction of £235,992 has been made to cost and accumulated depreciation at 1 April 1972 of vehicles, machines and equipment in respect of disposals in earlier years (the net value remaining unchanged).

8. DEBENTURES IN COWAL ARI-SAWMILLING CO LTD £15,000

Notice was given by the Company during 1972–73 of the intention to repay the Debentures and £15,000 was received in April 1973. Interest of 5% per annum has been received annually up to date of repayment.

9. STOCKS AND WORK IN PROGRESS

	£
Felled Timber	957,290
Nursery	276,572
Other	727,244
	£1,961,106

Stock is valued at the lower of direct cost and estimated net realisable value.
Work in Progress is valued at direct cost.

10. CASH AT BANK AND IN HAND

Balance of Forestry Fund with Paymaster General	733,524
Balance in bank	121,596
Cash in transit and in hand	40,205
	£895,325

11. The volume of thinnings and fellings (1·59 million cu m) has been valued at 1972 standard values which represent the stumpages needed to conform to a 3% target. If the income, expenditure and overhead expenses on this account were exactly as standard there should be a nil balance on this account which would indicate for the trees harvested no deviation from a 3% target. In fact there is a negative variance of £285,624 which arises from an interest charge of £88,674 and an increase in overhead expenses of £416,035 exceeding an improvement of £219,085 in the net harvesting revenue. There was a dramatic improvement in prices in the last quarter of 1972–73 which arose too late to compensate for the increase in overhead expenses which arose in the main from increases in wages and salaries effective from April 1972.

12. MISCELLANEOUS TRADING ACCOUNTS

(*a*) Estate Management subjects comprise those properties etc. which necessarily have to be purchased with the acquisition of plantable land. Plantable land which is tenanted or temporarily let pending planting is also included in this account. A standard return of 10% on the cost of fixed assets would have required a surplus of £582,633 in 1972–73 compared with an actual deficit during the year of £247,801, after charging interest (3%) of £174,790. A large-scale programme for the disposal of these assets is reflected in the surplus on sale of £976,590 shown in Statement 4.

(*b*) Commercial recreation shows a surplus in 1972–73 of £10,249, after charging interest (3%) of £12,665 compared with the standard of £42,217 which would have been required to produce a return of 10% on the capital employed. The allocation of overhead expenses includes the salaries etc. of staff engaged in the development of recreational activities which will not be revenue-producing until after 31 March 1973. These development overheads have been credited to the account and are held in sundry debit balances for absorption in later years. The deficit on standard arises from increased overheads which arose after the seasonal charges had been fixed.

(*c*) Agency services and loan of labour shows a deficit in 1972–73 of £37,569 compared with the standard of *nil*. The pre-determined rate for the recovery of overheads was insufficient to meet the increase in the cost of overheads.

13. AUDIT FEE

The sum of £7,300 was paid to Exchequer and Audit Department during the year as an audit fee for the examination of the Trading Account for the financial year ended 31 March 1972. The audit fee paid in the previous year was £6,500.

14. EMOLUMENTS OF THE FORESTRY COMMISSIONERS

		£	
Chairman received ...	...	5,500	
Commissioners received	...	40,775	
Total Emoluments of...	...	£46,275	(£40,275 in the previous year)

The emoluments paid were within the following annual scale:—

	Year ending 31 March 1973	Previous Year
£1—£2,500	5 (part-time)	5 (part-time)
£2,501—£5,000	—	—
£5,001—£7,500	1 (part-time)	4 (includes 1 part-time)
£7,501—£10,000	3	1
£10,500	1	—

15. EMPLOYEES' REMUNERATION

No employee of the Forestry Commission received emoluments exceeding £11,000.

16. FUTURE CAPITAL EXPENDITURE

Future Capital expenditure on Fixed Assets in 1973–74 authorised by the Commissioners amounts to £2,981,000 (against £3,462,000 for 1972–73).

17. CONTINGENT LIABILITIES

Contingent liabilities exist at 31 March 1973 for damage caused by the Commission to other persons' property, the estimated sum amounting to £18,000 (£11,000 at 31 March 1972).

