

Forestry Commission

63rd Annual Report and Accounts 1982-83



Forestry Commission
ARCHIVE

Front cover: A Kockums 84/35 10-tonne forwarder at work in Glenbranter Forest, West Scotland.

Sixty-Third Annual
Report and Accounts of the
Forestry Commission
for the year ended
31 March 1983
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

231 Corstorphine Road
Edinburgh EH12 7AT

22 February 1984

To:

The Rt Hon MICHAEL JOPLING MP,
Minister of Agriculture, Fisheries and Food

The Rt Hon GEORGE YOUNGER TD, MP,
Secretary of State for Scotland

The Rt Hon NICHOLAS EDWARDS MP,
Secretary of State for Wales

Gentlemen

In pursuance of Section 45 of the Forestry Act 1967, I have the honour to transmit the 63rd Annual Report of the Forestry Commissioners which covers the year ended 31 March 1983.

I am, Gentlemen,
Your obedient Servant,
(Sgd) DAVID MONTGOMERY
Chairman

The Forestry Commissioners and Senior Staff at 31 March 1983

Forestry Commissioners

Sir David Montgomery Bt, JP, DL, *Chairman*

Mr G. D. Holmes CB, *Deputy Chairman and Director General*

Mr J. Forbes FCA

Captain W. F. E. Forbes DL

Lord Gibson-Watt PC, MC, DL

Mr G. O. Hutchison

Mr J. N. Kennedy

Mr D. A. Mithen

Mr G. S. Murray

Mr J. D. Pollock

Mrs L. J. Whetstone

Senior Staff

Secretary: Mr P. J. Clarke

Senior Officer for Wales: Mr R. T. Bradley

Director, Research and Development: Mr A. J. Grayson

Director, Private Forestry and Land Use Planning: Mr A. Morrison

Director, Estate Management: Mr J. M. Gwynn

Director, Harvesting and Marketing: Mr G. J. Francis

Controller of Finance: Mr C. F. Turquand FCA

Deputy Establishment Officer: Mr C. W. Simmonds

Territorial Conservators

England

North West: Mr A. A. Rowan

North East: Mr J. A. Spencer

East: Mr R. M. Hewitt

New Forest and South East: Mr C. D. Begley

South West and Dean Forest: Mr J. R. Fletcher

Scotland

North: Mr R. G. Cathie

East: Mr I. A. D. Grant

South: Mr E. J. M. Davies

West: Mr D. Y. M. Robertson

Wales

North: Mr R. T. Bradley

South: Mr A. Rix

Note: The addresses of the main Forestry Commission offices appear on the inside back cover.

Contents

Page

Names of Forestry Commissioners and Senior Staff

4

Report for the Year Ended 31 March 1983:

General Review	8
Felling Controls	8
The Commission's Finances	8
State of the Wood Market	9
Pulpwood Exports	10
Developments in the Wood Processing Industry	10
Wood Processing Industry Strategy for Scotland	11
Disposals	11
Outbreak of <i>Dendroctonus micans</i>	13
Management Structure Review	14
Forestry Research Coordination Committee	15
Broadleaves in Britain Symposium	16
Census of Trees and Woodland	16
Scottish Deer Legislation	17
The New Forest	17
The Forest of Dean	19
Institute of Chartered Foresters	19
Centenary of the Royal Forestry Society	19
Royal Visits	20
Awards to the Commission	20
Commissioners	20
Senior Staff	20
Staff Numbers	21

Forestry Enterprise

Forest Management	22
Forest Protection	22
Conservation	23
Forest Design	23
Recreation	24
The British Forest Heritage	24
Estate Management	24
Harvesting and Marketing	26
Engineering	28
Forest Workers' Pay	29
Health and Safety	30
Finance	30

5

Forestry Authority	<i>Page</i>
Legislation ..	31
Private Forestry ..	31
Research and Development	32
Plant Health ..	33
Education and Training	34
Public Relations	35
Finance	36

Appendices

I Statutory and other Committees appointed by the Forestry Commission ..	37
National Committees	37
Regional Advisory Committees	37
Home Grown Timber Advisory Committee	38
Technical Sub-Committee of the Home Grown Timber Advisory Committee	39
Supply and Demand Sub-Committee of the Home Grown Timber Advisory Committee	39
Advisory Committee on Forest Research ..	39
Forestry Research Coordination Committee	40
Forestry Training Council	40
Forestry Safety Council	41
II Home Grown Timber Advisory Committee: Annual Report for the year ended 31 March 1983	42
III Forestry Training Council: Annual Report for the year ended 31 March 1983 ..	44
IV Forestry Safety Council: Annual Report for the year ended 31 March 1983 ..	46
V Felling Control Procedures: Announcement made by the Secretary of State for Scotland on 27 May 1982 ..	47
VI Review of the New Forest Mandate: Letter from the Minister of Agriculture, Fisheries and Food dated 22 July 1982	48
VII New Publications	50
VIII Statistical Tables	51

Appendices—continued
Forestry Authority

1	Dedication Schemes for Private Estates	52
2	Approved Woodlands Scheme for Private Estates	52
3	Area of Planting by Private Woodland Owners for which Grants were paid	53
4	Progress of Planting by Private Woodland Owners in Last Ten Years	54
5	Volume of Timber Licensed for Felling and Thinning on Private Estates	55
6	Area Licensed for Clear Felling on Private Estates	55

Forestry Enterprise

7	Land Use	56
8	Net Area of Land Acquired/Disposed of	56
9	Planting during the Year	56
10	Progress of Planting in Last Ten Years	57
11	Areas of Plantations and Volumes of Timber Thinned and Felled	58
12	Sales of Timber	58
13	Properties Managed	59
14	Public Recreational Facilities	59
15	Land Use, Planting and Timber Production by Forests – England	60
16	Land Use, Planting and Timber Production by Forests – Wales	65
17	Land Use, Planting and Timber Production by Forests – Scotland	67

IX Map of Forestry Commission Forests and Conservancies 71

X Map of Forestry Commission’s Proposed Forest District Structure 75

XI Financial Tables 79

1	Forestry Fund Receipts and Payments	80
2	Expenditure on Forestry Authority Services	82

Foreword, Balance Sheet of the Forestry Commission Forestry Enterprise as at 31 March 1983, and Accounts for the year ended 31 March 1983, together with the Report of the Comptroller and Auditor General thereon 85

Addresses of the Main Offices of the Forestry Commission Inside back cover

Acknowledgements

The cover and other pictures were taken from photographs in the Forestry Commission collection.

General Review

Felling Controls

1. In our last Report we indicated that the Government were considering certain changes to the felling control system, as proposed in the consultative paper we issued in December 1980 after a study carried out under the auspices of Lord Rayner. The Government's decisions on these proposals were given by the Rt Hon George Younger, Secretary of State for Scotland, in a written statement in the House of Commons on 27 May 1982.

2. In his statement, Mr Younger said that the Government intended to introduce the following changes:

- (i) the thinning of trees in woodlands for silvicultural purposes would be exempted from felling licensing, subject to an acceptable definition of the term 'thinning' being found for the purposes of the necessary amending legislation;
- (ii) follow-up inspections would be dispensed with when replanting undertaken as a condition of a felling licence received grant aid;
- (iii) the maximum fine for failure to comply with the conditions of a felling licence would be increased;
- (iv) the provisions of the Forestry Act 1967 relating to felling directions would be repealed;
- (v) the Regulations under the Town and Country Planning Acts which require local authorities to provide the Commission with a copy of all Tree Preservation Orders would be amended to enable this requirement to be waived by agreement between the Commission and the local authority.

The Government decided not to pursue other proposals in the consultative paper relating to the charging of fees for felling licences, the removal of areas of less than 0.25 hectares from felling licensing and the repeal of the restriction on the sale of the licence-free quota of timber.

3. The full text of Mr Younger's statement is reproduced at Appendix V to this Report.

4. We introduced the new arrangements relating to follow-up inspections (paragraph 2(ii)) in the summer of 1982, and provision was made in the Criminal Justice Act 1982 for the maximum fine for failure to comply with the conditions of a felling licence to be increased from £50 to £1,000 (paragraph 2(iii)); this increase was due to take effect on 11 April 1983.* The remaining changes will be introduced as and when the necessary legislative opportunities arise.

The Commission's Finances

5. The Grant-in-Aid voted by Parliament forms the Commission's agreed cash limit. For 1982-83 the amount voted was £61.4 million, of which £56.9

* Under the terms of SI 1982/1857 and SI 1983/24.

million was called into the Forestry Fund leaving the undrawn balance of £4.5 million to be surrendered to the Consolidated Fund. The final net call on Exchequer funds in 1982–83 (excluding surrenderable disposals, receipts and remittances) was £55.7 million, leaving a working balance of £1.2 million to be surrendered to the Consolidated Fund during 1983–84.

6. Payments, excluding amounts paid or due to the Consolidated Fund, amounted to £113 million. This was £3.3 million (3 per cent) more than 1981–82, due mainly to the effect of inflation and pay awards, offset by savings in capital expenditure on vehicles and machinery. Receipts (excluding Grant-in-Aid and cash from the disposal of land, buildings and plantations) amounted to £57.3 million compared with £51 million in 1981–82. This increase (12 per cent) was a reflection of improved timber prices and a change in the mix of timber presented for sale, along with general price increases in miscellaneous income. Cash receipts from the disposal of land, buildings and plantations amounted to £13.8 million (excluding the non-cash element of £0.3 million arising from exchange transactions and the receipts of £0.5 million payable to the Crown Estate Commissioners under the terms of Section 43(1) of the Forestry Act 1967). £10 million had been paid into the Consolidated Fund by 31 March 1983 leaving a balance of £3.8 million to be surrendered during 1983–84.

7. The statement of Forestry Fund receipts and payments, together with notes and explanations, appears at Table 1 of Appendix XI.

State of the Wood Market

8. For the timber market in Europe and North America, the year under review was one of the most difficult for several decades. The decline in the demand for sawn wood and wood-based panels which had begun in North America in 1979 and somewhat later in Europe continued, while the market for pulp and paper which had been fairly well sustained in 1981 weakened generally in 1982. The supply of round pitwood to the National Coal Board fell, mainly as a result of reduced demand for coal. Deliveries to particleboard manufacturers declined as did sales of export pulpwood, but pulpwood supplied to domestic producers increased marginally following the opening of the new cartonboard line at Workington by Thames Board Ltd (paragraph 15). Against this background, the overall volume of small roundwood produced from Commission forests fell by 23 per cent. By contrast, the demand for sawlogs continued to improve during the year with an increase of 18 per cent in the total volume sold. It was encouraging to note that the Timber Trade Federation, in an analysis of prospects for 1983, drew attention to the increasing significance of the quantities of domestic sawlogs becoming available which would be suitable for conversion to construction material and would substitute for imports.

9. Overall, the total volume of timber harvested in Commission forests increased marginally by 1 per cent over the previous year. Further details are given in paragraphs 90 to 99.

Pulpwood Exports

10. The worst effects of the world recession hit the pulp and paper industry during 1982, with low demand, a reduction in the utilisation of capacity and rising stocks being evident generally throughout Europe and North America. International pulp prices fell sharply. As a consequence, the export pulpwood market became very difficult as demand in Norway and Sweden fell. All this was exacerbated by additional supplies from severe windblow in Denmark, Poland, Germany and Sweden. Exports from Britain in the calendar year 1982 were estimated at 575,000 tonnes, representing a decrease of 4 per cent compared with the previous year. In the financial year under review, the export of pulpwood from our own harvesting operations fell by 7 per cent.

Developments in the Wood Processing Industry

Newsprint Development at Shotton

11. On 17 March 1983, United Paper Mills of Finland announced their decision to construct a newsprint mill at Shotton in North Wales at a cost of £135 million. The mill will produce 180,000 tonnes of newsprint a year using 450,000 tonnes of British wood, mainly spruce. It will be constructed and operated by a new company, to be known as the Shotton Paper Company, and production of newsprint is expected to begin in 1985.

12. The Commission and United Paper Mills had been discussing the project for almost two years and we were delighted at the successful outcome. A vital element in the decision to build the new mill was the long-term availability of large quantities of pulpwood, and we were able to give the Company the assurances it required. We have concluded a long-term direct supply contract to provide the mill with 50–60 per cent of its roundwood needs, most of it coming from Wales with additional quantities from forests in northern England and southern Scotland. The remainder of the mill's raw material will be supplied from private forests, by sales of standing timber from Commission forests and by wood chips from sawmills. As well as 270 jobs in the mill, the project is expected to employ between 800 and 900 people in timber haulage and in harvesting the timber in Commission and private forests, together with 100–200 in service industries.

Bowater UK Paper Co Ltd, Kemsley

13. The closure of a newsprint machine, the groundwood mill and associated wood-handling facilities at Kemsley was announced by Bowater on 23 June 1982. At the same time it was stated that a paper machine at the mill was to be upgraded to produce industrial towelling and newsprint from de-inked newspaper. The mill is to continue to produce kraft wrapping paper using semi-chemical pulp from hardwoods (about 100,000 tonnes a year), while the insulation board plant using about 35,000 tonnes of mixed softwoods is also continuing in production.

Caberboard Ltd, Irvine

14. Production of high quality board for the furniture industry started early in 1983 from a new line installed by Caberboard on the site of the former Scotboard plant at Irvine.

Thames Board Ltd, Workington

15. Thames Board officially opened their expanded pulping facilities and second board machine at Workington on 28 September 1982, effectively tripling their capacity for the production of high quality cartonboard to 150,000 tonnes a year. There will be a corresponding increase in their requirements for pulpwood from home sources. Production to full capacity level was planned in stages over the following year or so.

Wood Processing Industry Strategy for Scotland

16. A study commissioned by the Scottish Development Agency and the Highlands and Islands Development Board to promote a strategy for the expansion of the wood-processing industry was completed during the year. The consultants identified opportunities for developments in the sawmilling industry, in the manufacture of wood-based panels and in mechanical pulping associated with the manufacture of tissue or wood-containing printing papers. The report has stimulated considerable interest among potential investors both from this country and from overseas.

17. The consultants' findings and recommendations were presented at public meetings in Inverness, Dunblane and Dumfries during January 1983. Following these meetings, the Government announced the formation of the Scottish Forest Products Development Group, comprising representatives of the Scottish Development Agency, the Highlands and Islands Development Board, Timber Growers Scotland and the Forestry Commission, to develop the strategy suggested in the report and to pursue the interest aroused. We have ourselves been in consultation with a number of parties who are attracted by the increasing availability of wood in Britain and are considering investment in the wood-using industries.

Disposals

Progress of Land and Plantation Sales Programme

18. This was the first full year of the major programme of land and plantation sales that we embarked upon following the passage of the Forestry Act 1981. We placed over 500 individual plantations and areas of plantable land on the market, totalling some 26,000 hectares, and at the end of the year a further 34,000 hectares had been approved for sale. The properties making up the disposals programme have ranged in size from a few hectares to nearly 2,500 hectares, and the plantations have comprised a wide variety of ages and species. In selecting areas for disposal, we take into account the rationalisation of the forest estate and the effect on the efficient management of the Forestry Enterprise. In certain circumstances, therefore, disposals may be concentrated in a particular locality.

19. Despite offering a wide range of properties for sale and pursuing a vigorous and flexible marketing policy, we were unable to meet the target of £20 million set by the Government. Total cash receipts from sales were £14.6 million, of which £13.8 million counted against the target (see paragraph 6). The total for the year could be regarded as having exceeded the £20 million mark, however, if cases awaiting legal completion are included. The basic

reason for the shortfall was the weakness of the market for all but the smallest woodlands. Even though we were able to sell a larger proportion of the small woods on offer, they nevertheless provided only a small part of the total financial target and were expensive to market in terms of time and effort. A high percentage of the medium-size woodlands (those between 50 and 100 hectares) failed to sell, being too big for the private purchaser and too small to attract institutional investors. We maintained close links with the financial institutions and made a number of major sales to them, but with some exceptions their initial interest was not maintained. This was thought to be due, not only to the recession, but to the attraction of new and competing forms of investment such as index-linked gilts and the wider opportunities made available by the lifting of exchange controls. There were some signs towards the end of the year, however, that the market for woodlands was beginning to pick up.

Opposition to the Disposals Programme

20. Another important feature of our disposals programme during the year was the widespread and vociferous resistance to many of our proposed woodland sales – as well as opposition to the sales policy in general – especially in respect of woods lying in those parts of England and Wales valued for their amenity. This opposition was based on the belief that if woods were sold to private buyers their amenity and conservation value would be placed at risk or that public access would be banned or restricted. Fears were also expressed that there would be a loss of employment of local significance. A great deal of correspondence, as well as questions in Parliament, was generated on these issues.

21. In our selection of properties for sale, we follow the guidelines given to us by Forestry Ministers which were reproduced in Appendix V of our last Report. These guidelines include such considerations as conservation, access and recreation, and we take them fully into account where they are important in relation to any property we are considering for sale. It has to be borne in mind, however, that nearly all our woodlands are open to the public, so that it is only in those cases where special provision has been made for public recreation, in the form of car parks, picnic areas and visitor centres, that the question of public access can weigh heavily in the balance when decisions to sell, or not to sell, are taken. Similarly, it is not feasible to exclude from the sales programme all woods situated in sensitive or designated parts of the country. We have, however, introduced special sponsorship arrangements covering the sale of woods where these considerations have a special significance; under these arrangements the possibility of private treaty sales to amenity and conservation bodies may be considered if the relevant Government Department or public agency is able to confirm that this would be in the public interest.

22. The Ministerial guidelines also ask us to bear in mind in the selection process the maintenance of employment and the viability of local communities, especially in socially fragile areas. Naturally, we give very careful consideration to these aspects, particularly where the Commission is a major employer in the area concerned. Our woods are, however, sold as going concerns and,

while some jobs will be lost from the Commission, workers will continue to be required to maintain and develop them.

Revision of the Sales Target

23. During the passage of the Forestry Act 1981, the Government announced that they expected to raise some £40 million from forestry sales over the three years to 31 March 1984. This figure was subsequently revalued to take account of inflation and a further two years added in the Government's 1982 and 1983 public expenditure surveys, to give a revised disposals programme of £82.1 million for the five-year period to 31 March 1986.

Outbreak of *Dendroctonus micans*

24. In August 1982, the owner of a private woodland near Ludlow in Shropshire asked our local office for advice on what he thought were disease symptoms in a stand of spruce. Our research staff were called in and identified an outbreak of *Dendroctonus micans*, the Great Spruce Bark Beetle (Plate 2). This was a matter of concern since this pest, which attacks spruce and may eventually lead to the death of the host tree, occurs on the Continent and in Scandinavia but had hitherto been unknown in this country.

25. Following the discovery of the outbreak, we immediately mounted a survey to establish its extent and to identify and deal with pockets of infestation by felling and debarking affected trees and treating the bark with insecticide. Survey teams trained to identify beetle symptoms were quickly set up, local seminars were arranged for both Commission staff and private owners, and advisory posters and leaflets were given a wide distribution. It soon became apparent from our survey that there were infestations in both Commission and private woodlands in a number of counties in Wales and adjoining counties in England. Most of the outbreaks were sporadic and the symptoms were not easy to detect without training and experience because the resin bleeding which follows an attack is commonly found on spruce for other reasons. It has not proved possible to determine the source of the infestations.

26. When the extent of the beetles' spread had been established, we set up a *Dendroctonus Micans* Working Group, comprising Commission and private sector representatives, to decide on a comprehensive strategy for dealing with the outbreak and to monitor the effectiveness of measures taken. The strategy adopted, on the advice of our research staff, was that only clean wood should be allowed to leave the forest, that is wood either from which the bark has been removed or which has been declared free of infestation after detailed examination by a Commission inspector. We considered it essential that this strategy should be given statutory effect, and the Restriction on Movement of Spruce Wood Order 1982 (SI 1982/1457) came into force on 20 October 1982. The area covered by the Order is described in paragraph 116.

27. By the end of the year, the major survey programmes had been completed and the bulk of infested trees felled and treated. We were encouraged by the fact that, despite a country-wide survey, no outbreaks of the pest had been discovered farther than 50 miles from Ludlow. There was also evidence that *Rhizophagus grandis*, a specific predator of *Dendroctonus micans*, might help

to provide biological control of the pest in this country; we therefore made arrangements for scientific trials to be carried out. These two factors gave reason for hope that a successful campaign against the pest was feasible. To this end we planned to continue our surveys during 1983 and to see that any further infestations discovered were promptly treated. We should like to record our appreciation of the excellent help and co-operation that the private sector – growers and timber merchants alike – have been giving us in this work.

Management Structure Review

28. Reference was made in our last Report to the setting up of an internal Management Structure Review Group with the task of reviewing the efficiency of the Commission's present management structure below Headquarters, that is at the Conservancy, District and Forest levels. The Group presented their report to the Director General in April 1982. This was widely circulated within the Commission and views obtained from both management and Trade Unions, in the light of which we decided in September 1982 to amalgamate the existing Forest and District levels into a new basic tier of management to be known as the Forest District (see map at Appendix X). By the end of the year under report, agreement had been reached with the Unions on complements for the supervisory staff in 68 of the 70 Forest Districts proposed and on locations for the majority of the new offices. Although several problems still needed to be resolved, substantial progress had been made towards our objective of phasing in the new structure by 1 April 1984.

29. The new Forest Districts will offer distinct management advantages through a greater flexibility in the deployment and delegation of work, with an added emphasis on functional responsibilities and team work; improved communications between our regional and local offices; and a streamlining of office work, taking advantage of the opportunities to introduce computer terminals at the operational level in the most efficient and cost-effective way. The new structure will also provide a more realistic size of management unit for organising the rapid expansion of timber production expected over the next decade and for efficiently deploying the high-output harvesting machinery now being introduced. The creation of a single tier of management below the Conservancy is also expected to lead to reductions of about 20 per cent in clerical and supervisory staff at that level. We shall achieve most of these staff savings through a phased reduction in the age of retirement for supervisory staff to 60 and a limited scheme of voluntary premature retirement, and we expect to be able to avoid any compulsory redundancies with the possible exception of some of the Forest Clerks.

30. In view of the close links between the work of the Headquarters and Conservancy levels of management, we decided to defer a decision on the Review Group's recommendation to reduce the number of Conservancies until a review of workloads and responsibilities at these two levels could be undertaken. A team was therefore set up under the chairmanship of the Commissioner for Administration and Finance to carry out such a review and to make recommendations for change where necessary. It was expected to report to the Director General in the autumn of 1983.

31. A recommendation by the Review Group to unify the Forest Officer and Forester classes found general acceptance and the Director General set up a joint management and Union working party to examine how this could best be implemented. Its report was also expected in the autumn of 1983.

Forestry Research Coordination Committee

32. In their report on the scientific aspects of forestry,* the House of Lords Select Committee on Science and Technology drew attention to the need for better coordination between the various organisations involved in forestry research and suggested that the impetus to achieve this should come from the Forestry Commission. In their response, which we reproduced as Appendix VII to our 1981–82 Report, the Government accepted this view and announced the establishment of a Forestry Research Coordination Committee under Commission chairmanship to act as a forum to identify research requirements and opportunities and to encourage the coordination of research programmes.

33. In a Supplementary Report on forestry published in June 1982,** the House of Lords Select Committee welcomed the positive contribution which the new Coordination Committee could make to forestry research. The Select Committee made a number of detailed observations on other topics, but drew attention in particular to the need for research into end uses of timber, long-term policy for broadleaved woodlands, integrated land use and the possibility of research funding from international sources.