18. GENERAL NOTES

(i) No attempt has so far been made to account for the changing value of the £, a subject which is engaging the attention of the professional accounting bodies and a Government enquiry. It is expected that by the end of the current quinquennium it may be possible to follow a procedure which will then have been adopted for general use by the larger enterprises.

(ii) As a result of the changes introduced in the form of accounts, figures for the previous year in many cases are not comparable or available and have not been shown.

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

FORESTRY COMMISSION
FORESTRY ENTERPRISE

Revaluation of Assets and Revised Form of Accounts for year ended 31 March 1973

1. As explained in the Commission's Report, the Accounts of the Forestry Enterprise for 1972–73 are in a reconstructed form on the lines announced in the Consultative Document on Forestry Policy issued by the Minister of Agriculture, Fisheries and Food and the Secretaries of State for Scotland and Wales in June 1972.

2. Up to 1964–65 the Commission published a Forestry Operations account and balance sheet which showed the net cost of growing timber as represented by the difference between accumulated expenditure and accumulated income. After a review of the form of presentation, the 1965–66 accounts were revised to identify the costs of plantations in course of formation (i.e. those which had not reached the first thinning stage), the costs of plantations in production (those which had been thinned but not clear felled), and the harvesting trading profit or loss represented by the difference between the cost of timber sold and the net proceeds of the sale. In the 1965–66 accounts timber sold during the year was shown as having incurred a trading deficit of £1·4 million and the Commission assessed plantations in production, which had cost £77 million to grow, at an expectation value of £54 million. The Commission had considered it unrealistic to value plantations in course of formation in terms of market prices.

3. The Committee of Public Accounts of Session 1967–68 welcomed the new form of accounts as giving a clearer picture of the Commission's activities, but expressed their concern at the substantial losses and the poor prospects for the future. Moreover, since the accounts related to a mixture of commercial and non-commercial operations, their value as a measure of the Commission's efficiency was limited. The Committee were of the opinion that the losses, current and prospective, indicated the need for consideration whether the Commission's non-commercial activities, the social benefits of which had yet to be quantified, justified the heavy expenditure involved. A Treasury Minute dated 4 November 1968 stated that these questions were then under examination in the light of the low commercial return to be expected from the Commission's activities.

The target rate of return

4. After a comprehensive review of forestry policy the Government issued in June 1972 the Consultative Document mentioned above, together with a supporting cost/benefit study prepared by a group of economists serving in government departments. The document stated that 3 per cent was as high a rate of return as forestry was likely to earn anywhere in the temperate parts of the Northern Hemisphere. Owing to the constraints within which the Commission had had to operate, the financial return on the Commission's investment had been well below this. On new planting and restocking, the Commission expected a return in real terms ranging between 1 per cent on poor sites distant from markets to about 3 per cent on good sites within a reasonable distance of markets. As a result the forestry estate was worth less than the net cost, including

interest charges at an average rate of 5 per cent, of creating it. The Government had decided on a substantial write down of the notional liabilities to a level at which the Commission could be expected to earn 3 per cent on them as well as on new investment. The Commission was then to be set a target rate of return of 3 per cent in real terms on its (notional) capital, and the form of the accounts was to be revised to bring out performance in relation to this target. The difference between the rate which the Commission could be expected to earn and the ruling rate of interest would be shown in the accounts as a form of notional subsidy for forestry. The subsidy involved in new planting and restocking undertaken for social reasons, which would not earn 3 per cent, would also be identified and shown separately in the accounts. In addition, the important contribution that the state forests made to recreation and amenity was recognised; certain properties, notably the hardwood areas of the New Forest, were in fact maintained for these rather than for commercial purposes.

5. The Commission have informed me that they are unaware of any forestry accounts prepared in the form of those now adopted and that therefore there is no direct evidence that 3 per cent is the highest rate of return to be expected from forestry in the temperate parts of the Northern Hemisphere. The reference to 3 per cent was based on general knowledge from international conferences, working groups, etc., and had particular reference to European conditions. Published material of forecasts of rates of return on expenditure, excluding the cost of land, tended to confirm that 3 per cent was a fair average expectation from good sites on assessments over one crop's rotation. If the cost of land was taken into account, 3 per cent was probably the maximum return.