34. The Forestry Research Coordination Committee, the membership of which is to be found in Appendix I, met three times during the year. Its inaugural meeting was held in June 1982 at our Research Station at Alice Holt Lodge, near Farnham, when the following terms of reference were agreed:

- (i) to identify and define forestry research needs and opportunities;
- (ii) to advise on research requirements and priorities in relation to the needs and opportunities identified;
- (iii) to stimulate research in forestry, the exchange of information and collaboration between research organisations and individuals, and the publication of research findings;
- (iv) to encourage the financing of identified research proposals.

35. The Committee has established review groups to investigate research requirements in the fields of wood science and processing and in the integration of farming and forestry in lowland Britain; a review of research on the subject of broadleaved woodland awaits the outcome of the Commission's policy review on this subject (paragraph 39). The areas chosen for review are in line with those identified by the House of Lords Select Committee in their Supplementary Report on forestry mentioned above. The Commission will also be investigating further the possibility suggested by the Select Committee of raising funds for research through a levy system.

* Second Report of the House of Lords Select Committee on Science and Technology: Session 1970–80, Cmnd. 381, HMSO, £3.60 net.

** Fourth Report of the House of Lords Select Committee on Science and Technology: Session 1981–82, Cmnd. 211, HMSO, £3.55 net.

36. Although it has no executive powers, we are confident that the findings of the Forestry Research Coordination Committee will carry considerable authority as they will be based on the views of all the organisations and departments concerned with forestry research. The views of the Committee are thus likely to be given careful consideration by the constituent bodies in the formulation and implementation of their own research programmes.

Broadleaves in Britain Symposium

37. As foreshadowed in our last Report, we held a joint symposium with the Institute of Chartered Foresters at Loughborough University in July 1982 on the theme of *Broadleaves in Britain*. The symposium was aimed at assembling information on research results and successful management practices with the object of improving and sustaining the country's broadleaved woodlands (Plate 3), and it attracted over 250 delegates including representatives of conservation, planning and countryside interests as well as growers and timber users. The proceedings and discussions were published.*

38. Discussion revealed the wide range of objectives which may be pursued in the management of broadleaved woodlands and the extent of the constraints which environmental and conservation objectives may place upon owners. The opportunity was taken to illustrate techniques evolved by our Research and Development Division aimed at reducing costs in the silvicultural treatment of broadleaved stands.

39. The consensus of the symposium was that the Forestry Commission was best equipped to lead the initiatives which might need to be taken to improve and regenerate Britain's broadleaved woodlands. Immediately following the symposium, we established an internal working group to review future policy towards these woodlands, and at the end of the year the group was engaged in widespread consultations with all those interested parties who wished to put their views and proposals before it.

Census of Trees and Woodland

40. The fieldwork for our census of trees and woodland throughout Great Britain was completed in 1982 and we planned to begin publishing the results during 1983, by counties in England and Wales and by Forestry Commission Conservancy areas in Scotland. This, the first national census since 1965, was started in the autumn of 1979 and made full use of aerial photographic techniques. As we have explained in earlier Reports, one of the major objectives of the census was to produce a clear picture of the distribution of Britain's trees and woodland and their potential timber production to assist in planning the expansion of existing wood-using industries and the location of new ones. The census was also designed to provide local authorities and others with information on numbers and species of trees and their current condition, from which subsequent assessments can monitor change.

* Forestry Commission Occasional Paper No. 13, £1.50 net.

Scottish Deer Legislation

41. The Deer (Amendment) (Scotland) Act was passed on 28 June 1982. Although much of it relates to the provision of stronger measures against poaching and to the licensing of venison dealers, some aspects are significant for forestry.

42. Deer may now only be shot out-of-season on enclosed forestry land in Scotland if the occupier has reasonable grounds for believing that serious damage would be caused if the deer were not killed. It is also lawful to shoot at night where crop damage is likely, subject to certain conditions. An occupier may shoot red and sika deer without the written authority of the Red Deer Commission, but where shooting is to be carried out other than by the occupier, or where other species of deer are involved, such authority is necessary. This contrasts with the position in England and Wales where deer may be shot out-of-season only if they have already caused damage and shooting is considered necessary to prevent further serious damage. Night shooting in England and Wales is not lawful.

The New Forest

Investigation by the Parliamentary Commissioner for Administration

43. A complaint was raised with the Parliamentary Commissioner for Administration (PCA) in December 1980 alleging mismanagement by the Forestry Commission of the woodlands in the New Forest. The complaint was in four parts, namely:

- (i) that the Commission had failed to act in accordance with section 6 of the New Forest Act 1877, through the destruction of the picturesque character of the ground in the Inclosures and the removal of the picturesque trees as a result of clear felling;
- (ii) that it had failed to observe the Mandate on the management of the New Forest woodlands issued by the Minister of Agriculture, Fisheries and Food in May 1971;
- (iii) that the Forest had been used for commercial forestry without regard to its traditional character; and
- (iv) that repeated complaints about clear felling and failure to replant hardwoods had been ignored.

44. In his report presented to Parliament and published on 8 July 1982,* the PCA concluded that, while he had minor criticisms of some of the Commission's actions, its conduct fell "far short of maladministration" and that he was unable to uphold any part of the complaint.

45. In his conclusions, the PCA also noted the difficulties experienced by the Commission in administering the Forest within the terms of "an acknowledged 'woolly' Act" (the New Forest Act 1877). He took the view, however, that a new, searching enquiry – which would inevitably precede any amendment of the law – might well disturb the *status quo* to no obvious practical

* Fourth Report for Session 1981–82. *Management of the New Forest Woodlands by the Forestry Commission*. HC455, HMSO, £3.55 net.

advantage. The PCA said that he had seen that the degree of existing understanding that had been built up between the Commission and those with the many and varied interests of the Forest at heart had not been easily won. Despite his natural first instinct to suggest a 'tidying up' of the untidy law, it seemed to him that, in this instance, the wiser course would be to let management of the Forest, in which consultation now plays a large part, continue in its present way.

46. These expressions of confidence by the PCA in our administration of the New Forest, following an exhaustive enquiry lasting more than a year and a half, are greatly welcome to us.

Review of the New Forest Mandate

47. The Minister of Agriculture, Fisheries and Food confirmed in July 1982 that the Commission's management of the New Forest should continue to be based on the Mandate issued by his predecessor in 1971.

48. The 1971 Mandate in essence confirmed that the New Forest was a national heritage and that priority was to be given to the conservation of its traditional character. It also required that the Commission, the Verderers and the New Forest Consultative Panel (representing a wide range of interests in the Forest) should review its terms by the end of 1981. This latest review concluded that the Mandate had operated successfully and recommended that it should continue unchanged.

49. The Minister's decision was conveyed to the Chairman in a letter which also re-stated the principles governing the Commission's management policies for the Forest and confirmed that a further review would be undertaken not later than the end of 1992. This letter is reproduced in full at Appendix VI to this Report.

Appointments

50. During the year Sir Dudley Forwood Bt, on approaching the age of 70, placed his appointment as Official Verderer, in which capacity he chaired the Court of Verderers, at the disposal of Her Majesty The Queen. Sir Dudley had held the appointment since 1974. He was succeeded by Lord Manners on 1 January 1983.

51. Sir Dudley also resigned as Chairman of the New Forest Consultative Panel, which he had chaired since its inception in 1970. Mr Maldwin Drummond, who had served for a number of years as the Countryside Commission's nominee on the Court of Verderers, was appointed by us as his successor for a three-year period from 7 June 1982.

52. We should like to take the opportunity to record our appreciation of the invaluable contribution made by Sir Dudley over the years to the well-being and good government of the Forest.

The Forest of Dean

53. On the incorporation of the Forest of Dean into the South West England Conservancy in 1969, the ancient title of Deputy Surveyor was vested in the Conservator at Bristol. In practice, however, responsibility for day-to-day matters concerning the Forest has been carried by the Principal Forest Officer of the Dean District following the upgrading of that post in 1979. We therefore decided that, as from February 1983, the title of Deputy Surveyor should be returned to the Forest of Dean and vested in the Principal Forest Officer. He will, however, continue to be responsible to the Conservator for the implementation of the broader aspects of Commission policy.

Institute of Chartered Foresters

54. We welcomed the announcement, in April 1982, of the award of a Royal Charter to the Institute of Foresters of Great Britain.

55. The Institute was founded in 1926 in response to a demand from foresters for a professional body which could bring together members for the development and exchange of knowledge in technical forestry and related subjects at the highest scientific level. In its early years it was essentially a learned society and was, indeed, known as the Society of Foresters of Great Britain. In the post-war years, however, as British forestry grew in extent and in economic strength, there was an increasing demand from the Society's members that it should not only continue the development of forestry as a science but should regulate professional standards and devise a code of ethics by which foresters should abide. Accordingly, in 1973, the Society changed its name to the Institute of Foresters and adopted a new constitution and rules making it a fully professional body. We see the granting of a Royal Charter as a well-merited and welcome milestone in the history both of the Institute itself and the industry it serves with such distinction.

Centenary of the Royal Forestry Society

56. The Royal Forestry Society of England, Wales and Northern Ireland celebrated its centenary in 1982. The Society was first set up as an organisation to advance the knowledge and practice of arboriculture, but later, around 1930, widened its field of activities to include forestry. Over the years the Society, both as a body and through its individual members, has played a leading role in the development of forestry in Britain and also in many other parts of the world. We were very glad to be able to participate in the centenary celebrations which included a conference entitled *Forestry and Conservation* held at the Royal Society of Arts in London on 30 November, at which His Royal Highness The Prince of Wales, the Society's President, gave the keynote address and participated in the discussion. The Conference was attended by some 200 participants, and we were pleased to note that papers presented by nature conservation interests indicated no serious conflict with forestry interests. There was broad agreement that effective conservation depended on good management.

Royal Visits

57. Following the opening of the Kielder Reservoir in Northumberland on 26 May 1982, Her Majesty The Queen, accompanied by The Duke of Edinburgh, visited the Commission's Kielder Castle Visitor Centre (Plate 1). Her Majesty planted an oak tree in the Castle grounds and was shown the Visitor Centre and the new forest classroom. The classroom, one of eleven we have established at key Visitor Centres throughout the country, is designed to provide a working area for parties on educational outings.

58. His Royal Highness The Prince of Wales made an informal visit to Drummond Hill and Tummel Forests in East Scotland Conservancy on 8 September 1982 to discuss the Commission's policy on deer management, conservation and amenity with the Chairman and local staff. On 24 September 1982, His Royal Highness visited an experimental working camp for some 80 unemployed youngsters at Ardgartan Forest in West Scotland Conservancy. The camp was organised by the Prince's Trust, of which His Royal Highness is President.

Awards to the Commission

59. We are pleased to report that our Beddgelert Campsite in Snowdonia Forest Park was declared National Winner in the Automobile Association's Campsite of the Year Award for 1982. This is the second time that this campsite has won this premier award. Our Glencoe Campsite in Argyll won the Scottish Region award, with the Glenmore Forest Park site at Aviemore being placed second.

60. We also received a Major Commendation from the Business and Industry Panel for the Environment in recognition of "the human and social responsibility and environmental quality" shown in our forest cabin development at Lochaweside, Argyll.

Commissioners

61. Captain W. F. E. Forbes was appointed a part-time Commissioner on 1 October 1982 for a four-year period. He succeeded Captain D. S. Bowser, who retired on 30 September 1982 after eight years of distinguished service. Mr J. Forbes was appointed a part-time Commissioner on 1 November 1982 for a four-year period to fill the extra Commissioner post created by the Forestry Act 1981.

Senior Staff

62. Mr L. C. Troup retired as Conservator South West England in February 1983 and was succeeded by Mr J. R. Fletcher, formerly an Assistant Conservator in the Harvesting and Marketing Division, on promotion. Mr Troup was awarded the OBE in the 1982 Birthday Honours.

63. Mr A. F. Damerell retired as Senior Principal in Secretariat Division in January 1983 and was succeeded by Mr D. P. Pringle, formerly Admin-

istration and Finance Officer in North West England Conservancy, on promotion.

Staff Numbers

64. On 31 March 1983 the Commission employed 2,070 non-industrial staff (compared with 2,095 the previous year) and 5,179 industrial staff (5,450 the previous year).

Forestry Enterprise

Forest Management

Seed Collection

65. Conifer seed crops were very light in 1982. Collections were confined to Scots pine from seed orchards and to Sitka spruce and Japanese larch from registered stands, and only 340 hectolitres of cones were harvested. Broad-leaved seed crops were better and 5,220 hectolitres of Sessile oak and beech were collected, mainly in South West England Conservancy.

Nurseries

66. The very severe winter of 1981–82 gave way to mild, dry spring weather which provided ideal conditions for seed sowing and germination. Unfortunately, the season did not finish as well as it started: a wet autumn followed by a mild, wet winter left many nursery soils waterlogged, resulting in serious delays to lifting and lining-out programmes. The full effects of these delays will not be known until next season.

Planting

67. A total of 8,886 hectares of new planting and 5,798 hectares of restocking was undertaken, representing over 95 per cent of the planned programme in each case. The weather was generally favourable for plant survival, but there were some deaths in Corsican pine due to the fungus *Brunchorstia pinea* which had infected plants in the nursery. The continuing fall in the amount of new planting being undertaken has unfortunately led to some local redundancy, but increasing restocking programmes (Plate 4) have kept this to a minimum.

Forest Protection

Fire

68. After the favourable situation the previous year, fire losses in 1982–83 increased to about the long-term average with the destruction of 626 hectares of plantations. One fire in south-west Scotland, thought to have been caused by a diesel train, destroyed 244 hectares.

69. Most of our Conservancies now have some foam equipment for fire control, and it has been used to good effect in controlled burning on forest boundaries.

Pine Beauty Moth

70. As predicted in our last Report, no plantations had to be treated for the control of Pine Beauty Moth during the summer of 1982. All the indications were that control measures would again be unnecessary during 1983.

Deer

71. All species of deer appear to be extending their range, and we have had to increase our efforts to keep damage down to an acceptable level. In East Scotland Conservancy in particular, restocking areas have increasingly to be fenced against deer. In the Galloway forests a high red deer cull was achieved for the third year in succession, reflecting not only improved knowledge and management but confirming that this level of control is not threatening the existence of the population. There is some evidence that the very wet winter of 1982–83 caused heavier than usual natural mortality of red deer stocks on open range in Scotland, which may ease marauding pressure upon woodlands in the short term.

Grey Squirrels

72. Damage to woodlands by grey squirrels appeared to be slightly less than usual, but mild weather and plentiful food supplies were thought likely to have sustained the population at above average levels throughout the winter, calling for increased attention to control in the spring and summer of 1983. Although damage occurs mainly on broadleaved trees, during the period May to July, there are signs that pine in some parts of England is being increasingly affected.

Conservation

73. Discussions with Nature Conservancy Council staff on the management of Sites of Special Scientific Interest on Forestry Commission land have increased following the passing of the Wildlife and Countryside Act 1981. There are some 350 of these sites covering about 70,000 hectares, of which 50,000 hectares are woodland.

Forest Design

74. An important role for our landscape architects is the training of staff in landscape appreciation, and this work continued during the year. Plans were being made under the auspices of the Forestry Training Council to offer similar courses to the private forestry sector.

75. In addition to assisting Conservancy staff in carrying out forest design work, our landscape architects undertook 23 projects during the year aimed at improving the appearance of our forests in particularly sensitive landscapes.

76. The detailed planning for the re-design of Ennerdale Forest in the Lake District National Park, which was announced in 1980–81, has now been completed. The designs were discussed and in some cases modified in the course of extensive consultations with many interested bodies, including the Lake District Special Planning Board, the Friends of the Lake District, the Countryside Commission and the National Trust. A major press visit to explain the project was organised in June 1982 and an exhibition of the work has toured the Lake District.

Recreation

Use of Recreational Facilities

77. Despite the recession, the level of use of our recreational facilities has continued to be very satisfactory. Although the number of campers using our campsites (1.2 million) was slightly down on 1981–82, there was a 7 per cent increase in the occupancy of our forest cabins. This was achieved by an improvement in management and marketing techniques and was reflected in our financial performance.

78. During the year we developed policies for bicycling and cross-country skiing on Commission land, and new provision has been made for these activities (Plate 5).

Children's Play Provision

79. We are jointly funding, with the Countryside Commission for Scotland, research into children's play in the countryside with a view to providing guidance to recreation managers, foresters, designers and developers of play facilities.

Interpretation

80. In our last Report, we referred to the study undertaken for the Commission by Surrey University's Psychology Department into visitors' reactions to the various interpretative techniques employed in our Visitor Centres, designed to assess how effectively information given in exhibits and by other means is being communicated to the public (Plate 6). As a result of this study, which evoked considerable interest among other bodies engaged in this field, revised plans for displays have been formulated and five of our Centres have been refurbished.

The British Forest Heritage

81. We announced the appointment last year of a steering group to undertake preliminary work with a view to setting up an independent charity, to be known as the British Forest Heritage Trust, and a number of eminent people have agreed to become trustees should the trust be established. Nearly 2,000 items recording the history of British forestry and its artefacts have now been collected in the form of tools, machinery and written material.

Estate Management

The Queen's House, Lyndhurst

82. In our Reports of the last two years we have recorded progress with the restoration of the Queen's House, and we are pleased to say that at the end of March 1983 the work was all but finished. Plans were in hand for the building to be brought back into use in April 1983 as the Conservator's administrative offices for South East England and as the office of the Deputy Surveyor of the New Forest.



PLATE 1
Her Majesty The Queen visited the
Commission's Kielder Castle Visitor
Centre after she had opened the
Kielder Reservoir dam, May 1982.

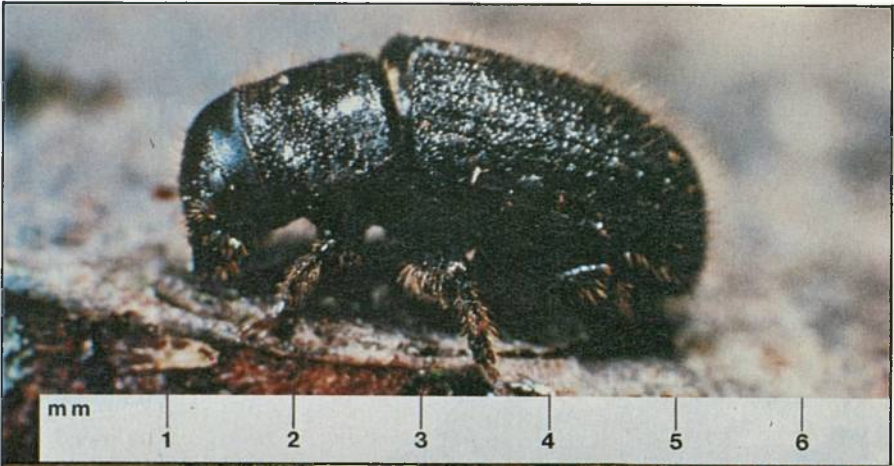


PLATE 2

- (i) The Great Spruce Bark Beetle (*Dendroctonus micans*) was discovered in Britain in Shropshire in August 1982.
- (ii) Characteristic signs of *Dendroctonus micans* attack – resin tubes and resin bleeding.
- (iii) Frass – the discharged waste material of the larvae – at the base of a tree.
- (iv) Collective feeding by the larvae beneath the bark.
- (v) The quilting pattern of the feeding galleries produced by the larvae.

1	
2	3
4	5



PLATE 3

A fine stand of beech at Bowhill Woods which won the Royal Scottish Forestry Society's Sir James Hunter Blair Trophy for the Buccleuch Estates in 1982.



PLATE 4

As more plantations reach maturity and are felled, restocking is assuming increasing importance.

- (i) The difficulties of restocking a clear-felled area without land preparation.
- (ii) Restocking after ploughing and . . .
- (iii) . . . after scarifying.



PLATE 5
Facilities for cycle trails and cross-country skiing are being developed in Commission forests, as shown in these pictures from Achray, West Scotland and Glenmore, North Scotland.



PLATE 6
One of the listening posts which give
an audio guide to visitors to the
Bedgebury Pinetum, South East
England.

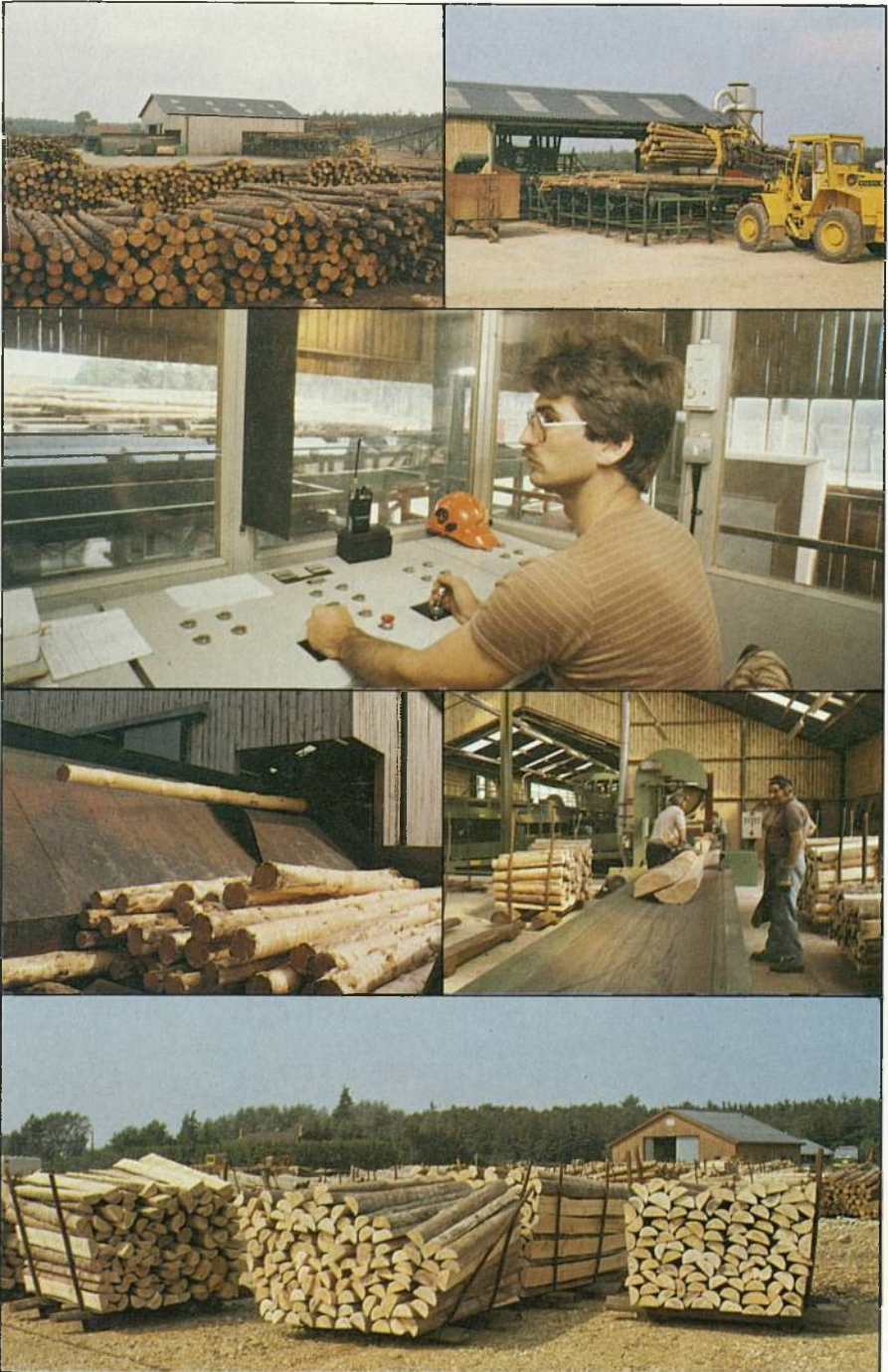


PLATE 7

The new Brandon Depot at Thetford, East England is now fully operational.

- (i) The peeler plant.
- (ii) Logs from the forest arriving at the in-feed deck.
- (iii) The operating consol of one of the peelers.
- (iv) Peeled timber emerging from the peeler.
- (v) The mill splitting timber for use by the National Coal Board.
- (vi) The pitwood stockyard.

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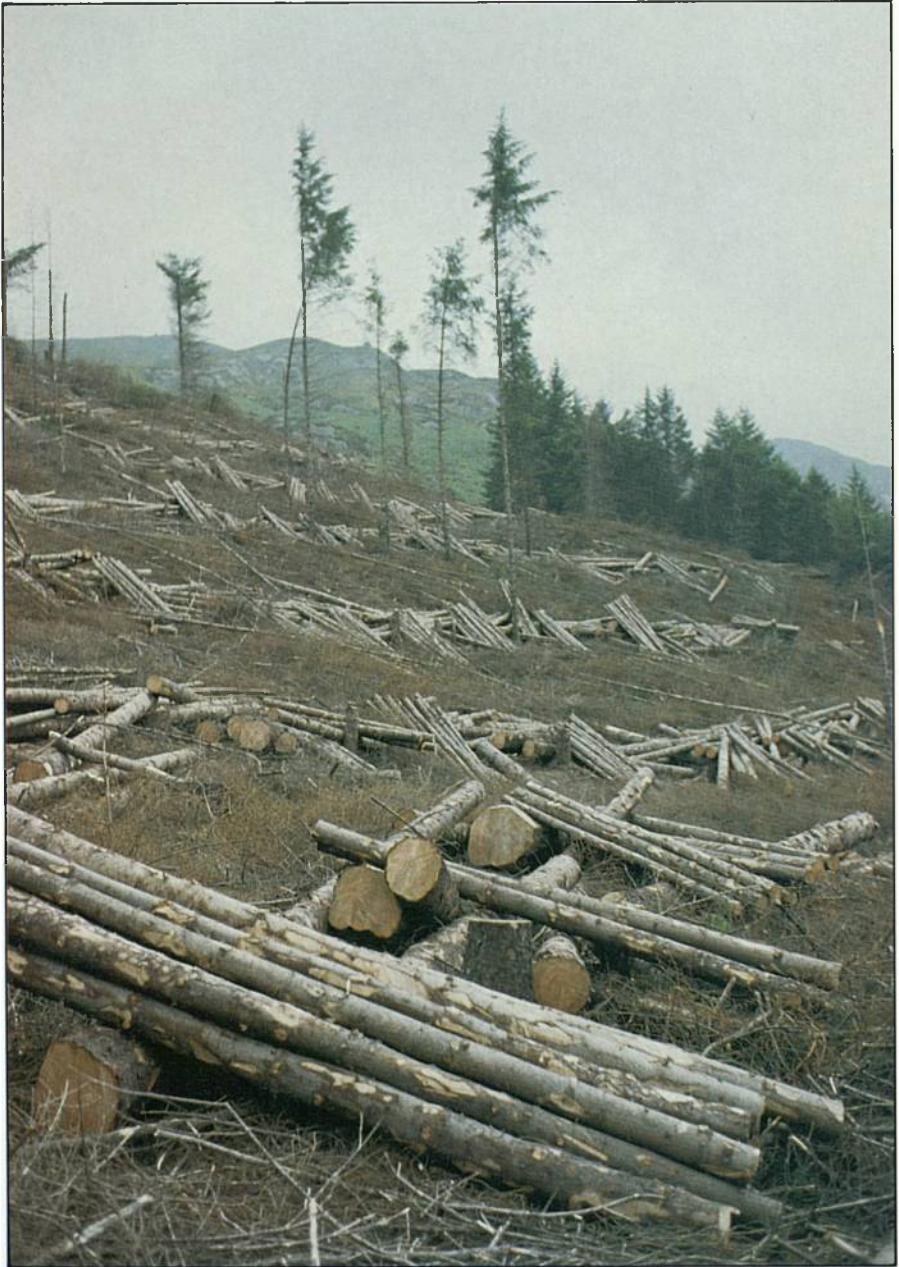


PLATE 8

The technique of contour felling developed by the Commission has greatly increased efficiency in cable-crane extraction from steep terrain. Ardgartan, West Scotland.

83. During the five-year period of restoration, photographic and other records of great value and interest have been kept, and the opportunity has been taken to investigate the development of the House from its early Tudor beginnings.

84. Much credit is due to the consultants and contractors whose planning and skill have resulted in the House being brought back to its former excellence. For our part, we have been pleased to have been able to undertake this piece of architectural conservation and at the same time to make improvements to the building for normal business use.

Land Acquisition

85. We acquired 3,668 hectares of plantable land during the year including 246 hectares already under trees. The distribution was:

	<i>Total plantable area acquired (hectares)</i>
England	5
Wales	167
Scotland	3,496

The average price of plantable land was £431 per hectare, an increase of 8 per cent over the average for 1981–82 of £398 per hectare.

Disposals

86. The programme of land and plantation sales, on which we have reported in detail at paragraphs 18–23, was the major preoccupation of our land agent staff during the year. The larger plantation sales of interest to the financial institutions have been handled by the Chief Land Agent, while the Conservators have dealt with the disposal of smaller woods, plantable land and other properties. We have also made considerable use of private firms of agents.

87. We have intensified our efforts to sell those properties which are no longer required for the efficient management of our forest estate, including a substantial number of house sales to sitting tenants under discount arrangements similar to those offered by local authorities. Over 1,000 houses, equivalent to about 25 per cent of our total housing stock, have been sold in the course of the past four years.

Management of Property

88. During the year we spent £1.4 million on the construction, improvement and acquisition of buildings. Projects completed included part of the redevelopment of the administrative complex at Mortimer Forest in North West England Conservancy and the mechanical engineering workshop at Crychan Forest in South Wales. An extension to Glenbranter Repair Depot in West Scotland Conservancy was well under way. Less apparent, but no less important, has been the continuing programme of ensuring that our declining stock of houses is kept up to modern standards. The Commission's rental income for the year amounted to £1.8 million.

89. The numbers of properties managed by the Commission are given at Table 13 of Appendix VIII.

Harvesting and Marketing

Market Demand

90. The demand for small roundwood fell dramatically during the year. Deliveries of pulpwood for export and of chipwood to the particleboard industry showed a marked decline. By contrast, the increase in pulpwood supplied to the domestic industry, despite the closure of Bowater's mill at Kemsley, was encouraging. In the latter part of the year domestic demand for chipwood showed a marginal increase, with the temporary exports from south-west Scotland being replaced by deliveries to the new Caberboard plant at Irvine. Pitwood demand also declined. The increased demand for sawlogs was the most encouraging feature of the year, resulting in the total volume of wood harvested from our forests rising marginally to 2,777,000 cubic metres – just 1 per cent higher than last year.

Wood Prices

91. With trading conditions for small roundwood being the most difficult experienced to date, it was encouraging that prices overall increased by about 1 per cent. However, the effect of the fall in export pulpwood prices had not been reflected fully by the end of the year.

92. Sawlog prices improved over the year and towards the end of the period were showing signs of further improvement.

Forestry Commission Operations

93. The main features of our harvesting and marketing operations in the year, with comparable figures for previous years, are summarised below:

	Unit	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83
	Million cubic metres						
Total Removals . . .		1.97	2.01	2.33	2.47	2.75	2.78
By Sale Standing	0.75	0.68	0.76	0.82	0.91	0.96
By Forestry Commission harvesting	..	1.22	1.33	1.57	1.65	1.84	1.82
	£ million						
Gross Receipts . . .		25.91	26.61	34.94	36.64	36.26	38.43
Expenditure (including oncosts but excluding overheads)	..	12.31	14.70	19.37	23.79	24.54	23.94
Net Receipts	..	13.60	11.91	15.57	12.85	11.72	14.49
	£						
Receipts per cubic metre		13.15	13.24	15.00	14.83	13.18	13.84
Expenditure per cubic metre		6.25	7.31	8.31	9.63	8.92	8.62
Net Receipts per cubic metre	..	6.90	5.93	6.69	5.20	4.26	5.22

In the following paragraphs the performance achieved in each of the main sectors is set out in more detail.

Conifer Sawlog Sales

94. The total volume of sawlogs sold from our own harvesting operations amounted to some 1,000,000 cubic metres, an increase of 21 per cent over the previous year. The average price obtained for sawlogs continued to weaken during the early part of the year; following the trend in imported sawn softwood prices they began to strengthen in the second half, although ending 5 per cent down on the previous year. Our Log Price Index, which is an indication of prices in forward contracts, increased by 3 per cent from 137·8 at 31 March 1982 to 141·4 at 31 March 1983.

Conifer Small Roundwood Sales

95. Continuing difficulty in obtaining realistic prices coupled with lower demand led us to make a determined effort to minimise the quantity of small roundwood produced. While our total production of timber increased marginally, the proportion represented by pulpwood and chipwood fell by about 9 per cent from the previous year. In terms of the total volume of these products sold, this represented a decrease of 23 per cent.

96. During the year there was a severe reduction in demand for pulpwood in Scandinavia. We also faced the added difficulty of a total stoppage for six months of our export sales to Norway through Inverness. This was a consequence of the financial difficulties of the Tofte mill, near Oslo, which in turn led to the bankruptcy of the Norwegian Wood Import Agency. As our contract was covered by a banker's guarantee, all outstanding invoices and claims for loss were paid promptly and in full. Close liaison with the Bergen Bank and the Tofte mill eventually led to the successful conclusion of a new contract, despite the very difficult market conditions. By the end of the year supplies under this contract were flowing regularly. Our export sales decreased overall by 7 per cent, but nonetheless remained an important outlet representing 62 per cent of all pulpwood and chipwood sold.

97. As a result of the opening of new capacity by Thames Board Ltd at Workington, our domestic pulpwood deliveries increased by 6 per cent. For the second successive year, wood delivered to the particleboard industry declined (by 11 per cent). This was due mainly to the closure of the Scotboard mill at Irvine.

98. During the year the National Coal Board stopped importing round pitwood. When existing stocks of imported pitwood are exhausted, all supplies will then be from British forests (Plate 7). Nevertheless, as a result of the reduced demand for coal, the lower rate of wood consumption associated with economies in the use of wood in many pits and a lowering of stocks, the requirement for round pitwood fell during the year and deliveries were 6 per cent lower than in 1981-82.

Sales of Standing Trees

99. Removals of timber from Commission forests under standing sales contracts totalled 955,000 cubic metres, an increase of 5 per cent over 1981–82. The average price for all sales of standing timber rose by 31 per cent. Our Great Britain Price Index for sales of trees in the smaller size categories rose from 181·3 at 31 March 1982 to 238·7 at the end of the year, an increase of 32 per cent.

Other Developments

100. Amid the difficulties of the year we were encouraged by, and welcomed the achievement of, Thames Board Ltd in bringing their new plant on stream (paragraph 15). Further encouragement to the forest and wood-processing industries was the commencement late in the year by Caberboard Ltd of production at their new particleboard line at Irvine (paragraph 14). Last, but by no means least, was the significant boost to the British forestry industry provided by the decision of United Paper Mills of Finland to build a pulp and newsprint mill at Shotton (paragraphs 11 and 12). We wish all these new developments success and look forward to continued co-operation and mutual benefit in our future business relationships. In each case, our ability to offer substantial security of wood supply through long-term contracts has been a major factor leading to the investment decision.

Harvesting

101. Our considerable success in introducing new cost-effective methods of harvesting has continued (Plate 8). We harvested a similar volume to the previous year without any increase in cost, despite inflationary pressures. A move towards systems based upon forwarder extraction has allowed a considerable decrease in the total machinery holding. The greatest scope for future productivity increases is likely to lie in the felling, debranching and cross-cutting phases of the harvesting operation, and the emphasis of our development work is now on the evaluation of suitable systems. An examination of a range of processors which mechanically debranch and cross-cut the tree was completed during the year, and the first machine of this kind was scheduled to come into operation in 1983-84. The potential of harvesters which also fell the tree was reviewed following a study visit to Scandinavia where they are now in operational use. This indicated that harvesters may have a potential for cost reduction by comparison with present methods or with those using processors; we therefore began a programme of evaluation at the end of the year.

Engineering

Roads

102. In our Report last year, we mentioned that we had formed a working party to review our current road planning systems and instructions and to ascertain future roading requirements for our estate in the light of the need to accommodate heavier timber-carrying lorries. The working party recommended, and we have approved, a lower road density which should provide us with an economic road network until the end of the century. This decision

will result in a further reduction of resources allocated to road construction and upgrading over the next five years. A large number of existing roads will cease to be used, although the roads that remain in use will require increasing maintenance as harvesting traffic is progressively directed on to them.

103. We have given detailed consideration to the Government's proposal to increase the maximum lorry weight and have concluded that the current Commission road network, other than a small number of bridges, will be capable of accommodating the heavier vehicles proposed.

104. Increasing timber traffic on country roads in Scotland has resulted in some local highway authorities expressing concern over maintenance costs. During the year we had discussions about this problem with the Scottish Development Department, and formal arrangements for joint Regional and Forestry Commission proposals for financial assistance from central Government towards any necessary improvement of these roads have been negotiated.

Machines, Vehicles and Equipment

105. Forestry Ministers approved the Action Plan we had prepared following the study of light vehicle use in the Commission carried out under the auspices of Lord Rayner in 1981. A detailed survey of vehicle deployment in the Commission was carried out for a three-month period during the year, on lines recommended by the Rayner study, and as a result an 8 per cent reduction in the fleet is planned. This is expected to lead to total savings of up to £650,000 per annum. Other decisions taken have led to a reduction in the range of vehicles used and a major contraction in the use of four-wheel drive vehicles. There was no indication that foreign vehicles were either cheaper or more suited to our purposes than those made in Britain, and it will continue to be our policy to buy British.

106. Improved efficiency in the use of machines throughout the Commission has had the effect of reducing our holdings, which will lead to significant savings in repairs and servicing. Efforts to strengthen this improvement continue.

Forest Workers' Pay

107. The 1982 pay negotiations were concluded during the year under report. The revised weekly rates effective from 1 February 1982 were £68.50 for unskilled forest workers and £77.90 for forest craftsmen. The settlement included a provision that in those weeks when piecework earnings were not available guaranteed rates of £70.45 for unskilled forest workers and £80.10 for forest craftsmen would be paid.

108. The average weekly earnings of forest workers in 1982-83, based on a sample of one full week's work by all grades in each quarter, were £100.36.

109. The 1983 pay negotiations were still under way at the end of the year under report.

Health and Safety

110. There was a welcome fall compared with the previous year in the number of reportable accidents – that is, those which result in an absence from work lasting more than three days – from 479 to 397. Although a significant proportion of the reduction was due to a decline in the number of industrial employees, the accident frequency rate was nevertheless down from 8.6 to 7.5 per 100 employees which is close to the average for recent years. The incidence of accidents in harvesting operations continued to give cause for concern, because once again average figures were about three times those for other activities.

111. Representatives of the Commission, Trade Unions and manufacturers met to discuss safety clothing and equipment. The points of view exchanged proved to be valuable in furthering the objective of achieving maximum standards of comfort and safety. In the course of the year we introduced a system of health surveillance for those employees, mainly in forest nurseries, who are regularly exposed to organophosphorous pesticides. We also issued new instructions on the provision of first-aid facilities.

112. A decision was still awaited at the end of the year on the recommendation by the Industrial Injuries Advisory Committee that vibration induced white finger (VWF) should be recognised as a prescribed industrial disease. Our survey to determine the incidence of VWF among current and former chain saw operators in the Commission was completed in the meantime, and although a detailed report was not then available, it was clear that the prevalence of VWF was about the same as that indicated by our earlier pilot study at Thetford Forest – that is, about 1 in 3 employees were affected to some extent.

Finance

113. The accounts of the Forestry Enterprise, including general notes and explanations together with the Comptroller and Auditor General's report thereon, appear after page 85. As indicated in the foreword, which is a new feature of these accounts, their format has been changed with the agreement of the Treasury and the Exchequer and Audit Department in order to comply with the Companies Acts 1948 to 1981, and accords with the memorandum recently issued by the Treasury on the Companies Act 1981 and the application of its accounting and disclosure requirements to public sector bodies.

114. For the first year of the 1982–87 quinquennium, performance was generally better than standard. A favourable variance of £4.5 million was achieved on the Plantations Account (see Note 11 to the accounts) and a net surplus of £0.3 million recorded on the Trading Account (Note 14 to the accounts). Included in the above figures is a profit totalling £2.2 million on the sale of properties which is analysed in Note 13 to the accounts.

Forestry Authority

Legislation

Forestry Commission Byelaws

115. As mentioned in our last Report, new Forestry Commission Byelaws came into operation on 1 June 1982 (SI 1982/648).

*Controls Against the Spread of *Dendroctonus micans**

116. Because of the outbreak of *Dendroctonus micans*, we found it necessary to introduce the Restriction on Movement of Spruce Wood Order 1982 (SI 1982/1457). This Order, which came into operation on 20 October 1982, controls the movement of spruce wood grown within the counties of Clwyd, Gloucestershire, Gwent, Mid Glamorgan, South Glamorgan, Hereford and Worcester, Powys and Shropshire and the Districts of Meirionnydd (Gwynedd) and South Staffordshire (Staffs). The movement of any such wood with a diameter of 75 mm or more is prohibited from and restricted within these areas, unless the bark has been removed or a licence allowing such movement has been issued by a Forestry Commission inspector. Provision is also made in the Order for powers of inspection, serving notices, furnishing information, production of records and for remedies in case of default.

117. Strict controls are enforced on the import of spruce wood, which has to be debarked before being landed in this country. Agreement was reached in the European Community during the year on the extension of these controls to other conifer wood from France (from where there is a risk of consignments of mixed conifers being imported from an area devastated by gales and infested with *Dendroctonus micans*) and to the introduction of new controls on the import of conifer trees (the bulk of which are used as Christmas trees). We planned to make an Order to introduce these changes as soon as possible in 1983.

Amendments to the Dutch Elm Disease Orders

118. We also proposed to amend our Dutch Elm Disease Orders in 1983 to adjust the boundaries of the areas within which control measures apply. Further details are given in paragraphs 128 and 129.

Private Forestry

119. We are glad to be able to report that the sharp rise in the rate of new planting achieved in 1981–82 was sustained, although total planting in the private sector was marginally lower as a result of a slight fall in the rate of restocking. The overall level of planting was, however, still well above the levels achieved between 1976 and 1981. A total of 15,629 hectares of planting was grant-aided under the Commission's schemes, of which 12,511 hectares comprised new planting (Table 3 of Appendix VIII). In addition, it is estimated that 479 hectares were planted without grants. It is interesting to note that over half the planting grant-aided in the year came within the Forestry Grant Scheme. Interest in joining the Scheme continued at a high level and by the

end of March 1983 over 3,000 applications covering 112,400 hectares had been received.

Research and Development

120. The Commission's Report on Forest Research, published each autumn, gives a full account of the work carried out or grant-aided by our Research and Development Division. The paragraphs below represent a small selection of items of general interest.

Upland Silviculture

121. We have reinforced our research into endemic windthrow in plantations. This includes investigation of the root development of spruce in unstable soils to identify types of root systems most resistant to windthrow and to devise methods of developing such systems in future plantations, particularly by cultivation. We have supplemented our own investigations by commissioning research at the Scottish Institute of Agricultural Engineering in Edinburgh and the University College of North Wales in Bangor, and relevant research has also been undertaken by the Institute of Terrestrial Ecology at Edinburgh. We have intensified our measurement of the aerodynamics of plantations, particularly aerodynamic effects of stocking density and early thinning, with the assistance of the University of Aberdeen and the Cranfield Institute of Technology. We are also continuing with windthrow surveys to improve existing methods of predicting the onset and rate of spread of damage in existing plantations.

Lowland Silviculture

122. Marked increases in the growth of newly-established trees in tree shelters have now been demonstrated in a wide range of species. It is estimated that half a million tree shelters were used by the Forestry Commission and by private owners in the 1982–83 planting season. Further research is being undertaken to clarify the reasons for enhanced growth and to determine the appropriate place and use of shelters in different woodland situations.

123. Experiments to evaluate the effects of weeding at various stages in the first few years after planting have shown that good weed control in the first year of establishment has yielded substantial increases in the height and diameter growth of young trees. These benefits, which have been found in a series of motorway experiments, appear to be associated with added soil moisture during the growing season. Similar results have been obtained using a black polythene mulch in place of other weed control treatments.

Dendroctonus micans

124. The Entomology Branch has provided advice on the appropriate action to be taken against this newly identified pest, drawing on European experience. In addition, an urgent research programme has been undertaken into the biology of the beetle in British conditions, and scientific trials have been set in train to investigate the possible use of *Rhizophagus grandis*, a specific predator of *Dendroctonus micans*, as a biological control of the pest in this country.

Acid Rain

125. A growing number of reports emerged during the year of widespread forest decline in Central Europe, usually attributed to acid rain. Two of our scientists visited Western Germany in the autumn of 1982 to study affected stands, mainly of Norway spruce, and their report* concludes that the damage appears to be largely confined to old stands at high elevations. There is no evidence of soil damage associated with the decline and the causes, while still obscure, are certainly complex and may well include a number of different forms of pollution. Increasing acidity of fresh waters and associated loss of fish, which has been a concern in Scandinavia for nearly 20 years, has been noted in some parts of Scotland and Wales. There are suggestions that the acidity may be greater and the loss more serious where the streams flow through coniferous forest. We are collaborating with other bodies in studying the causes of the changes and the influence of the forest on water quality.

European Community

126. Proposals for research projects in wood production and processing by organisations in Member States were considered in November 1982 as candidates for financial support under the EC raw materials programme *Wood as a Renewable Raw Material*. EC funds will allow a proportion of such proposals to be partially financed by the Community, and appropriate contracts will be negotiated by the EC Directorate-General for Science, Research and Development with the successful proposers.

Plant Health

Dendroctonus micans

127. The measures that have been, and are being, taken to deal with this pest are described earlier in the Report (paragraphs 24–27).

Dutch elm disease

128. As noted in previous Reports, Dutch elm disease has killed most of the elms in southern parts of the country and it continues to spread in northern areas. Unfortunately, no way has been found of eradicating the disease, either in this country or abroad, despite intensive research. Sanitation felling campaigns have played a useful role, however, in slowing the rate of spread and preserving valuable elm populations a little longer. Our advice over the past few years to local authorities in the lightly affected areas has been to concentrate their resources on sanitation felling in localities where disease levels are low and the elm trees are an important feature of the environment. This strategy is particularly relevant in urban areas or in areas where natural geographical features will aid control.