Revaluation of the Forestry Enterprise

Valuation of the existing Plantations

6. In the absence of realistic market measures, the value of the Commission's plantations was calculated as indicated in Note 2 on the Accounts by estimating all the expected future revenues and expenditures of the existing plantations and discounting them and the value of other fixed assets back to 1 April 1972 at 3 per cent per annum. The Commission had conducted a complete survey of all their plantations which enabled them to make an estimate, on the basis of certain standard assumptions concerning the growth rate of timber, of the total quantity of timber that would be obtained from the existing estate for the years between 1972 and 2051, and of the quantity of timber (mainly hardwoods) that would then be left standing. The estimates of revenue and expenditure were derived from the result of this survey by means of investment models prepared by the Commission. These are based on standards set by the Commission and assume constant costs and prices in real terms, but with the cost of overheads rising by 1·5 per cent a year. The resulting valuation of £128 million at 1 April 1972 comprises trees, lands, roads and various other works but the Commission do not consider that it would be realistic to ascribe, in the Balance Sheet, separate valuations to these components.

7. The Commission informed me that although the difficulty of making realistic assessments of the value of plantations which have not reached the first thinning stage had not been fully overcome, considerable improvements had been made since 1969 by way of identifying and surveying a range of sites in each Conservancy and relating growth to each site. Improvements had also been made in the measurement of growth patterns of very young trees. The value of young plantations, and thus the effect of any errors in the estimating, which would tend to be small in relation to the total value of the estate, could be

shown by a quinquennial review. The Commission also stated that they had not assumed existing levels of labour productivity and management efficiency when valuing the plantations as at 1 April 1972. For example, they had assumed that improvements in the productivity of labour would contain increases in cost, thus enabling them to use constant costs per unit of operation throughout the revaluation period. They considered that the levels adopted represented a reasonable standard for the methods in use in 1972.

8. I asked whether the Commission were satisfied, in view of the sharp increase in timber prices in 1972–73, that it was appropriate, in assessing the value of the plantations as at 1 April 1972, to calculate income from the marketing of timber over the entire valuation period on the basis of the average prices secured in 1971–72. The Commission replied that it had been decided not to attempt forecasts of future price movements or to make corresponding assessments in respect of cost but to use the most recent actual figures available, viz. those for 1971–72. In any case, when the sharp increase in timber prices became evident about February 1973 it was already too late to reconstruct the Accounts.

Valuation of Fixed Assets

9. These assets include 466,000 hectares (or 1,151,466 acres) of land other than that under plantation, valued at 1 April 1972 at £9·5 million. 127,000 hectares awaiting plantation were valued, for freehold holdings, on the basis of the current purchase price of land suitable for forestry; no value was ascribed to leasehold land. The remaining 338,800 hectares, which included 173,800 hectares of agricultural and grazing land, were valued at historic cost averaging about £6·5 a hectare. I was informed that this land mainly comprises agricultural land, which it is not at present intended to plant, and unplantable land in roughly equal proportions. Any higher values placed on the agricultural land, which is scheduled for disposal, would have increased the deficit on the Estate Management Account but would not have affected the cost of capital employed on plantations (on which the aim is a 3 per cent return): accordingly, and since the decision on disposal had been taken, it was considered that revaluation would have been an unnecessary and expensive exercise. The remaining fixed assets comprising buildings, vehicles and equipment, were valued at 1 April 1972, on the basis of cost less depreciation, at £13·2 million.

Revised Balance Sheet

10. The Balance Sheet of the Forestry Enterprise as at 31 March 1972 showed the Commission's accumulated capital as £474 million with grant in aid at £229 million and interest accrued at £245 million, and represented by fixed assets (including all land and roads) of £66 million, net current assets of £3 million and plantations £405 million. The revaluation resulted in the write-off of £320 million, and the 1972–73 accounts show an opening capital value of £153 million at 1 April 1972. This includes fixed assets of £23 million and plantations (including land and roads) valued at £128 million. The new capital value of the Enterprise is £76 million less than the Exchequer cost (without accrued interest) of creating the assets, as represented by issues of grant-in-aid since 1919.