129. Following a review of the national situation, including the gathering of detailed information from local authorities, we decided that the time had come to adjust the boundaries of the control areas to reflect this limited objective more accurately. With the agreement of the local authorities

* Forestry Commission Research & Development Paper 131, £1.00 net.

concerned, we therefore set in train the drafting of two new Orders to replace the Dutch Elm Disease (Restriction on Movement of Elms) Order 1977 and the Dutch Elm Disease (Local Authorities) Order 1977 (as amended in both cases in 1979). Under the new Orders, the main control area in England will consist of a broad belt across the centre of the country, including Merseyside, Greater Manchester, West Yorkshire and parts of Cheshire, Lancashire and North Yorkshire. Other smaller areas of control, such as Lincoln City, Tyne and Wear, the Peak area of Derbyshire and parts of East Sussex and Cumbria, will remain. In Wales, controls will be confined to a part of Gwynedd and the Colwyn District of Clwyd. The whole of Scotland, with the exception of Border Region and part of Dumfries and Galloway Region, will continue to be a control area.

Oak wilt

130. The European Commission has authorised a derogation from the requirement that oak logs from North America must be debarked before they are imported into the Community. This derogation permits the import of logs for veneer production from those parts of the USA certified as free of oak wilt by the US Plant Health Authority. An acceptable alternative to this requirement is that the logs will have been fumigated with methyl bromide to standards agreed with and to be enforced by the US Plant Health Inspection Service. We shall monitor the situation closely, but we have no plans to lift the total ban on the import into this country of oak logs with bark from North America.

Local Authority Contingency Plans

131. As has been demonstrated in the recent outbreak of *Dendroctonus micans*, the Commission can respond quickly and effectively to such a situation. At the same time, it is recognised that difficulties could arise if there were a serious outbreak of a pest or a disease in an urban area; this could call for detailed local knowledge and for special skills and equipment to deal, for example, with large trees in built-up areas. It is likely that we should have to call on the local authority to play a part in helping to deal with such an outbreak, and for this reason we have been encouraging local authorities to develop plant health contingency plans so that we can work closely together if the need should arise. We are pleased to say that the majority of authorities have declared themselves willing and able to draw up such plans. We shall be making further approaches to those authorities who, for a variety of reasons, have shown a reluctance to take part.

Education and Training

Internal Training

132. The number of courses for forest workers fell during the year because of lower manning levels and fewer new recruits, although the introduction of medium-sized forwarders created a demand for the training of mechanics. Management training courses continued normally while, in the technical field, emphasis was placed on the implementation of organised felling systems.

133. We maintained regular contact with the Cumbria College of Agriculture at Newton Rigg and the Inverness Technical College's Scottish School of Forestry concerning their forestry courses to Diploma level. We continued to find pre-school and sandwich-period employment for their students, although with increasing difficulty in the present depressed state of the industry. A further demand for work-experience employment will arise from the introduction of the Youth Training Scheme, for which we ran a small pilot scheme at the Forest of Ae with considerable success.

International Seminar on the Management of Forestry Training Systems

134. We were pleased to host this seminar, on behalf of the United Kingdom and the FAO/ECE/ILO Joint Committee on Forestry Working Techniques and the Training of Forest Workers, at the Dumfries and Galloway College of Technology from 10 to 14 May 1982. Excursions were arranged to enable participants to see the practical organisation of training systems and techniques at our Training Centre at Ae. They were also able to see and discuss aspects of forestry practices in south-west Scotland where the proportion of land under forest is now the highest in Britain.

Retirement of Chief Education and Training Officer

135. Mr John Goodwin retired in October 1982 after 35 years' service to forestry education at our former Lynford Hall and Dean Forester Training Schools and more recently as Chief Education & Training Officer at Headquarters. A pioneer in new training methods and standards, Mr Goodwin shares much of the credit for the advancement of technical and industrial forestry training in Britain.

Public Relations

136. Forestry attracted a higher level of attention than usual from the media throughout the year. Interest continued unabated in the disposals programme (paragraphs 18–23) and its effect upon such issues as rural employment, public access and conservation, although other events periodically attracted bigger headlines. A successful press tour to Ennerdale in the Lake District (paragraph 76) highlighted the Commission's landscaping policies and attracted widespread attention. We succeeded in obtaining extensive coverage – in Scandinavia, the European Community and North America, as well as in Britain – for the publication of the survey report on prospects for the wood-processing industry in Scotland (paragraphs 16 and 17) and for the subsequent announcement of the United Paper Mills' project at Shotton (paragraphs 11 and 12). The unexpected outbreak of *Dendroctonus micans* (paragraphs 24–27) excited a good deal of media interest and called for the production of a series of posters designed to assist foresters, woodland owners and timber merchants to identify symptoms of the pest.

137. The work of the Forestry Commission inspired the winning entry in the 1982 National Schools' Project Competition organised by the British Trades Alphabet Company. A study card we had produced on forestry was among 20 circulated to 30,000 schools in England, Scotland and Wales, and forestry

proved to be the sixth most popular subject among the school children who submitted entries. The schoolgirl who won second prize in the forestry section also came third overall. Forestry gained two more third prizes in the poster competition and a further 109 awards and certificates. This is the first year we have been associated with the competition, and the interest it stimulated in forestry was most encouraging.

138. The major theme of our agricultural shows' exhibit was devoted to illustrating the extent and variety of the nation's need for timber and timber products. At the end of the show season it went on tour at a series of urban venues and was to succeed the previous year's display on wildlife conservation for one year at the Royal Agricultural Society's permanent forestry pavilion at Stoneleigh.

Finance

139. The statement of expenditure on Forestry Authority services, together with notes and explanations, appears at Table 2 of Appendix XI.

DAVID MONTGOMERY, *Chairman*
G. D. HOLMES
Deputy Chairman and Director General
J. FORBES
W. F. E. FORBES
GIBSON-WATT
G. O. HUTCHISON
J. N. KENNEDY
D. A. MITHEN
G. S. MURRAY
J. D. POLLOCK
L. J. WHETSTONE

P. J. CLARKE, *Secretary*
FORESTRY COMMISSION
231 Corstorphine Road
Edinburgh EH12 7AT

Appendix I

Statutory and other Committees appointed by the Forestry Commission: membership at 31 March 1983

National Committees

England

Mrs L. J. Whetstone (*Chairman*), Mr J. Brocklebank, Major D. J. C. Davenport, Mr G. O. Hutchison, Mr J. N. Kennedy, Mr W. E. Lane. *Secretary to the Committee*: Mr A. Lyon. The Committee met in October 1982 and March 1983.

Scotland

Captain W. F. E. Forbes (*Chairman*), Lt.-Col. A. E. Cameron, Mr D. A. Mithen, Mr J. D. Pollock, Mr William Wolfe, Captain J. M. A. Yerburgh. *Secretary to the Committee*: Mr B. R. Sidaway. The Committee met in April and November 1982.

Wales

Lord Gibson-Watt (*Chairman*), Mr R. T. Bradley, Mr B. Davies, Mr D. Davies, Mr T. O. Lewis, Mr A. Rix. *Secretary to the Committee*: Mr E. G. Owen. The Committee met in June and November 1982.

Regional Advisory Committees

ENGLAND

North-West Conservancy

Lord Forester (*Chairman*), Mr G. Price Bowring, Mr J. E. Croasdale, Mr C. A. Eade, Dr H. M. T. Frankland, Mr F. G. Humphreys, The Earl of Lonsdale, Mr M. Taylor, Mr W. B. Walker. *Secretary to the Committee*: Mr M. Mitchell. The Committee met in May and November 1982.

North-East Conservancy

Mr J. Brocklebank (*Chairman*), Mr F. K. Beaumont, Mr F. M. Berthele, Mr M. J. M. Bliss, Mr P. O. R. Bridgeman, Mr B. Minto, Mr M. L. Richardson, Mr G. F. Stevenson, Major P. B. Walker. *Secretary to the Committee*: Mr J. G. Armstrong. The Committee met in August 1982 and January 1983.

East Conservancy

Mr W. E. Lane (*Chairman*), Major G. K. Agnew, Mr R. W. R. Browning, Mr W. H. Darling, Mr W. R. Emms, Major A. G. N. Hadden-Paton, Mr T. Mabbutt, Mr P. H. Peck, Mr J. K. Royston. *Secretary to the Committee*: Mr W. O. Wittering. The Committee met in April and October 1982.

South-East Conservancy

Mr H. W. Mackworth-Praed (*Chairman*), Mr H. B. G. Dalgety, Mr T. J. Daniel, Mr D. J. Edwards, Mr J. P. M. H. Evelyn, Viscount Falmouth, Mr R. T. Gray, Mr A. G. Porter, Mr B. P. Tompsett. *Secretary to the Committee*: Mr B. Tipping. The Committee met in April and October 1982.

South-West Conservancy

Major D. J. C. Davenport (*Chairman*), Mr M. Bray, Mr I. Mercer, Mr R. M. Moody, Mr A. G. Phillips, Mr M. Roper, Mr P. D. Tuckett, Mr R. F. Worgan, Mr J. H. B. Workman. *Secretary to the Committee*: Mr D. C. Fisher. The Committee met in April and December 1982.

SCOTLAND

North Conservancy

Lt.-Col. A. E. Cameron (*Chairman*), Mr Ewan J. Brodie, Mr J. Evans, Mr S. J. Fraser, Mr A. N. S. Kinnear, Major A. McCall, Mr H. D. Skinner, Capt R. W. K. Stirling, Mr A. F. F. Williamson. *Secretary to the Committee*: Mr K. Roscoe. The Committee met in May and October 1982.

East Conservancy

Dr Jean Balfour (*Chairman*), Mr B. S. Brookes, Mr G. W. Christie, Mr G. Cruikshank, Mr A. D. M. Farquharson, Mr N. Gordon-Smith, Mr T. Bruce Jones, Mr D. F. Ogilvie, Mr J. G. Scalley. *Secretary to the Committee*: Mr W. D. Fraser. The Committee met in April and November 1982.

South Conservancy

Capt J. M. A. Yerburgh (*Chairman*), Mr J. Hunter Blair, Major D. Bridges, Mr H. Crawford, Mr D. Hewitt, Mr J. G. Hope, Mr D. W. N. Landale, Mr R. A. McClymont, Capt J. G. Milne-Home, *Secretary to the Committee*: Mr W. G. Williamson. The Committee met in May and October 1982.

West Conservancy

Mr William Wolfe (*Chairman*), Capt J. N. B. Baillie-Hamilton, Mr F. Bracewell, Mr D. Brierton, Mr W. J. Christie, Mr T. Doyle, Mr A. Fleming, Mr H. Smith, Mr T. Smith. *Secretary to the Committee*: Mr W. J. Anderson. The Committee met in May and October 1982.

WALES

North Conservancy

Mr T. H. Owen (*Chairman*), Mr F. C. Best, Mr J. M. Harrop, Mr R. ap Simon Jones, Mr D. R. L. Keogh, Mr V. Lewis, Capt D. Y. F. Myddelton, Major P. C. Ormrod, Mr J. W. Sutton. *Secretary to the Committee*: Mr J. McGough. The Committee met in May and October 1982.

South Conservancy

Mr M. A. McLaggan (*Chairman*), Mr E. Bartlett, Mr C. J. S. Burd, Mr S. K. Neale, Mr R. G. Thomas, Mr H. Thompson, Mrs D. Walmsley, Mr R. H. Wheelock, Mr C. R. Woosnam. *Secretary to the Committee*: Mr R. R. Davies. The Committee met in April and October 1982.

Home Grown Timber Advisory Committee

Mr J. D. W. Janes (*Chairman*)

Mr F. Baugh
Mr A. F. Bloomfield

*Mr R. E. Boote
Mr H. J. Brewis
The Hon James Bruce

*Mr N. F. Cairncross
Mr D. J. Cooper

*Mr J. W. Dodds
Mr G. Donaldson
The Hon James Galbraith

Mr J. Glegg
Mr R. D. Gordon

*Independent members

Mr R. M. Harley

Mr H. J. Keys

*Mr R. J. Lennox

*Professor A. MacLeary

Mr F. A. Megginson

*Mr A. Mills

Mr P. S. Murray

Mr R. Parker-Jervis

*Mr R. Pierson

Mr H. Richardson

Mr J. F. Williams

Mr C. R. Woosnam

Secretary: Mr J. R. Wallace

With the exception of the independent members the membership was drawn from nominations received from the following bodies: Timber Growers England and Wales Ltd, Timber Growers Scotland Ltd, British Timber Merchants' Association (England and Wales), Home Timber Merchants' Association of Scotland, National Coal Board, Timber Trade Federation, UK Particleboard Association, Association of United Kingdom Wood Pulp Producers, Timber Research and Development Association Ltd.

The Committee met in June, September and December 1982 and March 1983. The Annual Report of the Committee is at Appendix II, page 42.

Technical Sub-Committee of the Home Grown Timber Advisory Committee

Mr H. Richardson	(Chairman)
Major P. C. Ormrod	} Timber Growers England and Wales Ltd
Mr M. T. Rogers	
Mr D. B. Crawford	} Timber Growers Scotland Ltd
Mr J. R. Macer	
Mr M. D. Oxnard	} British Timber Merchants' Association (England and Wales)
Mr A. J. Brownlie	
Mr T. S. Smith	} Home Timber Merchants' Association of Scotland
Dr G. K. Elliott	
Mr A. R. Powell	Institute of Chartered Foresters
Col D. A. Campbell	Association of Professional Foresters
Mr P. R. Willan	Royal Institution of Chartered Surveyors
Mr V. J. Cridge	Association of United Kingdom Wood Pulp Producers
Mr S. K. Neale	National Coal Board
	Transport and General Workers' Union

Secretary: Mr J. R. Aaron

The Sub-Committee met in April, June and September 1982 and January 1983.

Supply and Demand Sub-Committee of the Home Grown Timber Advisory Committee

Mr N. F. Cairncross	(Chairman)
Mr P. J. Warburton-Lee	} Timber Growers England and Wales Ltd
Mr D. B. Crawford	
Mr J. W. Sutton	} Timber Growers Scotland Ltd
	} British Timber Merchants' Association (England and Wales)
Mr J. Glegg	
Mr A. F. Bloomfield	Home Timber Merchants' Association of Scotland
Mr K. F. Deane	UK Particleboard Association
Mr J. G. M. Dawson	Association of United Kingdom Wood Pulp Producers
Mr R. W. MacKenzie	Timber Trade Federation
	National Coal Board

Secretary: Mr R. M. Smith

The Sub-Committee met in May and December 1982.

Advisory Committee on Forest Research

Professor P. F. Wareing	Professor J. P. Hudson
(Chairman)	Professor J. D. Matthews
Dr J. D. Brazier	Dr W. E. S. Mutch
Professor J. P. M. Brenan	Professor M. E. D. Poore
Dr J. P. Dempster	Professor L. Roche
Professor J. M. Hirst	Professor T. S. West

Secretary: Mr J. R. Price

The Committee met in October 1982.

Forestry Research Coordination Committee

Mr D. A. Mithen (<i>Chairman</i>)	Forestry Commission
Mr A. J. Grayson	Forestry Commission
Dr T. Hegarty	Agriculture Departments
Dr E. J. Gibson	Department of the Environment
Dr J. C. Bowman	} Natural Environment Research Council
Mr J. N. R. Jeffers	
Dr J. Moorby	Agricultural Research Council
Mr R. C. Steele	Nature Conservancy Council
Professor M. E. D. Poore	Forestry Universities
Professor P. F. Wareing	Forestry Commission Research Advisory Committee

Secretary: Mr D. A. Burdekin

The Committee met in June and October 1982 and March 1983.

Forestry Training Council

Professor J. D. Matthews (*Chairman*)

Employer Members

Mr P. J. D. Donnelly	}	Timber Growers England and Wales Ltd
Major General T. A. Richardson		
Commander A. G. Claridge	}	Timber Growers Scotland Ltd
Mr A. F. F. Williamson		
Mr C. W. Simmonds	}	Forestry Commission
Mr A. R. Sutton		
Mr A. G. Phillips		

Employee Members

Mr H. Crawford	}	Transport and General Workers' Union
Mr J. H. Hose		
Mr D. R. L. Keogh		
Mr A. Mills		
Mr S. K. Neale		
Mr T. E. Radford		Civil Service Union

Education and Training Members

Mr A. I. McNab	}	Forestry Education, Scotland
Mr R. M. Boothroyd		Forestry Education, England and Wales
Mr D. Danbury		

Forestry Society etc Members

Professor C. J. Taylor	Institute of Chartered Foresters
Mr J. Brown	Royal Scottish Forestry Society
Mr W. Start	Royal Forestry Society of England, Wales and Northern Ireland
Dr P. G. Biddle	Standing Committee for Arboricultural Education

Secretary

Mr J. McRitchie Forestry Commission

The Council met in June and October 1982 and March 1983.

Forestry Safety Council

Col D. A. Campbell
Viscount Campden
Mr K. J. Ramsay
Mr D. J. Cooper

Mr R. Callander
Mr J. H. Hose
Mr A. Mills
Mr R. Neale
Mr D. G. Whieldon
Mr C. W. Simmonds
Mr D. A. Bardy

(*Chairman*)

Timber Growers England and Wales Ltd
Timber Growers Scotland Ltd
British Timber Merchants' Association (England and
Wales)
Home Timber Merchants' Association of Scotland
Transport and General Workers' Union
General Municipal Boilermakers and Allied Trades Union
Forestry Training Council
Forestry Commission
Forestry Commission Safety Officer

Secretary

Mr R. J. Bell

Forestry Commission

The Council met in April and September 1982.

Appendix II

Home Grown Timber Advisory Committee: Annual Report for the year ended 31 March 1983

Plant health matters were an important feature of the Committee's deliberations during the year. The Committee was concerned to learn of the discovery of outbreaks of *Dendroctonus micans* in spruce plantations in an area within a radius of some 50 miles straddling the English/Welsh border. The Committee questioned the Commission closely on the counter-measures being taken and were reassured to know that the Commission's objective was to eradicate all known pockets of infestation by clear felling where necessary. The Committee kept closely in touch with developments throughout the year and was pleased to note the excellent co-operation between the Commission, private woodland owners and the timber trade in their common aim to deal with this pest. The Committee fully endorsed the Commission's decision to take powers to control the movement of spruce wood within the infected area. At its March meeting the Committee also considered and approved the changes proposed to the Commission's Dutch elm disease Orders.

At its June meeting the Committee considered a discussion paper presented by the growers' representatives on the subject of forestry in the European Community. It doubted whether a common forestry policy was the most appropriate way of dealing with the various activities involved. The Committee noted that both the Forestry Commission and the growers' organisations were keeping a close watch on forestry-related matters within the Community, and asked to be kept in touch with, and consulted on, proposals. In September the Committee commented upon the forestry aspects of the House of Commons Agriculture Committee Report on Less Favoured Areas.

The substantial report of the Technical Sub-Committee's Working Party on Softwood Sawmilling Research was the subject of considerable discussion at the December meeting. The main recommendation of the report, that there should be a Sawmilling Research Advisory Board, funded by the trade, was not acceptable to the timber merchants' associations. There was, however, broad agreement that consideration would be given to the individual financing by the trade of specific research or information projects which were considered to be of value.

At the September meeting the outcome of the symposium *Broadleaves in Britain*, held the previous July at Loughborough University, was discussed. The Committee noted with approval the general support at the symposium for the lead being taken by the Commission in developing policies for the future management of broadleaved woodlands. The Committee sought assurances from the Commission that the forestry industry, and especially the private growers, would be fully consulted.

Concern over the state of the wood market was reflected in discussions throughout the year, although the Committee was very encouraged to learn of the possibility of a major pulp mill being established at Shotton in North Wales by United Paper Mills.

At its March meeting the Committee made its annual review of the programme of work of the Commission's Research and Development Division. Also in March the Committee noted that the Commission's disposals target had increased to a figure of £82 million and expressed concern that this might damage the Commission's mainstream activities.

The Committee considered the proposal to move the Princes Risborough Laboratory to the Building Research Establishment at Garston and their concern was conveyed to Ministers. The Committee was informed in March that the move was to go ahead but it would be spread over three years. Assurances were given that the need for continuity in wood research was fully recognised by the Government.

Among other issues considered were the Ministerial statement on felling control procedures and the consultants' report into a strategy for the Scottish wood-processing industry. The Committee also took note of the issue of the Code of Guidance for Sites of Special Scientific Interest, together with the associated Financial Guidelines, as well as the outcome of a study into Small Scale Chemical Pulping. The Committee was encouraged by the good response from the private sector to the Forestry Grant Scheme and was kept informed of the progress of the Commission's internal management structure review and of the review groups set up by the Forestry Research Coordination Committee.

The Committee continued to receive regular reports from its Technical Sub-Committee and from the Supply and Demand Sub-Committee. Among the matters considered by the Technical Sub-Committee were the implications of the British Standard (BS5268) Code of Practice for the Structural Use of Timber, which introduces a performance rather than a product specification; a project with the Electricity Council on the treatment of spruce power-transmission poles; and a project on studs for timber-frame housing. The results of the last mentioned had indicated that, while strength requirements can be met, kiln drying trials had identified twist as the main difficulty to be faced. The Sub-Committee also considered the final report of a study of poplar in Britain; the role of radio in forest operations; and Forestry Commission work study reports on various types of forest machinery and equipment. The Supply and Demand Sub-Committee kept the main Committee informed on wood supply and demand in Great Britain and on prospects for the coming year on the basis of information supplied by consumers' and growers' associations.

The Committee once more wishes to place on record its appreciation of the sound advice received from both Sub-Committees.

Appendix III

Forestry Training Council

Annual Report for the year ended 31 March 1983

The Council and its Management Committee each met in Edinburgh at Forestry Commission Headquarters on 3 June and 7 October 1982 and 3 March 1983. The Grant Award Committee and specialised Working Groups of Council members also met at various times during the year. A number of changes in membership occurred. Mr J. F. Goodwin retired and his place as a Forestry Commission representative was taken by Mr A. Sutton. Mr A. P. B. Hamilton also retired but his place as a representative for Forestry Education (Scotland) had still to be filled at the end of the year. Mr J. Brown replaced Mr J. M. Fraser as the Royal Scottish Forestry Society representative. The Council was saddened by the death of Mr A. G. Pyman who had served as a representative for Forestry Education (England and Wales) since the Council was formed in 1971 and contributed much to its work. The vacancy was filled by Mr D. Danbury. A further sad event was the death of Mr A. M. Nelson Steward who, as full-time manager of the Council's group training arrangements, achieved notable success in developing these arrangements for the benefit of the whole of the private forestry sector. Mr D. G. Whieldon was appointed to succeed him as Chief Training Manager.

Statistics on the quantity of training undertaken were again compiled and are provided in Tables 1 and 2.

Table 1
Attendance on courses for Recognised Craft, Supervisory and Managerial Qualifications

Courses	Grade and Type	1981-82		1982-83	
		Number of Courses/Students	Number of Courses/Students	Number of Courses/Students	Number of Courses/Students
City and Guilds 012 Stage 1	Craft (Young Workers) Day and Block Release	5	72	2	28
City and Guilds 012 Phase 1	Craft (Young Workers) Day and Block Release	—	—	3	52
City and Guilds 012 Stage 2	Craft (Adult Workers) Block Release	4	68	1	23
SCOTEC Certificate Part 1	Craft (Young Workers) Block Release	5	49	6	65
SCOTEC Certificate Part 2	Craft (Adult Workers) Block Release	1	9	3	43
Totals for Craft Courses		15	198	15	211
Ordinary National Diploma	Supervisory 3-Year Sandwich	1	100	1	96
SCOTEC Diploma	Supervisory 2-Year Sandwich	1	25	1	45
City and Guilds 012 Stage 3	Supervisory Block Release	3	24	1	13
SCOTEC Certificate Part 3	Supervisory Block Release	1	12	2	20
National Diploma in Forestry	Managerial Residential	2	7	2	12
Totals for Supervisory and Managerial Courses		8	168	7	186

Short courses in many different subjects were arranged for the private sector by the English and Welsh Forestry Training Group and the Scottish Forestry Training Group; the Forestry Commission also conducted short courses for their own work force.

Table 2
*Attendance on Short Courses for Forest Workers,
Supervisors and Managers*

Level	Source of Participants	1981-82 Trainee Course Days	1982-83 Trainee Course Days
Craft	Private Forestry ..	3,210	4,110
	Forestry Commission	7,765	8,811
	Totals	10,975	12,921
Supervisory and Managerial	Private Forestry ..	2,003	2,089
	Forestry Commission ..	2,694	2,079
	Totals	4,697	4,168

The Council assisted with arrangements for 12-week College-based forestry induction courses for unemployed young people under the Youth Opportunities Programme sponsored by the Manpower Services Commission; 14 such courses were held.

Towards the end of the year, the Council declared its support for, and intention to help with, the introduction to the forestry industry of the Government's new Youth Training Scheme which would take the place of the Youth Opportunities Programme and would provide a full year's training for a number of young people.

A third Training Development Officer was recruited during the year, primarily to give greater impetus to training in the Highlands area. The Highlands and Islands Development Board continued to provide financial help in developing training in the Highlands and agreed a new incentive scheme to provide grant-aid to timber harvesting operators in the area undergoing appropriate training.

The Council operated the Additional Apprentice Support Scheme sponsored by the Manpower Services Commission. Under the scheme, certain forestry employers were grant-aided to take new entrant trainees additional to requirements and to ensure their training to an approved standard at the worksite and attendance on certain courses over a period of one year. A substantial number of these trainees secured permanent employment at the end of the period.

The Manpower Services Commission provided grant aid on a much reduced basis towards the cost of running the Council's Group Training Scheme which continued to move nearer to financial self-sufficiency.

The Forestry Training Council made 19 awards during the year to trainees who wished to complete certain City and Guilds or SCOTEC courses but could not obtain financial support from their employers or local education authorities.

The Forestry Training Council continued to work closely with the Forestry Safety Council. The Council is pleased to record again the willing co-operation of many people and organisations, particularly that of the Manpower Services Commission, the Colleges providing courses in forestry, the Forestry Commission, the private sector of forestry and the assessors.

Signed for the Forestry Training Council.

John D. Matthews
Chairman

J. McRitchie
Secretary to the Council

Appendix IV

Forestry Safety Council

Annual Report for the year ended 31 March 1983

During the year meetings of the Council were held in Edinburgh on 27 April and 28 September 1982. The Safety Guides Sub-Committee also met on two occasions.

The meeting in September coincided with the Association of Professional Foresters fourth National Forest Machinery Demonstration which was staged at Beeccraigs Estate in West Lothian on 29 and 30 September 1982. The Council were represented at the Demonstration with members on hand to deal with enquiries relating to the Forest Industry Safety Guides which were on display.

At the end of the year a number of new guides were in various stages of drafting while the programme of revision of existing guides was proceeding smoothly. Requirements of the Health and Safety (First-Aid) Regulations 1981 were reflected in a reissue of the First-Aid guide.

A Guidance Note concerned with chain saws was published by the Health and Safety Executive. This is a much reduced version of the original draft document on which the Council provided comment. The purpose is to give guidance to designers, manufacturers, importers and suppliers to enable them to meet their obligations under section 6 of the Health and Safety at Work, etc Act 1974.

The Council considered that the British Standard relating to safety footwear should be extended to deal specifically with the requirements necessary for boots worn by chain saw operators. It is hoped that this can be achieved in 1984 when the Standard is due to be revised.

Log-splitting machinery seemed to the Council to be a source of some danger to operators. Basic safety principles need to be observed by manufacturers and it is particularly important to ensure that controls are located in such a way that the operator is kept well away from the log when the splitting device is moving.

In relation to circular saw legislation, the aim is to establish across the board standards whenever these can reasonably be achieved. At present there are variations in this respect as between the Agriculture (Circular Saws) Regulations 1959 and the Woodworking Machinery Regulations 1974.

Appendix V

Felling Control Procedures

Announcement made by the Secretary of State for Scotland on 27 May 1982

The Rt Hon George Younger MP, Secretary of State for Scotland, made the following announcement on 27 May 1982 in a Written Answer to a Parliamentary Question about the changes to the felling control system proposed in the consultative paper issued by the Forestry Commission on 10 December 1980:

“After careful consideration of the comments received on those proposals, the Government intend to introduce the following changes—

- (i) The thinning of trees in woodlands for silvicultural purposes will be exempted from felling licensing. Licences will continue to be required, however, for clear felling, including selective felling. We have asked the Forestry Commission to consult with the Environment Departments and Timber Growers Great Britain with a view to obtaining a mutually acceptable definition of the term ‘thinning’ for the purposes of the necessary amending legislation.
- (ii) Administrative savings will be made by dispensing with follow-up inspections when replanting in accordance with a condition of a felling licence receives grant aid. In such cases, the condition will be regarded as having been fulfilled when the first instalment of grant has been paid.
- (iii) Provision has been made in the Criminal Justice Bill for an increase in the maximum fine which may be imposed under the Forestry Act 1967 for failure to comply with the conditions of a felling licence.
- (iv) The provisions of the Forestry Act 1967 relating to felling directions which have never been used will be repealed.
- (v) The Regulations under the Town and Country Planning Acts which require local authorities to provide the Forestry Commission with a copy of all Tree Preservation Orders will be amended, to enable this requirement to be waived by agreement between the Commission and a local authority.

The reduction in the monitoring of licence conditions will be introduced immediately. The other modifications in procedures will be introduced when the necessary legislative changes have been made.

The Government have decided not to pursue the three remaining proposals relating to felling controls which were included in the Commission’s consultative paper. We have decided against recouping the costs of felling licensing by charging a fee. It has also been decided not to accept the proposal that detached woodlands of less than 0.25 hectares should be removed from felling licensing and that a system of notification to local authorities should instead be introduced for fellings within them. Finally, we have decided not to remove the restriction on the sale of the licence-free quota of timber which is at present limited by the Forestry Acts 1967 and 1979 to 5.5 cubic metres out of 30 cubic metres per quarter.

The changes I have announced, taken with the changes to the grant-aid arrangements for private forestry contained in my statement of 28 July 1981, will meet our main objective of making the grant-aid and felling control procedures less complex and less costly to administer. The Forestry Commission will also now be in a position to put in hand a review of the administration of the consultation procedures relating to both grants and felling licences, as envisaged in the consultative paper.”

Appendix VI

Review of the New Forest Mandate

Letter from the Rt Hon Peter Walker, MBE, MP, Minister of Agriculture, Fisheries and Food

Sir David Montgomery Bt, JP, DL
Chairman
Forestry Commission
231 Corstorphine Road
EDINBURGH
EH12 7AT

22 July 1982

REVIEW OF THE NEW FOREST MANDATE

I have considered the outcome of the review conducted by the Forestry Commission, the Verderers and the Consultative Panel of the principles governing the Commission's management policies in the New Forest woodlands, as outlined in the so-called Mandate issued by my predecessor on 3 May 1971. I am pleased to note that the Forestry Commission, the Verderers (with one exception) and most of the organisations represented on the Panel agreed that the Mandate has worked well and should continue unchanged for a further period. I see no reason to dissent from this conclusion and I confirm that the following principles – with minor modifications to reflect the fact that they are now firmly established and to bring the terminology up to date – should continue to apply:

1. The New Forest must be regarded as a national heritage and priority given to the conservation of its traditional character.
2. In pursuance of this:
 - (a) the Ancient and Ornamental Woodlands should, as heretofore, be conserved without regard to timber production objectives, felling being kept to the minimum necessary to promote effective regeneration and limited to single trees or clumps of trees; consideration may be given to the possibility that one or more areas might, on an experimental basis and in consultation with the Nature Conservancy Council, be totally enclosed and protected against all forms of human interference;
 - (b) in the Timber Inclosures
 - (i) the present overall balance between broadleaves and conifers will at least be maintained;
 - (ii) no broadleaves will be felled to make way for conifers, except to a limited degree where soil conditions are unsuitable for the growth of broadleaves;
 - (iii) the broadleaved areas should be managed with an emphasis on amenity, i.e. on a rotation of *at least* 200 years with felling limited to single trees or small groups in areas not exceeding about one acre;
 - (iv) subject to the overriding provisions in sub-paragraphs (i) and (ii) above, which imply some flexibility in the conversion of coniferous areas (and vice versa), the planting of conifers should be limited to areas which
 - (a) have already been felled or otherwise prepared for this purpose; or
 - (b) are already planted with conifers.

These provisions will be the subject of another comprehensive review by the Forestry Commission, the Verderers and the Panel not later than the end of 1992. On the Commission's suggestion, I have decided that this review should take account of any views expressed by the Nature Conservancy Council and the Countryside Commission.

The present full consultation between the Forestry Commission, the Verderers and the Panel on the annual programmes of work in the implementation of these principles should of course continue.

I am writing in similar terms to Sir Dudley Forwood and Mr Maldwin Drummond with copies to Mr Patrick McNair-Wilson MP, Sir Ralph Verney and Mr Derek Barber. I am also enclosing an advance copy of a Press Notice that I have agreed should be issued by the Forestry Commission to publicise my decisions.

Appendix VII

New Publications

Reports

- 62nd Annual Report and Accounts of the Forestry Commission 1981–82 (£8).
Report on Forest Research 1982 (£5·70).

Booklet

- No. 32 *Thinning Control in British Woodlands*, by R. T. Bradley (metric revision by G. J. Hamilton and J. M. Christie) 2nd impression (£1·50).

Bulletins

- No. 58 *Conifer Lachnids*, by C. I. Carter and N. R. Maslen (£3·50).
No. 59 *Seed Manual for Ornamental Trees and Shrubs*, by A. G. Gordon (£5)

Forest Records

- No. 110 *Conifer Bark – Its properties and Uses* (revision), by J. R. Aaron (£1·40).
No. 123 *Reptiles and Amphibians in Woodlands*, by I. F. Spellerberg (£1·40).
No. 124 *The Fallow Deer*, by N. G. and D. I. Chapman (£1·35).

Leaflets

- No. 80 *Forest Fire Fighting with Foam*, by M. J. R. Ingoldby and R. O. Smith (£1·35).
No. 81 *Aid Tools for Timber Harvesting*, by D. J. Howard and F. W. Hayes (£1·50).

Research and Development Paper

- No. 130 *Notes on the Behaviour of Roe Deer (*Capreolus capreolus* L.) at Chedington, Dorset, 1970–80* by A. L. Johnson (£3).

Occasional Paper

- No. 13 *Broadleaves in Britain Symposium: Addresses, Supplementary Papers and Discussions*, edited by A. J. Grayson (£1·50).

Guide

- A Guide to Westonbirt Arboretum* (revised 1982), by J. E. J. White (40p).

In addition the following free pamphlets were produced:

- Forestry Commission Catalogue of Publications 1983
- Forestry Facts and Figures 1981–82
- Control of Tree Felling
- Teachers' Handbook
- Wayfaring Leaflet

Appendix VIII

Statistical Tables

Forestry Authority

DEDICATION SCHEMES FOR PRIVATE ESTATES POSITION AT 31 MARCH 1983

Table 1

Area in hectares

	England		Wales		Scotland		Great Britain	
	Number	Area	Number	Area	Number	Area	Number	Area
<i>Basis I and II</i> Dedications in existence	2,357	203,511	503	30,693	1,142	233,247	4,002	467,451
<i>Basis III</i> Dedications in existence	365	19,068	92	6,073	478	72,114	935	97,255
Dedications in preparation	34	1,972	6	371	33	7,603	73	9,946
Total	399	21,040	98	6,444	511	79,717	1,008	107,201

Notes:

- (i) A dedication exists when the Deed of Covenant or Agreement has been completed.
- (ii) Dedications in preparation include all applications approved as suitable for dedication.

THE APPROVED WOODLANDS SCHEME FOR PRIVATE ESTATES POSITION AT 31 MARCH 1983

Table 2

Area in hectares

	England		Wales		Scotland		Great Britain	
	Number	Area	Number	Area	Number	Area	Number	Area
Plans of Operations in existence at the begin- ning of the year .. .	69	8,072	3	628	11	1,895	83	10,595
Terminations during the year	27	1,697	2	494	7	954	36	3,145
Plans remaining .. .	42	6,375	1	134	4	941	47	7,450

Note: The Approved Woodlands Scheme was closed to new applications in June 1972 but existing participants were allowed to continue in the Scheme until their current plans of operations expired.

AREA OF PLANTING BY PRIVATE WOODLAND OWNERS FOR WHICH GRANTS
WERE PAID IN THE YEAR ENDED 31 MARCH 1983

Hectares

Table 3

Country	In Forestry Grant Scheme			In Dedicated Woodlands			In Small Woods Scheme			In Other Grant Schemes			Total		
	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total
ENGLAND															
Conifer	792	272	1,064	241	873	1,114	36	45	81	—	4	4	1,069	1,194	2,263
Broadleaved	338	324	662	74	436	510	33	34	67	—	6	6	445	800	1,245
Total	1,130	596	1,726	315	1,309	1,624	69	79	148	—	10	10	1,514	1,994	3,508
WALES															
Conifer	367	9	376	475	96	571	9	3	12	—	—	—	851	108	959
Broadleaved	38	19	57	20	24	44	2	5	7	—	—	—	60	48	108
Total	405	28	433	495	120	615	11	8	19	—	—	—	911	156	1,067
SCOTLAND															
Conifer	5,651	211	5,862	4,297	672	4,969	43	22	65	—	—	—	9,991	905	10,896
Broadleaved	66	31	97	25	25	50	4	7	11	—	—	—	95	63	158
Total	5,717	242	5,959	4,322	697	5,019	47	29	76	—	—	—	10,086	968	11,054
GREAT BRITAIN															
Conifer	6,810	492	7,302	5,013	1,641	6,659	88	70	158	—	4	4	11,911	2,207	14,118
Broadleaved	442	374	816	119	485	604	39	46	85	—	6	6	600	911	1,511
Total	7,252	866	8,118	5,132	2,126	7,258	127	116	243	—	10	10	12,511	3,118	15,629

In addition it is estimated that the following areas were planted without grant aid:

	New Planting	Restocking
England	91	117
Wales	33	15
Scotland	145	78
Great Britain	269	210

AREA OF PLANTING BY PRIVATE WOODLAND OWNERS FOR WHICH GRANTS WERE PAID IN
THE 10-YEAR PERIOD 1 APRIL 1973 TO 31 MARCH 1983

Table 4

Hectares

Year ended 31 March	England			Wales			Scotland			Great Britain		
	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total
1974	2,170	2,147	4,317	1,327	175	1,502	15,392	1,579	16,971	18,889	3,901	22,790
1975	2,033	1,633	3,666	1,234	123	1,357	15,037	1,287	16,324	18,304	3,043	21,347
1976	1,026	1,454	2,480	408	112	520	8,170	1,071	9,241	9,604	2,637	12,241
1977	775	1,156	1,931	723	125	848	5,734	643	6,377	7,232	1,924	9,156
1978	831	1,008	1,839	591	36	627	4,900	933	5,833	6,322	1,977	8,299
1979	702	1,439	2,141	591	90	681	6,656	1,321	7,977	7,949	2,850	10,799
1980	814	1,731	2,545	556	112	668	6,932	1,022	7,954	8,302	2,865	11,167
1981	905	1,930	2,835	561	142	703	6,934	927	7,861	8,400	2,999	11,399
1982	795	1,888	2,683	1,004	223	1,227	10,663	1,339	12,002	12,462	3,450	15,912
1983	1,514	1,994	3,508	911	156	1,067	10,086	968	11,054	12,511	3,118	15,629

Note: This table does not include planting done without Forestry Commission grants.

VOLUME OF TIMBER LICENSED FOR FELLING AND THINNING
ON PRIVATE ESTATES IN THE YEAR ENDED 31 MARCH 1983

Table 5

Volume in thousands of cubic metres

	England	Wales	Scotland	Great Britain
Conifer	133	18	86	237
Broadleaved	182	12	19	213
Total volume	315	30	105	450
Number of licences issued	1,218	112	257	1,587

Note: Excludes felling and thinning covered by an approved plan of operations under the Dedication and Forestry Grant Schemes, for which no licence is required.

AREA LICENSED FOR CLEAR FELLING ON PRIVATE ESTATES
IN THE YEAR ENDED 31 MARCH 1983

Table 6

Hectares

	England	Wales	Scotland	Great Britain
Conditional licences	1,151	118	441	1,710
Unconditional licences	147	4	152	303
Total	1,298	122	593	2,013

Note: Conditional licences require the restocking of the land concerned.

Forestry Enterprise

Table 7	LAND USE AT 31 MARCH 1983			Hectares
	England	Wales	Scotland	Great Britain
Forest Land				
Under plantations	250,358	136,849	521,515	908,722
Retained scrub	1,664	1,597	4,590	7,851
To be planted	5,264	1,933	38,898	46,095
Total	257,286	140,379	565,003	962,668
Other Land				
Agricultural and grazing	11,394	9,874	104,078	125,346
Forest workers' holdings	481	329	2,894	3,704
Unplanted and miscellaneous (includes nursery land)	30,524	7,117	121,565	159,206
Total	42,399	17,320	228,537	288,256
Total area	299,685	157,699	793,540	1,250,924

Table 8	NET AREA OF LAND ACQUIRED/DISPOSED OF DURING THE YEAR ENDED 31 MARCH 1983			Hectares
	England	Wales	Scotland	Great Britain
Plantations acquired	5	—	241	246
Plantations disposed of	1,793	444	3,253	5,490
Planting land acquired	—	167	3,255	3,422
Planting land disposed of	333	1	808	1,142
Other land acquired	13	3	748	764
Other land disposed of	397	1,005	4,074	5,476
Net area of land acquired/disposed of ..	(2,505)	(1,280)	(3,891)	(7,676)

Table 9	PLANTING IN THE YEAR ENDED 31 MARCH 1983			Hectares
		New Planting	Re-stocking	Total
England				
Conifer	406	1,849	2,255	
Broadleaved	23	178	201	
Total	429	2,027	2,456	
Wales				
Conifer	425	1,471	1,896	
Broadleaved	11	11	22	
Total	436	1,482	1,918	
Scotland				
Conifer	7,971	2,274	10,245	
Broadleaved	50	15	65	
Total	8,021	2,289	10,310	
Great Britain				
Conifer	8,802	5,594	14,396	
Broadleaved	84	204	288	
Total	8,886	5,798	14,684	

AREA PLANTED ANNUALLY BY THE COMMISSION IN THE 10-YEAR PERIOD 1 APRIL 1973 TO 31 MARCH 1983

Hectares

Table 10

Year ended 31 March	England			Wales			Scotland			Great Britain		
	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total	New Planting	Re-stocking	Total
	1974	1,552	1,348	2,900	1,417	762	2,179	15,433	1,211	16,644	18,402	3,321
1975	1,239	1,384	2,623	1,412	649	2,061	17,010	1,461	18,471	19,661	3,494	23,155
1976	1,487	1,043	2,530	1,131	476	1,607	14,651	1,723	16,374	17,269	3,242	20,511
1977	1,302	1,170	2,472	1,096	793	1,889	13,148	1,194	14,342	15,546	3,157	18,703
1978	1,148	1,164	2,312	769	937	1,706	12,206	968	13,174	14,123	3,069	17,192
1979	686	1,424	2,110	572	884	1,456	10,584	1,259	11,843	11,842	3,567	15,409
1980	898	2,168	3,066	797	1,241	2,038	14,135	2,260	16,395	15,830	5,669	21,499
1981	470	1,902	2,372	683	1,116	1,799	10,481	1,996	12,477	11,634	5,014	16,648
1982	558	1,949	2,507	326	1,524	1,850	10,094	2,037	12,131	10,978	5,510	16,488
1983	429	2,027	2,456	436	1,482	1,918	8,021	2,289	10,310	8,886	5,798	14,684

AREAS OF PLANTATIONS AND VOLUMES OF TIMBER THINNED
AND FELLED IN THE YEAR ENDED 31 MARCH 1983

Table 11

Area in hectares;
Volume in thousands of cubic metres

	Felled		Thinned		Total Volume Felled and Thinned
	Area	Volume	Area	Volume	
England					
<i>Conservancy:</i>					
North-West	542	151	1,193	55	206
North-East	852	198	1,317	51	249
East	600	152	3,600	138	290
New Forest and South-East	196	46	2,384	89	135
South-West and Dean	388	114	2,024	97	211
Total	2,578	661	10,518	430	1,091
Wales					
<i>Conservancy:</i>					
North	653	159	2,496	137	296
South	889	224	1,815	92	316
Total	1,542	383	4,311	229	612
Scotland					
<i>Conservancy:</i>					
North	512	196	437	21	217
East	582	148	2,541	132	280
South	918	224	1,907	112	336
West	730	203	863	38	241
Total	2,742	771	5,748	303	1,074
Great Britain ..	6,862	1,815	20,577	962	2,777

SALES OF TIMBER IN THE YEAR ENDED 31 MARCH 1983

Table 12

Thousand cubic metres

Description	England	Wales	Scotland	Great Britain
Trees sold standing	331	279	345	955
Converted*				
Round timber and saw logs	384	200	397	981
Telegraph and other selected poles	7	2	12	21
Mining timber	35	18	—	53
Posts and stakes	21	15	3	39
Pulpwood and boardmill material	173	63	243	479
Firewood	29	5	12	46
Miscellaneous	30	1	—	31
Poles sold in length (other than selected)	1	—	—	1
Total	680	304	667	1,651

* In addition 6,000 cubic metres were converted and used internally for forest and estate purposes. (England 2,000; Wales 2,000; Scotland 2,000).

**PROPERTIES MANAGED BY THE COMMISSION
AT 31 MARCH 1983**

Table 13

Number

Type of Property	England	Wales	Scotland	Great Britain
Forest properties				
Foresters' houses	173	90	248	511
Forest workers' houses	510	114	562	1,186
Forest workers' holdings	40	26	91	157
Miscellaneous*	1,312	489	898	2,699
Total	2,035	719	1,799	4,553
Other properties†				
Farms and other agricultural subjects	497	411	558	1,466
Residential and other lettings	1,161	670	1,109	2,940
Total	1,658	1,081	1,667	4,406

* Miscellaneous covers hostels, bothies, offices, repair workshops and other buildings not normally let.

† In addition there are 2,212 sporting lettings.