Monitoring of Progress

11. The form of the accounts has also been revised to show as a variance the amount by which the actual return in real terms on capital invested differed from the target of 3 per cent. As the return can only be determined with certainty

when clear-felling is being carried out on a cyclical basis (i.e. when the Estate is producing on a "sustained yield" basis) the Commission's progress in achieving their financial target is to be monitored by comparing their performance with the standards they assumed in revaluing the existing plantations. It is not considered practicable to assess annually whether the physical growth rates of the timber are in conformity with the assumed standards, but instead it is proposed to make a quinquennial revaluation of the growing stock based on a complete stocktaking. This valuation and the accounts together are intended to provide a basis for an appraisal whether the Commission have been achieving their target over the quinquennium. In the intervening years the accounts will compare the costs actually incurred and the receipts from sales with the Commission's standards and will provide information of the divergences from standards.

Planting Subsidy

12. As is stated in the Commission's Report the Government confirmed in a policy statement in October 1973 the Commission's programme of up to 55,000 acres (or 22,257 hectares) a year of new planting and restocking. This includes planting and restocking undertaken for social reasons which is not expected to show a return at the Commission's target rate of 3 per cent. A subsidy is identified in respect of these operations. This is calculated as the difference between the income and expenditure on the new plantations, estimated on assumptions similar to those used in revaluing the existing plantations, discounted back to 1 April 1972 at 3 per cent a year. The amount so calculated for 1972–73, £4,255,643, has been charged in the accounts. The calculation showed that only about 8 per cent of the planting programme for 1972–73 was expected to show a yield of 3 per cent or more and that over the quinquennium 1972–77 only about 6 per cent of new planting and 20 per cent of restocking was expected to show a return of 3 per cent or more.

13. I inquired about the arrangements for exercising financial control over the planting subsidy generally, and in particular whether any arrangements existed or were proposed to regulate the planting programme in the light of the subsidy which would be required. In reply the Commission stated that the arrangements were complete in the short term in the sense that during the first quinquennium the land to be planted would almost entirely comprise the plantable land held at 1 April 1972. The arrangements would, however, be subject to any review of the proposed planting programme under the provisions of the Consultative Document for reviews every three years. In the longer term, financial control would be exercised over the acquisition of plantable land with particular reference to the likely effect of such acquisitions on the planting subsidy to operate during the following quinquennium. Discussions of the method had not yet been completed.

Recreation and Amenity Subsidy

14. As explained in Note 3(iii) the subsidy of £920,115 has been calculated to cover expenditure on these facilities with an allocation of overhead expenses.

Harvesting arrangements

15. The Forestry Commission's crop of timber is harvested either by sale after it has been felled by their directly-employed work force or by sale as

standing trees to merchants who usually employ contractors to fell and extract it. In 1972–73 the harvesting as shown in Statement 3 realised £8·26 million, or £5 million after deducting harvest costs. Over the period 1969–70 to 1972–73 the returns from Forestry Commission fellings, excluding the cost of growing the timber but taking the Commission's overhead expenses into account, increased from £0·34 to £0·94 a cubic metre. The returns from standing sales, on a similar basis, increased from £1·34 to £1·76 a cubic metre. During this period the proportion of the crop felled by the Commission increased from 55 to 60 per cent.

16. The Commission have informed me that if their overhead expenses are excluded, the return on timber felled by the Commission is now comparable with that obtained from timber sold standing, in spite of the cost in terms of fringe benefits of being a good employer. They are confident that the return on their own fellings will continue to improve. With increasing quantities worked by themselves there will be greater opportunities to improve harvesting systems through mechanisation etc, to choose outlets which present the best returns, and to spread overhead expenses and thus improve the overall return on their fellings relative to that on standing sales. The Commission do not think it would be practicable substantially to increase the volume of timber sold standing; fellings by the timber trade in recent years have consistently fallen short of the programme, indicating that the trade is unlikely to be able to take on much extra volume. Nearly 70 per cent of the Commission's own felling programme was to meet commitments under long-term contracts to the smallwood market.