**PUBLIC RECREATIONAL FACILITIES
AT 31 MARCH 1983**

Table 14

Number

	England	Wales	Scotland	Great Britain
Camping and caravan sites*	21	1	9	31
Picnic places	362	111	134	607
Forest walks and forest nature trails	285	134	239	658
Visitor centres	11	6	9	26
Arboreta	8	7	5	20
Forest drives	5	1	2	8
Forest cabins and holiday houses	108	4	84	196

* In addition to these campsites, the Commission provides the following:—

- (i) five sites leased to the Caravan Club and two sites to the Camping Club of Great Britain and Northern Ireland;
- (ii) 41 sites set aside for youth camping;
- (iii) facilities for caravan rallies.

LAND USE, PLANTING AND TIMBER PRODUCTION BY FORESTS—ENGLAND

Table 15

NORTH-WEST ENGLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Arden, Hereford and Worcester, West Midlands, Warwick and Leics	920	897	—	5	18	10	3	1
Blengdale, Cumbria	2,361	1,845	36	172	308	—	8	9
Bowland, Lancs.	1,821	1,703	—	—	118	—	2	4
Cannock, Staffs.	3,613	3,482	—	58	73	2	26	18
Dalton, Cumbria and Lancs.	1,654	1,381	5	—	268	—	—	2
Delamere, Cheshire	985	916	1	—	41	—	6	6
Ennerdale, Cumbria	3,643	1,589	25	47	1,982	5	5	9
Greystoke, Cumbria	1,270	1,161	3	—	106	—	11	8
Grizedale, Cumbria	3,527	3,070	—	—	457	—	28	17
Kershope, Cumbria	5,700	5,306	—	56	338	—	30	44
Launde, Derby, Notts and Leics	891	864	—	20	7	—	—	—
Matlock, Derby and Cheshire	2,966	1,935	24	503	504	3	8	—
Mortimer, Shropshire, Hereford and Worcester	4,793	4,592	23	21	157	—	67	36
Sherwood, Notts	6,370	5,983	—	54	333	—	68	34
Shropshire Hills, Shropshire	2,138	1,919	—	111	108	7	—	6
Spadeadam, Cumbria and Northumberland	7,610	5,925	22	672	991	135	—	1
Thornthwaite, Cumbria	2,649	2,127	18	15	489	—	41	12
TOTAL	52,884	44,695	157	1,734	6,298	162	303	207

Note: Inglewood has been added to Spadeadam.
Swynnerton has been added to Shropshire Hills.

Table 15—continued

NORTH-EAST ENGLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Chopwell, Durham, Tyne and Wear ..	874	795	2	—	77	—	5	2
Cleveland, North Yorks and	3,288	3,068	77	27	116	11	10	2
Cropton, North Yorks	4,630	3,875	70	118	567	16	50	17
Dalby, North Yorks	3,064	2,767	—	11	286	—	48	25
Dales, North and West Yorks and Durham	2,130	1,973	5	105	47	—	—	1
Don, South, West and North Yorks ..	2,819	1,855	36	718	210	23	11	3
Falstone, Northumberland ..	15,018	13,266	—	47	1,705	—	138	41
Hambleton, North Yorks	4,339	3,773	22	107	437	3	19	13
Hamsterley, Durham	4,357	3,388	—	727	242	—	39	19
Harwood, Northumberland ..	4,525	4,103	—	38	384	—	79	15
Kidland, Northumberland ..	3,545	2,758	—	43	744	53	—	1
Kielder, Northumberland ..	16,291	10,211	—	6	6,074	—	22	32
Redesdale, Northumberland ..	5,615	5,009	—	—	606	—	41	12
Slaley, Northumber- land and Durham	1,190	1,094	6	49	41	—	13	5
Thrunton, Northumberland ..	3,721	3,390	39	20	272	100	26	12
Wark, Northumberland ..	13,755	11,690	—	464	1,601	—	43	22
Wykeham, North Yorks	7,925	6,310	61	118	1,436	13	45	19
Wynyard, Cleveland	575	563	—	11	1	—	6	—
York, North Yorks and Humberside ..	2,293	2,164	11	36	82	10	6	9
TOTAL	99,954	82,052	329	2,645	14,928	229	601	250

Table 15—continued

NEW FOREST AND SOUTH-EAST ENGLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Alice Holt, Hamp- shire, West Sussex and Surrey ..	3,141	3,011	33	3	94	—	12	8
Bedgebury, Kent and East Sussex ..	3,951	3,626	—	—	325	—	6	12
Bramshill, Hampshire and Berks	2,343	2,195	22	12	114	—	20	10
Challock, Kent ..	3,521	3,463	21	—	37	—	12	8
Micheldever, Berks and Hampshire ..	2,412	2,317	35	2	58	—	—	12
New Forest, Hamp- shire	26,965	11,731	135	—	15,099	—	31	40
Queen Elizabeth For- est, West Sussex and Hampshire ..	7,632	7,169	159	28	276	—	11	17
Ringwood, Dorset ..	2,941	2,602	32	—	307	—	60	19
St Leonards, East Sussex and West Sussex	1,746	1,554	8	—	184	—	4	3
Wight, Isle of Wight	1,843	1,696	20	—	127	—	14	6
TOTAL	56,495	39,364	465	45	16,621	—	170	135

Note: Arundel has been added to Queen Elizabeth.

Table 15—continued

SOUTH-WEST ENGLAND AND DEAN CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Dartmoor, Devon . . .	2,384	2,123	—	—	261	—	12	19
Dean Forest, Gloucester, Hereford and Worcester and Gwent	10,693	9,574	—	147	972	—	93	55
Eggesford, Devon . . .	1,157	1,135	1	1	20	—	10	4
Exeter, Devon	2,686	2,432	33	147	74	1	43	15
Hereford, Gloucester and Hereford and Worcester	1,948	1,863	—	77	8	—	1	6
Kernow, Cornwall . . .	3,491	3,286	41	48	116	—	47	19
Mendip, Avon, Somerset and Wilts	1,410	1,358	12	1	39	—	14	7
Neroche, Somerset and Devon	2,056	1,818	—	29	209	—	4	3
Powerstock, Dorset . .	1,121	1,038	2	9	72	—	—	2
Savernake, Wiltshire, Hampshire and Berks	5,031	4,784	84	41	122	—	24	12
Torrige, Devon	3,670	3,447	—	40	183	—	87	32
Wareham, Dorset . . .	4,828	4,177	100	24	527	—	36	17
Westonbirt, Gloucester	242	—	199	—	43	—	—	—
West Somerset, Somerset and Devon	2,721	2,488	15	16	202	—	57	14
Wyre, Salop, Hereford and Worcester	1,835	1,787	—	—	48	—	7	6
TOTAL	45,273	41,310	487	580	2,896	1	435	211

Note: West Somerset is a newly-formed forest comprising the former Brendon and Quantock Forests.

Table 15—continued

EAST ENGLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Aldewood, Suffolk ..	3,521	3,328	6	31	156	—	48	37
Amphill, Beds ..	1,368	1,192	82	45	49	—	—	1
Bardney, Lincs ..	2,815	2,702	17	4	92	—	3	7
Chilterns, Bucks, Oxon, Beds and Herts	2,935	2,824	14	60	37	—	10	6
Hazelborough, Nor- thants and Bucks ..	1,365	1,346	7	2	10	—	22	5
Kesteven, Lincs ..	2,062	1,975	—	12	75	—	—	3
Lavenham, Suffolk ..	811	807	—	—	4	—	4	2
North Lindsey, Lincs	2,061	1,991	—	2	68	—	34	11
Rockingham, Nor- thants and Cambs	2,685	2,561	14	3	107	5	17	7
Thetford, Norfolk and Suffolk	21,156	20,043	43	95	975	29	357	195
Walden, Essex, Cambs and Herts	691	658	27	6	—	—	1	1
Wensom, Norfolk ..	2,103	2,038	1	—	64	—	17	11
Wymersley, Beds, Northants and Bucks	1,506	1,472	15	—	19	3	5	3
TOTAL	45,079	42,937	226	260	1,656	37	518	289

LAND USE, PLANTING AND TIMBER PRODUCTION BY FORESTS—WALES

Table 16

NORTH WALES CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Aeron, Dyfed ..	2,219	2,174	9	—	36	—	3	3
Beddgelert, Gwynedd ..	5,624	4,627	41	18	938	—	62	14
Ceiirig, Clwyd ..	1,775	1,719	1	7	48	—	—	6
Ceri, Powys ..	1,773	1,759	3	—	11	—	—	11
Clocaenog, Clwyd ..	8,310	7,683	7	21	599	8	99	46
Coed Sarnau, Powys ..	3,060	2,970	29	39	22	—	9	8
Coed-y-Brenin, Gwynedd ..	9,278	6,598	72	127	2,481	7	80	32
Cynwyd, Gwynedd and Clwyd ..	785	723	—	14	48	—	10	4
Dyfi, Gwynedd and Powys ..	7,369	6,582	24	120	643	64	94	40
Dyfnant, Powys ..	3,191	2,633	—	—	558	10	1	16
Gwydyr, Gwynedd and Clwyd ..	8,114	5,966	53	31	2,064	17	77	39
Hafren, Powys ..	4,642	4,508	—	1	133	—	14	17
Mathrafal, Powys and Clwyd ..	1,575	1,490	5	4	76	—	—	3
Penllyn, Gwynedd ..	4,331	3,933	—	155	243	76	1	5
Radnor, Powys ..	2,464	2,406	—	5	53	—	4	15
Rheidol, Dyfed ..	5,423	4,306	34	237	846	23	3	15
Ystwyth, Dyfed and Powys ..	7,070	5,824	20	221	1,005	50	31	22
TOTAL ..	77,003	65,901	298	1,000	9,804	255	488	296

Note: Clwyd has been added to Clocaenog.
Newborough has been added to Beddgelert.

Table 16—continued

SOUTH WALES CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Brechfa, Dyfed ..	6,689	6,156	88	71	374	—	77	57
Brycheiniog, Powys ..	1,602	1,495	—	1	106	—	42	12
Cao, Dyfed	3,022	2,884	72	2	64	—	63	18
Coed Abertawe, West Glam	868	808	32	—	28	—	13	5
Coed Deufor, Dyfed ..	3,955	3,167	70	8	710	—	12	5
Coed Preseli, Dyfed ..	2,137	1,844	201	—	92	—	1	3
Coed-y-Rhaiadr, Powys	2,454	1,935	194	2	323	7	59	1
Coed Taf, Powys and Mid Glam	2,569	2,148	21	1	399	—	24	5
Crychan, Powys and Dyfed	3,660	3,537	54	—	69	—	94	28
Crynant, West Glam ..	3,167	2,475	53	224	415	17	82	9
Cymer, West and Mid Glam	5,227	4,660	30	108	429	—	87	9
Ebbw, Gwent	5,157	4,582	34	179	362	2	61	23
Glasfynydd, Powys and Dyfed	1,484	1,464	1	1	18	1	15	23
Irfon, Powys and Dyfed	2,679	2,319	8	62	290	—	2	6
Margam, West and Mid Glam	4,687	4,176	173	4	334	1	115	23
Mynydd Du, Powys and Gwent	1,468	1,312	—	—	156	—	15	11
Rheola, West and Mid Glam	5,204	4,295	87	—	822	—	69	22
Rhondda, Mid Glam ..	4,472	3,460	—	152	860	112	23	—
St Gwynno, Mid Glam	3,905	3,361	—	100	444	9	24	9
Tair Onen, Mid and South Glam	1,364	1,150	73	15	126	—	49	6
Talybont, Powys	1,581	1,506	15	—	60	—	23	9
Tintern, Gwent	3,874	3,782	29	2	61	—	37	21
Tywi, Powys and Dyfed	8,424	7,452	10	1	961	32	6	3
Wentwood, Gwent	1,047	980	54	—	13	—	1	7
TOTAL	80,696	70,948	1,299	933	7,516	181	994	315

LAND USE, PLANTING AND TIMBER PRODUCTION BY FORESTS—SCOTLAND

Table 17

NORTH SCOTLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Achnashellach, Highland	7,691	5,032	29	200	2,430	56	8	14
Affric, Highland ..	26,884	7,393	—	100	19,391	140	—	1
Ardross, Highland ..	10,772	7,907	88	1,808	969	221	—	4
Black Isle, Highland	5,601	5,141	29	—	431	3	10	14
Clunes, Highland ..	6,819	4,445	34	187	2,153	22	29	26
Culloden, Highland ..	8,475	6,261	2	786	1,426	159	8	11
Dornoch, Highland ..	4,014	1,675	3	1,803	533	19	9	2
Farigaig, Highland ..	4,376	3,319	100	30	927	—	12	3
Fiunary, Highland ..	6,683	5,022	46	90	1,525	83	46	9
Glengarry, Highland	17,245	6,486	10	411	10,338	113	38	17
Glenurquhart, Highland	10,454	5,103	107	430	4,814	30	19	19
Inchnacardoch, Highland	10,213	6,044	81	856	3,232	47	44	23
Leanachan, Highland	29,601	9,043	190	43	20,325	62	62	15
Mull, Strathclyde ..	15,758	9,970	249	1,473	4,066	284	16	9
Naver, Highland ..	13,934	7,728	53	1,905	4,248	280	—	—
Queen's Forest, Highland	7,941	6,031	10	—	1,900	17	—	1
Ratagan, Highland ..	4,973	2,709	—	33	2,231	—	65	20
Rumster, Highland ..	9,277	4,705	—	3,601	971	402	1	—
Shin, Highland ..	34,347	16,938	35	5,301	12,073	497	2	3
Skye, Highland and Western Isles ..	21,491	9,018	90	1,109	11,274	406	12	5
Sunart, Highland ..	13,017	6,871	226	363	5,557	141	45	15
Torrachilty, Highland	16,642	8,699	6	91	7,846	27	9	6
TOTAL	286,208	145,540	1,388	20,620	118,660	3,009	435	217

Note: Inshriach has been added to Queen's.
 Strathmashie has been added partly to Leanachan and partly to Queen's.
 South Strome has been added to Achnashellach.

Table 17—continued

EAST SCOTLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Alltcailleach, Grampian	1,806	1,670	—	10	126	—	2	1
Angus, Tayside ..	10,371	8,499	13	474	1,435	64	12	19
Banchory, Grampian	5,524	5,361	4	34	125	17	12	23
Bennachie, Grampian	7,085	5,796	2	114	1,173	109	16	18
Craigellachie, Grampian	11,032	9,311	22	991	708	135	48	11
Drummond Hill, Tayside	4,062	2,785	37	633	607	50	39	8
Dunkeld, Tayside ..	3,832	3,391	54	150	237	187	—	13
Eden, Fife and Central	3,552	3,330	47	16	159	—	40	27
Forest of Deer, Grampian	2,876	2,674	21	33	148	26	13	18
Huntly, Grampian ..	10,136	8,959	—	258	919	111	43	44
Kirkhill, Grampian ..	1,199	1,166	5	2	26	—	5	6
Laigh of Moray, Gram- pian and Highland	6,875	6,468	38	—	369	3	24	35
Mearns, Grampian ..	7,532	6,599	17	—	916	—	35	28
Ochil, Fife, Tayside and Central	4,481	4,107	27	—	347	—	28	9
Rannoch, Tayside ..	14,129	8,201	59	931	4,938	267	—	1
Speymouth, Grampian	10,593	10,038	3	78	474	96	35	18
Tornashean, Grampian	4,434	3,596	—	169	669	76	—	—
Tummel, Tayside ..	8,292	5,671	109	270	2,242	1	—	1
TOTAL	117,811	97,572	458	4,163	15,618	1,142	352	280

Table 17 – continued

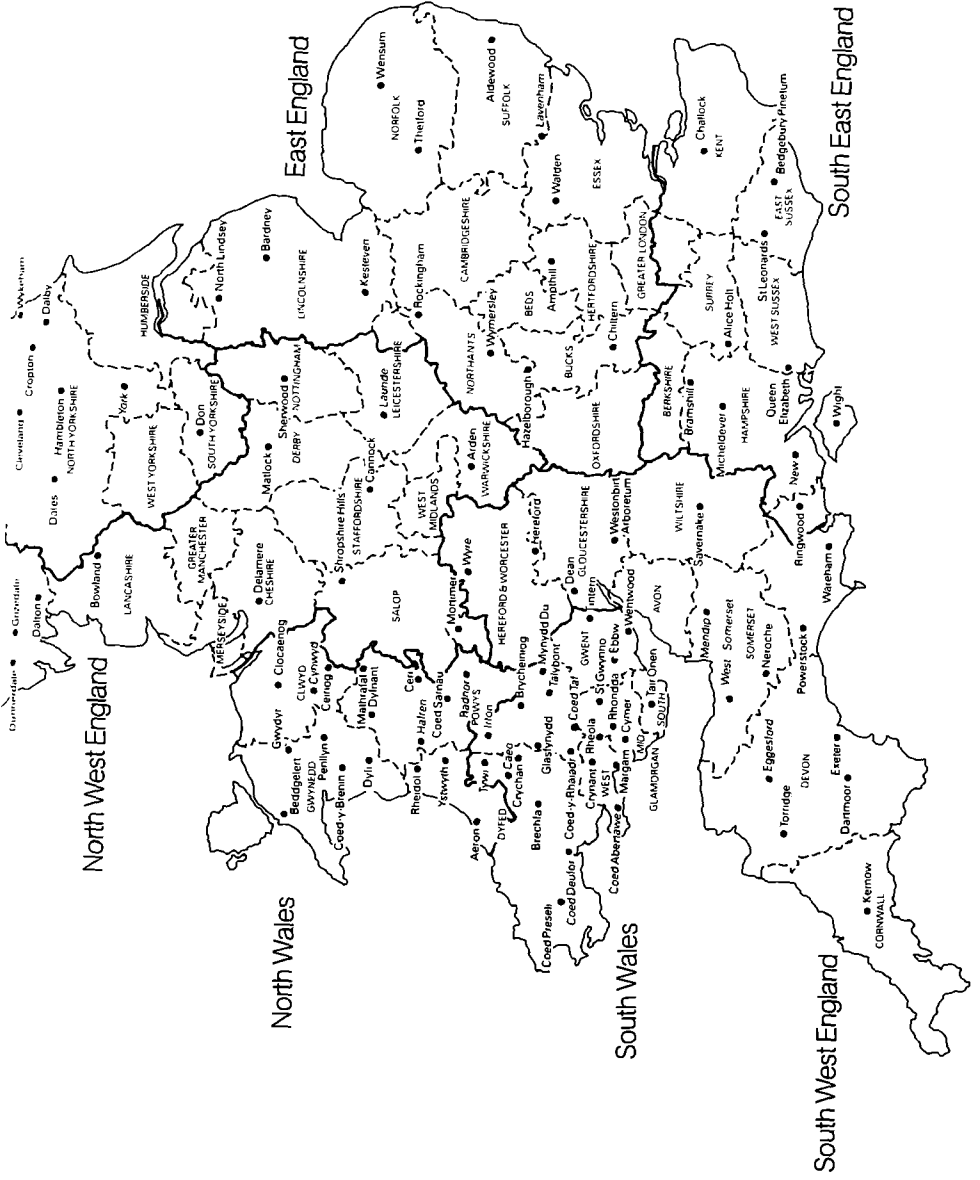
SOUTH SCOTLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Ae, Dumfries and Galloway	6,996	6,531	—	338	127	129	48	25
Arcleoch, Strathclyde	4,799	3,548	—	1,071	180	167	21	—
Bareagle, Dumfries and Galloway	4,933	4,622	170	42	99	—	—	1
Bennan, Dumfries and Galloway	6,850	6,349	—	—	501	—	38	22
Carrick, Dumfries and Galloway and Strathclyde	17,504	8,733	3	1,347	7,421	103	24	22
Castle O'er, Dumfries and Galloway and Borders	5,505	5,273	—	6	226	—	66	35
Clatteringshaws, Dum- fries and Galloway	12,699	8,860	—	191	3,648	20	7	6
Clydesdale, Strath- clyde and Lothian	5,275	4,755	4	112	404	22	50	1
Craik, Borders	6,010	5,295	—	259	456	35	—	4
Dalmacallan, Dum- fries and Galloway	4,294	3,499	—	202	593	49	7	4
Dundeugh, Dumfries and Galloway	3,698	3,218	—	12	468	1	53	21
Fleet, Dumfries and Galloway	8,152	6,714	—	756	682	50	11	15
Glentress, Borders and Lothian	9,710	8,757	—	76	877	23	120	41
Glentroot, Dumfries and Galloway	24,645	14,429	2	636	9,578	156	—	19
Kirroughtree, Dum- fries and Galloway	6,857	4,300	—	228	2,329	29	50	25
Kyle, Strathclyde	6,405	5,589	—	481	335	95	5	—
Lammermuir, Borders	2,475	2,380	—	8	87	—	15	10
Molfat, Dumfries and Galloway and Borders	12,188	10,404	—	124	1,660	80	14	7
Newcastleton, Dum- fries and Galloway and Borders	3,845	3,759	—	13	73	—	95	24
Penninghame, Dum- fries and Galloway	6,939	6,644	—	103	192	51	14	3
Solway, Dumfries and Galloway	7,920	6,758	3	511	648	—	31	30
Upper Nithsdale, Dumfries and Galloway	3,448	3,162	—	130	156	11	—	—
Wauchope, Borders	9,422	8,304	8	51	1,059	68	32	21
Bush Nursery, Lothian	24	—	—	—	24	—	—	—
TOTAL	180,593	141,883	190	6,697	31,823	1,089	701	336

Table 17—continued

WEST SCOTLAND CONSERVANCY	Land use at 31 March 1983 (hectares)					During Year 1982-83		
	Total Area of Forest	Under Planta- tions	Retained Scrub	To be planted	Other land	Planting (hectares)		Pro- duction (000 cu. m.)
						New Planting	Re- stocking	
Achaglachgach, Strathclyde ..	10,206	5,789	175	1,644	2,598	392	5	6
Achray, Central ..	5,468	3,873	106	24	1,465	31	—	10
Ardgartan, Strathclyde ..	12,859	5,250	212	17	7,380	20	65	29
Arran, Strathclyde ..	11,197	7,136	—	587	3,474	340	—	—
Barcaldine, Strathclyde ..	7,734	4,481	215	261	2,777	15	33	14
Benmore, Strathclyde	10,384	5,964	129	142	4,149	15	60	25
Buchanan, Strathclyde and Central ..	6,396	3,474	186	—	2,736	—	76	1
Carradale, Strathclyde	6,390	4,177	41	635	1,537	243	24	1
Carron Valley, Strath- clyde and Central	4,540	4,240	—	72	228	3	65	9
Eredine, Strathclyde	6,941	5,098	32	249	1,562	49	—	9
Fearnoch, Strathclyde	6,010	5,096	149	191	574	115	—	3
Garelochhead, Strathclyde ..	2,647	1,829	65	87	666	4	—	—
Glenaray, Strathclyde	7,449	4,675	150	739	1,885	256	—	—
Glenbranter, Strathclyde ..	7,426	4,548	85	262	2,531	56	72	20
Glencoe, Strathclyde and Highland ..	7,759	4,662	51	67	2,979	28	31	11
Glendaruel, Strathclyde ..	9,389	6,182	321	676	2,210	240	—	5
Glenorchy, Strathclyde and Central ..	14,609	7,616	63	55	6,875	68	—	—
Inverliever, Strathclyde ..	13,182	8,874	36	196	4,076	74	43	14
Kilmichael, Strathclyde ..	10,791	8,458	125	50	2,158	60	110	24
Knapdale, Strathclyde	7,212	5,341	173	87	1,611	81	71	26
Loch Ard, Central ..	10,778	7,767	193	228	2,590	87	100	18
South Kintyre, Strathclyde ..	11,855	10,034	47	107	1,667	55	22	—
Strathyre, Central and Tayside ..	9,376	5,985	—	584	2,807	187	24	16
Whitelee, Strathclyde	8,328	5,971	—	458	1,899	362	—	—
Chapelhall Depot, Strathclyde ..	2	—	—	—	2	—	—	—
TOTAL	208,928	136,520	2,554	7,418	62,436	2,781	801	241

Appendix IX

**Map showing the situation of the Commission
Forests and the boundaries of the Conservancies
at 31 March 1983**



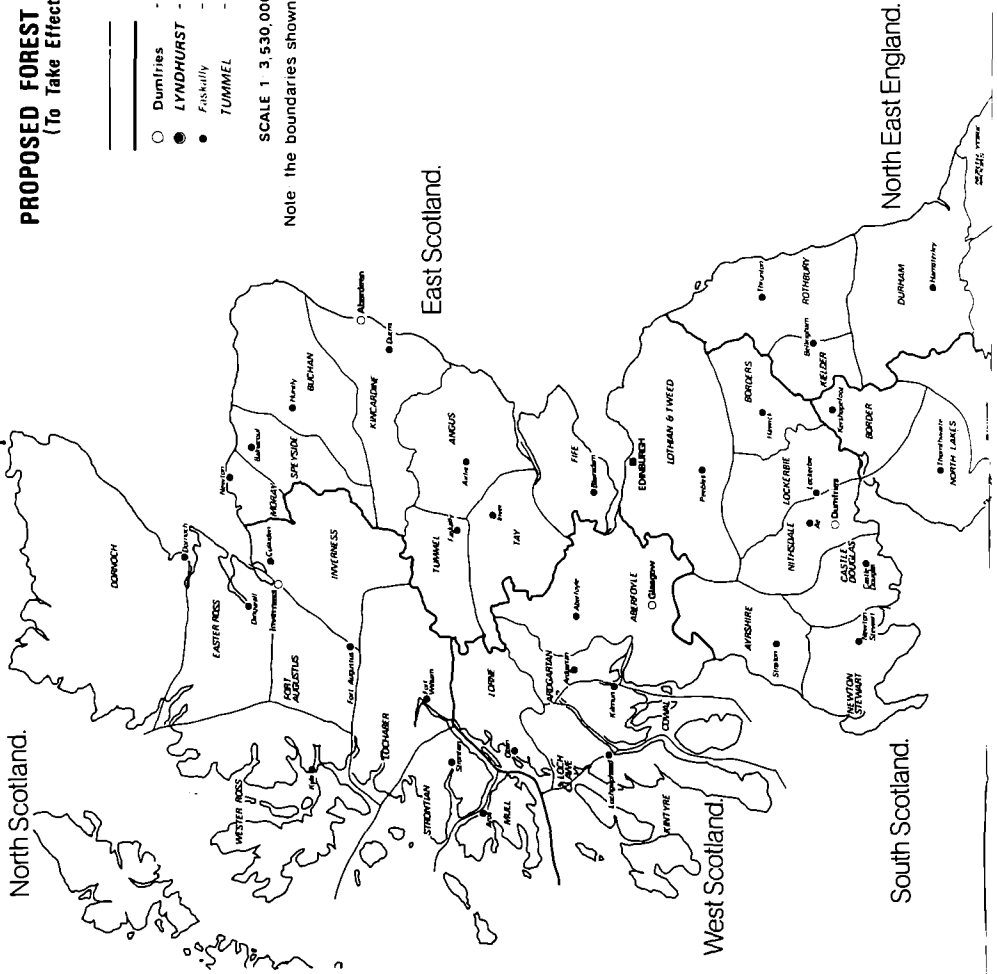
Appendix X

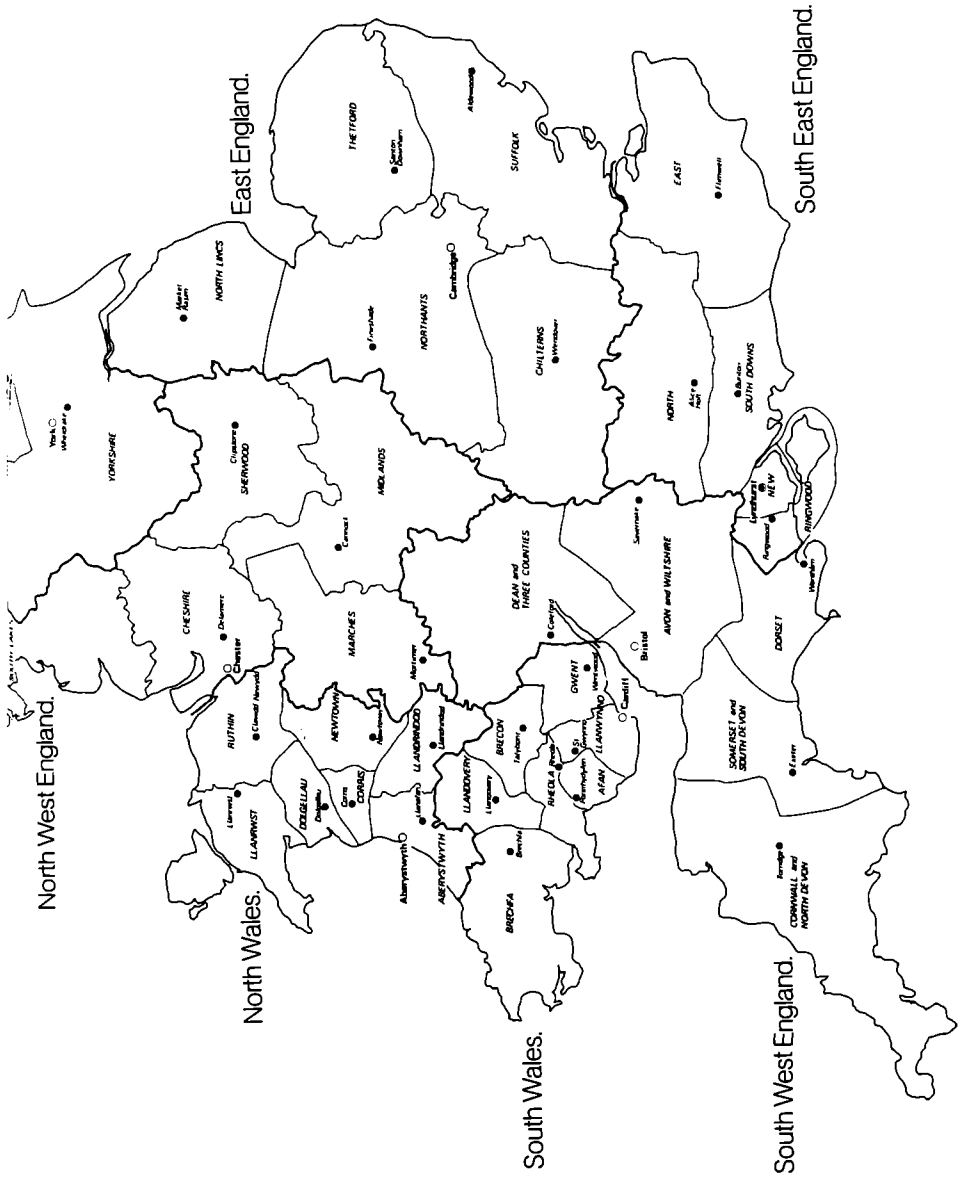
Map showing the Forestry Commission's proposed Forest District structure at 1 April 1984

PROPOSED FOREST DISTRICT STRUCTURE (To Take Effect From 1st April 1984)

- Forest District Boundary
- Conservancy Boundary
- Dumfries
- LYNDHURST - Conservancy & Forest District Office
- FISKULLY
- TUMMEL - Forest District

SCALE 1:3,530,000 or 55 miles to 1 inch (approx.)
 Note the boundaries shown may be subject to modification





Appendix XI

Financial Tables

- 1. Forestry Fund Receipts and Payments**
- 2. Expenditure on Forestry Authority Services**

Table 1

STATEMENT OF FORESTRY FUND RECEIPTS AND PAYMENTS
in the year ended 31 March 1983

	<i>Receipts</i>	<i>Previous Year</i>
	£ thousand	£ thousand
Grant-in-Aid	56,900	57,195
Sales of timber	44,058	39,533
Disposal of land, buildings and plantations		
—by exchanges	356	163
—cash received payable to the Consolidated Fund	13,826	6,849
Miscellaneous	12,904	11,271
	<hr/> 128,044	<hr/> 115,011
Balance brought forward at 1 April 1982	2,816	1,866
	<hr/> 130,860	<hr/> 116,877
	<i>Payments</i>	
Salaries, wages and related expenses	55,715	53,672
Pensions and gratuities to retired staff	9,801	9,343
Materials, contract services and general expenses	31,986	30,328
Acquisition of land, buildings and plantations and construction of buildings	3,142	3,286
Plant, machinery and equipment	5,581	7,373
Grants to private woodland owners (£4,585,277), universities, institutions, etc.	4,700	4,048
Remittances of VAT to Customs and Excise	2,090	1,635
Payments to the Consolidated Fund		
—cash received from sales of land, buildings and plantations, including £2,473,554 balance brought forward from 1981–82	12,474	4,376
—working balance brought forward from 1981–82	342	—
	<hr/> 125,831	<hr/> 114,061
Balance carried forward at 31 March 1983 to be surrendered to the Consolidated Fund during 1983–84	5,029	2,816
	<hr/> 130,860	<hr/> 116,877

NOTES ON TABLE 1

General

1. Expenditure incurred by the Forestry Commissioners in the exercise of their powers in the performance of their duties is financed from the Forestry Fund which was constituted under Section 8 of the Forestry Act 1919. All sums received by the Commissioners in 1982–83 were paid into this Fund.
2. Receipts and payments are shown inclusive of VAT where applicable.

Grant-in-Aid

3. The Grant-in-Aid, which also forms the agreed cash limit, is determined for each year on the basis of Supply Estimates prepared in advance setting out the expected receipts and payments calculated at estimated outturn prices. Pursuant to Section 42(4) of the Forestry Act 1967 capital sums received from sales of land, etc shall be paid into the Forestry Fund although they do not affect the calculation of the Grant-in-Aid. However such receipts are surrendered from the Forestry Fund to the Consolidated Fund as directed by Ministers under Section 41(4a) together with the remaining working balance held at the end of each financial year.

Receipts

4. The Grant-in-Aid of the Forestry Fund voted by Parliament for 1982–83 was £61,441,000 of which £56,900,000 was drawn into the Forestry Fund. The uncalled balance of £4,541,000, mainly due to an excess of receipts over estimate and under-spends against estimated payments,

will be surrendered to the Consolidated Fund from the Vote account. Significant items contributing to the net underspend are indicated in the following paragraphs.

5. Receipts from the sale of timber exceeded the 1981–82 level by £4,525,000 due to a greater proportion of the total volume harvested by direct labour being sawlog size attracting a higher average price per cubic metre than small roundwood. In addition, prices obtained for sales of standing timber increased considerably. As a consequence timber receipts increased by some £1,902,000 more than originally estimated.

6. Miscellaneous receipts rose by £1,633,000 due to increased activity on agency work for outside parties (£282,000), increased receipts from sales of venison and plants (£98,000), increased rents from estate properties, wayleaves, etc. (£289,000), increased usage and higher charges for campsites, forest cabins and other recreational facilities (£411,000) and increased receipts from fire damage claims, joint management schemes, interest payments, sales of scrap, etc. (£660,000). There were offsetting reductions in receipts from sales of plant and machinery (£79,000), and pension contributions from fewer staff (£28,000).

Payments

7. Payments of salaries, wages and related expenses rose by 3·8 per cent due to increased rates of pay and allowances, offset by a reduction in staff numbers.

8. Payments of pensions and gratuities to retired staff increased by £458,000 due to the award of higher superannuation benefits and an increase in the number of pensioners.

9. Payments for materials, contract services and general expenses increased by £1,658,000 over the previous year mainly due to continuing price inflation.

10. Expenditure on land acquisition and building construction fell by £144,000 mainly because of fewer acquisitions and a slight reduction in building construction activity. The total area of land acquired was 3,668 hectares of which 3,422 hectares was bare plantable land and 246 hectares was land under plantations. The average cost per hectare was £431. In 1981–82 the total land acquired was 4,467 hectares (all bare plantable) at an average cost of £398.

11. Expenditure on plant, machinery and equipment fell by £1,792,000 because of changed methods of timber working by the Forestry Commission, greater emphasis on the use of contractors and non-replacement of some light vehicles as a result of a Rayner study.

12. Payments of grants to private woodland owners, etc rose by £652,000 as a result of the introduction of the Forestry Grant Scheme with higher payments to private woodland owners following completion of planting.

13. Remittances of VAT to Customs and Excise rose by £455,000, mainly due to a higher level of output tax from increased timber receipts.

Balance carried forward at 31 March 1983

14. The balance, amounting to £5,029,301, carried forward at 31 March 1983, will be paid into the Consolidated Fund in 1983–84 in accordance with the Ministerial direction given under Section 41(4a). It comprises £3,826,241 relating to the unremitted balance of disposal proceeds received in 1982–83 and £1,203,060 in respect of the working balance remaining at 31 March 1983.

Table 2

EXPENDITURE ON FORESTRY AUTHORITY SERVICES
in the year ended 31 March 1983

	£ thousand	<i>Previous Year £ thousand</i>
Services to private woodland owners for grants and advisory services		
Forestry Grant Scheme ..	1,875	38
Basis I	26	35
Basis II: Planting Grants	232	285
Management Grants	1,212	1,194
Basis III: Basic Grants	682	1,564
Broadleaved Supplement	76	76
Management Grants	315	305
Native Pinewood Planting and Management Grants	14	10
Approved Woodlands Planting Grants	—	5
Small Woods Planting Grants	79	358
Other Grants	4	2
Miscellaneous (including Labour oncost) ..	148	80
Administrative expenses	1,771*	1,561
	<hr/>	<hr/>
	6,434	5,513
<i>Less: Miscellaneous income</i>	14	28
	<hr/>	<hr/>
	6,420	5,485
Special Services		
Licensing of Felling	372*	338
Information, Shows and Publications net cost (including £788,000* administrative expenses)	740	740
General administration (EEC, fiscal and regulatory duties and including £1,299,000* administrative expenses)	1,386	1,139
	<hr/>	<hr/>
	2,498	2,217
Research and Development		
Silviculture ..	2,054	2,013
Arboreta	310	286
Genetics	530	466
Physiology ..	192	177
Seed Research	87	64
Site Studies ..	313	294
Wildlife ..	224	221
Pathology ..	356	351
Entomology	364	355
Work Study	711	711
Field Survey	1,595	1,779
Wood Utilisation	197	—
Statistics ..	12	12
Communications	75	67
	<hr/>	<hr/>
Total (includes £288,000* administrative expenses)	7,020	6,796
<i>Less: Allocation to Forestry Enterprise (Plantations account)</i>	3,859	3,058
	<hr/>	<hr/>
	3,161	3,738
 Net total expenditure	 12,079	 11,440
Notional sick and injury benefit and maternity pay	—	4
	<hr/>	<hr/>
	12,079	11,444

	£ thousand	£ thousand	<i>Previous Year £ thousand</i>
Change in assets			
Increase – Current	157		41
Increase – Fixed ..	18		(10)
	<hr/>		<hr/>
Net increase		175	31
		<hr/>	<hr/>
Amount of Grant-in-Aid appropriated for the Forestry Authority ..		12,254	11,475
		<hr/>	<hr/>

*Note 19 of Forestry Enterprise Accounts page 105, £4.5 million

NOTES ON TABLE 2

1. The Forestry Authority share of the Grant-in-Aid amounted to £12,254,000 compared to £11,475,000 last year.

Services to Private Woodland Owners

2. Net expenditure rose in the year by £935,000 to £6,420,000 due mainly to the introduction of the Forestry Grant Scheme under which grants for planting are significantly higher than those under the Dedication and Small Woods Schemes which are now closed to new entrants.

Special Services

3. Net expenditure rose by £281,000 (13 per cent) due to rises in staff costs and a higher input of time on general administrative work.

Research and Development

4. A number of changes have been made in the presentation of Research and Development net expenditure. Protection has been subdivided between Wildlife, Pathology and Entomology. The cost of services provided by Statistics, Communications and the Engineering workshops, together with commissioned research (Grants) has been allocated to user branches. Previous year's expenditure has been similarly adjusted. Net expenditure on Wood Utilisation has also been separately identified in 1982–83 following its creation as a new branch.

5. The total cost of Research and Development activities, which includes technical services to management, was £7,020,000, being £224,000 higher than the previous year. In real terms this sum is equivalent to a decrease of 3 per cent which has arisen principally from the reduced expenditure by Field Surveys Branch in the completion of census field work.

6. During the quinquennium 1982/83–1986/87 55 per cent (against 45 per cent in the previous quinquennium) of the net cost of Research and Development will be charged to the Forestry Enterprise and shown in the Plantations account under Forest costs. This allocation amounts to £3,859,000 in 1982–83, reducing the cost chargeable to the Forestry Authority to £3,161,000.

FORESTRY ENTERPRISE

ACCOUNTS 1982–83

FOREWORD, BALANCE SHEET of the Forestry Commission Forestry Enterprise as at 31 March 1983, and ACCOUNTS for the year ended 31 March 1983, together with the Report of the Comptroller and Auditor General thereon.

CONTENTS

	<i>Page</i>
Foreword	88
Balance Sheet as at 31 March 1983	91
Plantations Account	92
Trading Account	93
Statement of Source and Application of Funds	94
Notes to the Accounts ..	95

FOREWORD

1. CONSTITUTIONAL STATUS

- (a) The Forestry Commission was established in 1919. Under legislation now consolidated, mainly in the Forestry Act 1967, it is charged with the general duties of promoting the interests of forestry, the establishment and maintenance of adequate reserves of growing trees, the production and supply of timber and the development of the recreational potential of the forests it manages.
- (b) The Commission has the legal status of and functions as a Government Department. It reports directly to Forestry Ministers, namely the Minister of Agriculture, Fisheries and Food, the Secretary of State for Scotland and the Secretary of State for Wales, to whom it is responsible for advice on forestry policy and for the implementation of that policy. It is, however, different from the usual Departments of State in that there is a statutorily-appointed Chairman and Board of Commissioners with prescribed duties and powers.

2. FUNCTIONS AND OBJECTIVES

The Commission fulfils two distinct roles:

- (a) As the Forestry Authority it acts as adviser on Government forestry policy and undertakes functions such as research, technical advice, plant health and administration of Grant-in-Aid for the private sector.
- (b) As the Forestry Enterprise it acts as a trading body primarily responsible for the management of its own forests but with other functions such as the protection and enhancement of the environment and the provision of recreational facilities.

3. ACCOUNTS

Each year the Commission prepares two sets of accounts derived from a common data base:

- (a) The Appropriation Account, which, in accordance with the Appropriation Acts and Exchequer and Audit Department Acts, sets out the cash receipts and payments relating to the funds voted by Parliament for the Forestry Commission as a whole.
- (b) The Balance Sheet and Accounts for the Forestry Enterprise alone in a format approved by the Treasury and published in the Forestry Commission Annual Report.

4. THE BALANCE SHEET AND ACCOUNTS OF THE FORESTRY ENTERPRISE

General

- (a) The key factor in accounting for forestry is the problem of determining satisfactory performance indicators for a crop whose typical rotation cycle can span 50 years for conifers and more than 100 years for broadleaves. Traditional measures of profitability can be established only when the Forestry Enterprise has a cycle of production which is self-perpetuating (i.e. "sustained yield"). At that stage revenue would be sufficient to re-establish the area harvested, maintain the remainder of the woodland and provide a return on funds invested. The Enterprise is not likely to achieve sustained yield until the turn of the century because of the relative immaturity of its plantations.
- (b) Since 1972 a form of account has been in use based on five-yearly periods (quinquennia) with the principal aims of:
 - (i) establishing, at the start of each new quinquennium, an asset valuation capable of earning a rate of return equivalent to the maximum that could be earned in Northern Europe on sites close to markets;
 - (ii) measuring management performance against that target rate of return;
 - (iii) introducing subsidies to cover new investment and other expenditures not able to achieve the target rate of return;
 - (iv) measuring the difference between the target rate of return and that set for public sector trading bodies;

This format is likely to be continued until the plantations have attained greater maturity and become self-supporting.

Methodology

The following measures have been adopted in the Accounts.

(a) *Target rate of return*

The Commission was set a target rate of return of 3 per cent in real terms on its forest estate assets and any new investment thereon, and the public sector borrowing rate, currently 5 per cent, on its commercial recreation assets and its surplus assets (i.e. those assets not required for forest estate purposes which are intended for disposal as and when practicable).

(b) *Investment evaluation*

Assets employed in the Forestry Enterprise are revalued in their entirety at the start of each quinquennium. Plantations, the main asset, are valued on the basis of estimated future costs and incomes at current prices (referred to hereafter as “standards”) discounted at the target rate of return. At the same time the liability for future superannuation benefits is revalued by the Government Actuary. From this information the capital, which represents the Exchequer’s investment in the Forestry Enterprise, is reconstructed and provides a revised Balance Sheet to open the quinquennium. The assets and liabilities are updated in subsequent accounts by either a general price index or professionally determined “in house” indices.

(c) *Subsidies*

Subsidies are established to record:

- (i) Planting and restocking subsidy – the extent to which new investment in both planting and restocking is estimated to be incapable of earning the target rate of return.
- (ii) Forest recreation and amenity subsidy – the net cost of the provision of recreational facilities for which commercial objectives cannot be set.

These subsidies are allocated out of the Grant-in-Aid in order to maintain the valuation of assets and liabilities at such level as will service the target rate of return.

The difference between the target rate of return and that set for public sector trading bodies is identified as the “Forestry subsidy” and is a measure of the opportunity cost of new investment in forestry. It is recorded by way of a note to the accounts.

(d) *Measurement of performance*

Forest Estate

Each quinquennium stands alone and performance both within the quinquennium and for the remainder of the rotation can only be measured against the standard costs and incomes built into the opening valuations. That measurement is achieved in two stages, namely:

- (i) by evaluation within the quinquennium of the variances between actual expenditure and income in the plantations account with the standard cash flows (suitably adjusted where appropriate for programme alterations and for inflation) built into the plantations valuation at the start of the quinquennium;
- (ii) by assessment at the end of the quinquennium of the future variances that will arise during the remainder of the rotation from management decisions taken during the quinquennium about future work and outputs. These future variances are evaluated by comparison of the Balance Sheet standard valuation with the revised plantations valuation for the next quinquennium excluding the changes to future cost and price assumptions included therein;

The amalgamation of both sets of variances (within and beyond the quinquennium) provides the basis for determination of the rates of return actually achievable on the investment valuation set at the beginning of the quinquennium.