Marketing of standing timber

17. In 1963, with the approval of the Treasury, the Commission introduced a scheme for selling standing timber intended to give merchants some guarantee of continuity of work so that they could employ settled labour forces, invest in modern machinery and plan their forward marketing more effectively. In 1967 long-term, normally three-year, contracts were introduced. Taking the country as a whole, the Commission aimed to sell 25 per cent (rising to 30 per cent by 1970) of the available standing timber on short-term contracts by competitive tender or at auction, and the remainder by negotiation on long-term contracts. The long-term contracts included schedules of prices fixed by negotiation which are varied annually according to changes in an index of the prices obtained for competitive sales. To ensure that the competitive sales gave a sound indication of price levels and trends, the Commission aimed to set aside for competitive sale adequate areas of woodland representative of the types to be sold by negotiation.

18. In August 1973, following a review of the marketing arrangements, the Commission informed the timber trade associations of proposals to ensure that available timber was harvested and passed to users without delay and that timber prices followed changes in market levels more closely. The main changes proposed included selling more timber on short-term contracts, enforcing more rigidly the contract periods and restricting the quantities offered to merchants to what they had shown themselves to be capable of harvesting.

19. In 1970 my predecessor drew the Commission's attention to the fact that the average prices secured for competitive sales had been higher than those obtained from negotiated sales of comparable timber and furthermore that the price gap between the two methods had been widening. This tendency has continued. In the year ended 31 March 1973 the average price obtained for negotiated sales in Scotland was 57·5 per cent of that obtained for competitive

sales (compared with 73·7 per cent in the year ended 31 March 1970). In England the percentage was 70·1 compared with 86·5 in 1970, and in Wales 91·6 compared with 86·7 in 1970. Overall, the proportion of standing timber sold by competition is now some 30 per cent.

20. In reply to my recent enquiries the Commission stated that price negotiations can only be based on the latest market prices and that the consequent time lag produces, on a rising market, negotiated prices lower than competitive prices for sales made in the same period. This has had a particular impact on the 1972–73 sales because of the unprecedented surge in competitive prices occurring in the last quarter of the year. Moreover, competitive sales often comprised marginal buying, e.g. to meet a particular emergency. Control of negotiated sales had however been tightened by requiring detailed valuations of all negotiated sales in excess of 1,000 cubic metres for prior Headquarters approval before the start of negotiations. The Commission also stated that the desirability of putting all sales of standing timber on a competitive tender basis had been considered and rejected because the insecurity of merchants' operations which would result would adversely affect their ability to solve the increasingly critical problem of holding or recruiting labour, and would cause more rapid withdrawals from areas with difficulties. A compromise policy had consequently been adopted which would raise the level of competitive sales from about 30 per cent to 50 per cent in the next few years while limiting negotiated sales to those cases where negotiation could be shown to be essential and effective in overcoming the harvesting problem.

Marketing of saw-log timber felled by the Commission

21. Timber felled by the Forestry Commission exceeding a certain diameter is frequently sold by tender or at auction on short-term contracts but, whenever a sufficient volume of timber is available, long-term (normally three-year) contracts are considered for letting on the basis of competitive tenders; it is hoped such contracts will encourage sawmill modernisation and rationalisation. The tender price is applied to timber taken up during the first year of the contract. For the second and subsequent years the tender price is adjusted by a formula to reflect the movements in the annual average of certain price indices.

22. Examination by my officers suggested that, while prices obtained for first-year deliveries under long-term contracts had been broadly comparable with those currently obtained for short-term contracts, prices for second and third year deliveries of long-term contracts were significantly lower than prices for contemporary short-term contracts. The Commission confirmed that saw-logs totalling 60,129 cubic metres were sold in 1973–74 as second and third year sales on long-term contracts at an average price of £9·00 a cubic metre. The average price achieved for competitive sales was £11·13 a cubic metre for the period January to March 1973 or £13·78 a cubic metre for the period January to September 1973. The long-term contracts had, however, been introduced for a trial period which had lapsed and no new long-term contracts have been started since June 1973. In present market and supply conditions shorter-term sales of less than a year are to be arranged where possible for a substantial part of the saw-logs.

D. B. Pitblado
Comptroller and Auditor General

Exchequer and Audit Department
27 February 1974

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