Format of Accounts

A format for the Forestry Enterprise accounts has been adopted to comply with the foregoing concepts and, as far as is practicable, with the accounting and disclosure requirements of the Companies Acts 1948–1981. These accounts comprise:

(a) Balance Sheet;

(b) Plantations account which shows both the cumulative and in-year variances between the actual costs and incomes and the standard cash flows built into the plantations valuation thus indicating performance against the assessments made at the start of the quinquennium;

(c) Trading account which shows both the cumulative and in-year surpluses or deficits achieved against the target rate of return for other commercial activities;

- (d) Notes to the accounts which provide further analyses of amounts in the Balance Sheet, Plantations and Trading accounts and detailed explanations for the operating results disclosed in the accounts;
- (e) for the final year of the quinquennium only, special notes which provide details of
 - (i) the revaluation of assets and liabilities which provide the starting point for the next quinquennium;
 - (ii) the reassessment of planting and restocking subsidies for the next quinquennium resulting from the changed assumptions about work, outputs, costs and prices;
 - (iii) the measurement of performance on the forest estate by summing the cumulative variances in the quinquennium and the future plantation variances arising from altered work and output perceptions and using this information to assess an achievable rate of return over the whole quinquennium for comparison with the target of 3 per cent;
 - (iv) measurement of performance on the Trading account over the whole quinquennium.

FORESTRY COMMISSION
FORESTRY ENTERPRISE
BALANCE SHEET AS AT 31 MARCH 1983

(Restated)
Previous
Year
£ Million

	<i>Notes</i>	£ million	£ million	
FIXED ASSETS				
Plantations		1,091·6		967·5
Other Tangible Assets	2	101·8		103·2
			1,193·4	1,070·7
CURRENT ASSETS				
Stocks	3	8·1		9·7
Debtors	4	9·9		10·0
Cash at banks and in hand	5	6·3		4·5
		24·3		24·2
CREDITORS – amounts falling due within one year	6	9·8		8·6
NET CURRENT ASSETS			14·5	15·6
TOTAL ASSETS LESS CURRENT LIABILITIES			1,207·9	1,086·3
Financed by:—				
PROVISION FOR SUPERANNUATION	7		171·8	156·0
CAPITAL AND RESERVES				
Capital	8	977·9		930·3
Revaluation Reserve	10	53·5		—
Plantations Account Variance		4·4		—
Trading Account		0·3		—
			1,036·1	—
			1,207·9	1,086·3

The notes on pages 95 to 107 form part of these Accounts.

G. D. Holmes
Accounting Officer
26 January 1984

I certify that I have examined the foregoing Balance Sheet, the Plantations Account, Trading Account and the supporting information set out in the Statement of Source and Application of Funds and the Notes.

In my opinion the above-mentioned Balance Sheet, Plantations Account, Trading Account, Statement of Source and Application of Funds and Notes give a true and fair view, under the principles embodied in the accounting policies described in Note 1, of the state of affairs of the Forestry Enterprise at 31 March 1983 and of its results for the year ended on that date, and comply with the provisions of the Forestry Act 1967 and the directions made thereunder.

23rd February 1984
National Audit Office

Gordon Downey
Comptroller & Auditor General

For Report of Comptroller and Auditor General, see page 108.

FORESTRY COMMISSION
FORESTRY ENTERPRISE
PLANTATIONS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1983

	<i>Notes</i>	£ million	£ million	£ million	£ million
At 1 April 1982:					
913,417 hectares (as restated)	1(c)				967·5
Revaluation surplus	10				57·9
					1,025·4
Balance brought forward re-valued					
		Establish- ment and Maintenance	Harvesting and Marketing	Forest Recreation and Amenity	
Income		(1·0)	(38·4)	(0·6)	
Profit on sale of properties and plantations	13	(0·8)	—	—	
		(1·8)	(38·4)	(0·6)	(40·8)
Expenditure					
Forest costs		31·4	23·9	2·8	
Administrative expenses		11·9	9·8	1·5	
	15	43·3	33·7	4·3	81·3
Notional interest charge	12	31·5	0·9	0·1	32·5
Forest recreation and amenity subsidy	9			(3·8)	(3·8)
Planting and restocking subsidy	9				(7·4)
					1,087·2
At 31 March 1983:					
916,573 hectares	1(c)				1,091·6
Favourable variance from standard carried forward					4·4

The notes on pages 95 to 107 form part of these Accounts.

FORESTRY COMMISSION
FORESTRY ENTERPRISE
TRADING ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1983

	<i>Notes</i>	£ million	£ million	<i>Previous Year £ million</i>		
Income			5.3	5.0		
Profit on sale of properties	13		1.4	(0.2)		
			<hr/> 6.7	<hr/> 4.8		
Expenditure						
Operating costs		3.6		<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">3.5</td></tr><tr><td style="text-align: center;">1.3</td></tr></table>	3.5	1.3
3.5						
1.3						
Administrative expenses		1.5		1.3		
	15		<hr/> 5.1	<hr/> 4.8		
			1.6	—		
Notional interest charge for use of ancillary assets	12		0.1	0.1		
			<hr/> 1.5	<hr/> (0.1)		
Operating surplus			1.5	(0.1)		
Notional interest charge	12		1.2	1.5		
			<hr/> 0.3	<hr/> (1.6)		
Surplus for year carried forward	14		0.3	(1.6)		

The notes on pages 95 to 107 form part of these Accounts.

FORESTRY COMMISSION
FORESTRY ENTERPRISE
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31 MARCH 1983

	£ million	£ million	<i>Previous year £ million</i>
SOURCE OF FUNDS			
Proceeds from disposals of properties and plantations		14.6	8.5
Proceeds from disposals of plant and machinery		0.8	0.6
Employees superannuation contributions		1.1	1.2
Grant-in-aid		44.6	45.7
		<hr/>	<hr/>
		61.1	56.0
<i>Less: Superannuation payments</i>		9.7	9.0
		<hr/>	<hr/>
		51.4	47.0
APPLICATION OF FUNDS			
Trading account surplus before notional interest	(1.6)		(0.2)
Net expenditure on plantations	43.4		42.4
	<hr/>		<hr/>
	41.8		42.2
<i>Less: adjustments for items not involving the movement of funds</i>			
Depreciation	6.8		7.4
Excess proceeds over book value on disposals of properties and plantations	(4.1)		(1.8)
Notional employer's contributions to superannuation	10.3		7.7
	<hr/>		<hr/>
	13.0		13.3
	<hr/>		<hr/>
Absorbed by activities	28.8		28.9
Purchases of other tangible fixed assets	8.4		9.0
Surrenderable to Consolidated Fund	15.0		7.2
	<hr/>		<hr/>
		52.2	45.1
WORKING CAPITAL DECREASE/(INCREASE)		<hr/>	<hr/>
		0.8	(1.9)
Components of decrease/(increase) in working capital			
Stocks		1.3	(0.1)
Debtors		(0.1)	(1.5)
Creditors		1.2	1.6
		<hr/>	<hr/>
		2.6	—
Movement in net liquid funds:			
Increase in cash at bank and in hand		(1.8)	(1.9)
		<hr/>	<hr/>
		0.8	(1.9)

The notes on pages 95 to 107 form part of these Accounts.

FORESTRY COMMISSION
FORESTRY ENTERPRISE
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 1983

1. ACCOUNTING POLICIES

(a) Accounting convention

The accounts are prepared under the current cost convention modified as described in Notes 1(c) and (d).

Without limiting the information given, the accounts meet the requirements of the Companies Acts 1948 to 1981 and of the Statements of Standard Accounting Practice issued by member bodies of the Consultative Committee of Accountancy Bodies so far as these requirements are appropriate. Departures from the Standard on Current Cost Accounting (No 16) are obtained in Notes 1(c) and (d).

(b) Period of account

The Forestry Enterprise reviews the performance of its activities based on a five-year period of account (a "quinquennium"). Annual accounts are prepared to monitor progress in that period with the estimated enhancement of those assets being reflected in various categories of reserves. At the commencement of each quinquennium a full professional revaluation of the assets is performed and the capital and accumulated reserves are amalgamated to form the new capital base for that five-year period. This year is the first year of the current quinquennium.

(c) Valuation of plantations and other tangible fixed assets

The accounts at the beginning of the quinquennium are prepared in accordance with the provisions of Statement of Standard Accounting Practice No 16. Plantations are valued on an expectation basis by discounting estimate future incomes and expenditures in terms of current prices ("Standard" incomes and expenditures) and using the target rate of return of 3 per cent. Land and buildings are valued where possible on an open market basis by professionally qualified staff employed by the Forestry Commission.

During the quinquennium the valuations of plantations and associated other tangible fixed assets are updated annually using a general price index, since no industry index is available. The commercial recreation and surplus estate tangible fixed assets are updated by professionally determined 'in house' indices.

The accounting records of the Forestry Enterprise are maintained on a current cost basis. In the opinion of the Commissioners it would be an unnecessarily costly exercise to recover historical cost information and therefore, contrary to the Standard and the Companies Act 1981, no such supplementary statement has been provided.

(d) Other current cost adjustments

A gearing adjustment indicates the benefit or cost arising from the financing of part of net operating assets by external borrowings. Since the Forestry Enterprise has no such borrowings, no gearing adjustment is required. In addition, no adjustment has been made to reflect the impact of price changes on the financing of monetary working capital since it is considered to be immaterial.

(e) Depreciation

Depreciation is provided on all other tangible fixed assets other than freehold and leasehold land and surplus estate buildings, at rates calculated to write off the valuation less estimated residual values, of each asset evenly over its expected useful life as follows:

Freehold buildings	— over 20 to 80 years
Leasehold buildings	— over the lease term
Plant and machinery	— over 3 to 16 years
Office equipment	— over 4 to 20 years

Notes to the Accounts (*continued*)

(f) Government funding

Grant-in-Aid attributable to the Forestry Enterprise is accounted for as received and allocated as follows:

Plantations account — planting and restocking subsidy being the extent to which new investment in planting and restocking is estimated to fall short of the target rate of return.

— forest recreation and amenity subsidy being the net cost of the provision of recreational facilities for which commercial objectives cannot be set.

Capital — the balance of the Grant-in-Aid being the funding of all the other activities of the Forestry Enterprise.

(g) Stocks

Timber, plants and livestock are stated at net realisable value, which is based on estimated selling price less further costs expected to be incurred to completion or disposal.

Consumable materials, supplies and seed are stated at current replacement cost.

(h) Research and development

Research and development expenditure of the Forestry Commission as a whole is allocated 45 per cent to the Forestry Authority and 55 per cent to the Forestry Enterprise. The Forestry Enterprise charges its share of the expenditure to the Plantations account as incurred.

(i) Notional interest charges

Notional interest is charged to the Plantations account and the Trading account based on the average net assets employed during the year. Forestry assets bear interest at 3 per cent and other assets 5 per cent.

As part of the forestry assets are deemed to represent the investments of the superannuation scheme, the provision is credited with part of the notional interest charge. The amount so allocated is calculated as 3 per cent of the average liability of the scheme for the year.

(j) Superannuation scheme

Following usual public service practice, superannuation benefits are met out of Grant-in-Aid on a Pay-As-You-Go basis. However, to give a fair presentation of the liabilities of the Forestry Enterprise at 31 March, a provision for future benefits is made based upon an actuarial valuation. The valuation is carried out by the Government Actuary at the beginning of each quinquennium. During the quinquennium the provision is increased by (i) notional employer's contributions based on funding rates set by the Government Actuary; (ii) notional interest charges as noted above; (iii) a revaluation adjustment based on the general price index used to update the underlying assets, and (iv) contributions received from employees.

Benefits paid in the year are charged against the provision.

2. OTHER TANGIBLE FIXED ASSETS

(a)

	Land and Buildings £ million	Plant and Machinery £ million	Office Equipment £ million	Total £ million
Valuation:				
At 1 April 1982 (as restated)	82.2	51.6	1.9	135.7
Additions	2.9	5.4	0.1	8.4
Disposals and transfers . .	(7.3)	(7.1)	—	(14.4)
Surplus on revaluation . .	3.2	1.6	—	4.8
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1983	81.0	51.5	2.0	134.5
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Accounts (*continued*)

	Land and Buildings £ million	Plant and Machinery £ million	Office Equipment £ million	Total £ million
Depreciation:				
At 1 April 1982 (as restated)		31·6	0·9	32·5
Provided during year	1·1	5·6	0·1	6·8
Disposals and transfers		(6·3)	—	(6·3)
Surplus on revaluation	(1·1)	0·8	—	(0·3)
At 31 March 1983	—	31·7	1·0	32·7
Net book value				
At 31 March 1983	81·0	19·8	1·0	101·8
At 31 March 1982 (as restated)	82·2	20·0	1·0	103·2

(b) Analysis of Land and Buildings

	£ million	<i>Previous Year £ million</i>
Forest estate	57·7	56·7
Surplus estate	18·9	21·2
Commercial recreation	4·4	4·3
	81·0	82·2

(c) Land under plantations is treated as part of the Plantations valuation.

(d) Land afforested in the year is transferred to the Plantations account.

(e) Freehold and leasehold land, and surplus estate buildings which are not depreciated, amount to £41·4 million (at 31 March 1982 – £44·0 million).

(f) The bases of valuation of other tangible fixed assets are given in Note 1(c).

3. STOCKS

	£ million	<i>(Restated) Previous Year £ million</i>
Timber	5·1	5·3
Plants and seed	1·1	1·3
Consumable materials and supplies	1·9	3·1
	8·1	9·7

4. DEBTORS

Trade debtors	8·4	8·7
Other debtors	1·5	1·3
	9·9	10·0

Other debtors include amounts falling due after more than one year of £0·8 million (£0·7 million at 31 March 1982).

Notes to the Accounts (*Continued*)

5. CASH AT BANKS AND IN HAND

	£ million	<i>(Restated) Previous Year £ million</i>
Balance of proceeds from disposal of properties and plantations in 1982-83	3.8	2.5
Excess cash balance	1.2	0.3
	<hr/>	<hr/>
To be surrendered to the Consolidated Fund	5.0	2.8
Retained funds	0.6	1.0
	<hr/>	<hr/>
Balance of Forestry Fund with Paymaster General	5.6	3.8
Cash at commercial banks and in hand	0.7	0.7
	<hr/>	<hr/>
	6.3	4.5
	<hr/>	<hr/>

6 CREDITORS: Amounts falling due within one year

Payments received on account	0.4	0.4
Trade creditors	1.8	2.1
Other creditors including taxation and social security costs	2.6	3.3
Consolidated Fund surrender	5.0	2.8
	<hr/>	<hr/>
	9.8	8.6
	<hr/>	<hr/>

7. PROVISION FOR SUPERANNUATION

	<i>£ million</i>
Balance at 1 April 1982 (as restated)	156.0
Revaluation adjustment (Note 10)	9.4
	<hr/>
Contributions received from staff	165.4
Notional employer's contributions	1.1
Notional interest charge (Note 12)	10.3
	<hr/>
	4.7
	<hr/>
	181.5
Payments made during the year	9.7
	<hr/>
Balance at 31 March 1983	171.8
	<hr/>

Legislation relating to the superannuation of the Forestry Commissioners and Commission staff is to be found in Schedule 1 Part II of the Forestry Act 1967 as amended by the Superannuation Act 1972. The superannuation benefits and contributions payable are identical to those of the Principal Civil Service Pension Scheme except that such benefits are paid out of the Forestry Fund and not the Civil Service Superannuation Vote.

Notes to the Accounts (*continued*)

8. CAPITAL

	£ million	£ million
Balance at 1 April 1982		568.9
Adjustments to capital on revaluation at 1 April 1982 (see * below)		
Net assets employed	(0.6)	
Provision for Superannuation	(13.6)	
Revaluation Reserve	435.3	
Plantations account variance and Trading account	(59.7)	
		<u>361.4</u>
Balance at 1 April 1982 (as restated)		930.3
Amounts payable to the Consolidated Fund		
Proceeds from disposals of properties and plantations	13.8	
Excess cash balance	1.2	
		<u>(15.0)</u>
Addition of Grant-in-Aid to Capital (Note 9)		33.4
Notional interest charge (Note 12)		29.2
		<u>977.9</u>

*These adjustments relate to (i) the difference between the closing valuation of net assets in the last quinquennium and the full revaluation at the start of the current five-year period, and (ii) the amalgamation of capital and reserves of the last quinquennium to form the new capital base for the current five-year period.

9. GRANT-IN-AID

	£ million	£ million	<i>Previous Year £ million</i>
Grant-in-Aid transferred into the Forestry Fund		56.9	57.2
Less: Appropriated for the Forestry Authority		12.3	11.5
		<u>44.6</u>	45.7
Grant-in-Aid for the Forestry Enterprise			
Less: Plantations account subsidies			
Planting and restocking	7.4		8.8
Forest recreation and amenity	3.8		3.5
		<u>11.2</u>	12.3
Addition of Grant-in-Aid to Capital		33.4	33.4

See Note 20 for detailed analysis of Planting and Restocking and Forest Recreation and Amenity subsidies by Conservancy.

10. REVALUATION RESERVE

	£ million
Revaluation surplus in year	
Plantations	57.9
Other tangible assets	5.1
Stocks	(0.3)
Adjustments on reclassification of Plantation land	0.2
	<u>62.9</u>
Less: Allocated to Provision for Superannuation	9.4
	<u>53.5</u>
Balance at 31 March 1983	

Notes to the Accounts (*continued*)

11. PLANTATIONS ACCOUNT VARIANCE

	Establishment and Maintenance £ million	Harvesting and Marketing £ million	Total £ million
Income	0.1	0.8	0.9
Profit on sale of properties and plantations	0.8	—	0.8
	<u>0.9</u>	<u>0.8</u>	<u>1.7</u>
Expenditure			
Forest costs	—	2.6	2.6
Administrative expenses	—	0.1	0.1
	<u>—</u>	<u>2.7</u>	<u>2.7</u>
Net variances—favourable	<u>0.9</u>	<u>3.5</u>	<u>4.4</u>

Analysis and explanation of variance

	Notes	Standard £ million	Actual £ million	Variance (adverse bracketed) £ million
Establishment and maintenance				
Sundry income		0.9	1.0	0.1
Profit on sale of properties and plantations ..	(a)	—	0.8	0.8
		<u>0.9</u>	<u>1.8</u>	<u>0.9</u>
Plantations acquired		0.3	0.2	0.1
Land planted	(b)	3.6	3.0	0.6
New plantations		4.4	4.4	—
Restocked plantations		2.8	2.8	—
Maintenance		4.4	4.5	(0.1)
Lease rents, supplies and miscellaneous		0.8	0.7	0.1
Road construction	(c)	4.1	3.7	0.4
Road maintenance	(c)	2.6	3.0	(0.4)
Labour oncost	(d)	10.3	11.1	(0.8)
Research and development		4.0	3.9	0.1
		<u>37.3</u>	<u>37.3</u>	<u>—</u>
Less: Book value of disposals and re-classifications		5.9	5.9	—
Forest costs		31.4	31.4	—
Administrative expenses		11.9	11.9	—
		<u>43.3</u>	<u>43.3</u>	<u>—</u>

(a) This profit represents the excess over book value and costs on the disposal of £8.5 million forest estate properties and plantations.

(b) Represents the differences between the lower value of land in the plantable reserve and the standard allowed for in the plantations valuation, mainly in N(Scot) and W(Scot).

(c) Switch of resources from road construction to road maintenance to cope with repairs caused by a higher volume of harvesting.

(d) Partly due to the inclusion of nearly £1.0 million of arrears of pay in labour oncost but also to the switch of surplus labour from harvesting to forest management operations.

Notes to the Accounts (*continued*)

Harvesting and marketing

		Standard £ million	Actual £ million	Favourable variance £ million
Income	<i>Notes</i> (a)	<u>37.6</u>	<u>38.4</u>	<u>0.8</u>
Direct costs		<u>19.2</u>	<u>17.1</u>	<u>2.1</u>
Labour oncost		<u>7.3</u>	<u>6.8</u>	<u>0.5</u>
Forest costs	(b)	<u>26.5</u>	<u>23.9</u>	<u>2.6</u>
Administrative expenses		<u>9.9</u>	<u>9.8</u>	<u>0.1</u>
		<u>36.4</u>	<u>33.7</u>	<u>2.7</u>
Interest		<u>0.9</u>	<u>0.9</u>	<u>—</u>
Net		<u>0.3</u>	<u>3.8</u>	<u>3.5</u>

(a) Changes in the mix of sales with a significantly higher proportion of sawlogs in place of small roundwood (pulpwood and chipboard) increased the average price obtained per cubic metre. Prices obtained from standing timber also increased by about 31 per cent over the previous year.

(b) Changes in the mix also brought about cost reductions from handling larger tree sizes and in haulage. Further savings were achieved by continued improvements in harvesting techniques.

12. NOTIONAL INTEREST CHARGES

Notional interest charges have been allocated as follows:

	£ million	<i>Previous Year £ million</i>
Plantations account	32.5	29.7
Trading account	1.3	1.6
Sale of properties (Note 13)	0.1	0.1
	<u>33.9</u>	<u>31.4</u>
Attributable to:		
Capital (Note 8)	29.2	12.7
Provision for Superannuation (Notes 1(i), 1(j) and 7)	4.7	18.7
	<u>33.9</u>	<u>31.4</u>

Notes to the Accounts (*continued*)

13. PROFIT ON SALE OF PROPERTIES

	Plantations Accounts				<i>Previous Year</i> £ million
	Trading Account £ million	Properties £ Million	Plantations £ Million	Total £ million	
Proceeds ..	6.1	1.3	7.2	14.6	8.5
Less: Book value	3.8	1.0	5.7	10.5	6.7
	2.3	0.3	1.5	4.1	1.8
Less: Expenses (including notional interest 0.1)	0.2	0.1	0.2	0.5	0.5
	2.1	0.2	1.3	3.6	1.3
Less: Related attributable administrative expenses	0.7	0.1	0.6	1.4	1.2
	1.4	0.1	0.7	2.2	0.1

Total proceeds from sales and exchanges of land, buildings and plantations amount to £14.6 million which is an increase of approximately 70 per cent over the previous year. Most of this increase stems from plantations sold, under the powers provided in the 1981 Forestry Act, in order to reduce the Commission's dependence on public funds. The net profit on all sales amounts to £2.2 million and this is apportioned between land and buildings, which are surplus to requirements, and forest estate properties and plantations. The profit on the surplus estate is taken to the Trading account whilst the profit on the forest estate is credited to the Plantations account and regarded therein as a favourable variance.

14. TRADING ACCOUNT SURPLUS FOR YEAR

	<i>Notes</i>	<i>Previous Year</i>			
		Income £ million	Surplus (Deficit) £ million	Income £ million	Surplus (Deficit) £ million
Cabins and campsites	(a)	1.9	0.3	1.6	0.2
Shooting and fishing		0.5	0.1	0.5	0.1
Surplus estate	(b)	0.9	(0.2)	0.9	(1.9)
Agency ..		1.9	—	1.9	(0.1)
Miscellaneous	(c)	0.1	0.1	0.1	0.1
		5.3	0.3	5.0	(1.6)

The surplus or deficit entries above represent the trading results after inclusion, where appropriate, of a notional interest charge of 5 per cent, being the real return expected from public sector trading bodies.

(a) As a result of improved marketing and careful control over expenditure the return from cabins and campsites rose from 8.7 per cent in the previous year to 10.8 per cent in the current year.

(b) Surplus estate comprises those properties which are not required for the Forestry Enterprise and are intended to be sold at the earliest opportunity. Most of the properties are relatively expensive to maintain because of their age, type and remoteness, and income is likewise restricted. As a result there is an operational deficit of £1.6 million after charging interest, but this is reduced to £0.2 million after adding back the surplus achieved on sales during the year.

(c) The miscellaneous entry represents the income received from the Severn Trent Water Authority in respect of the Commission's equal share in the surplus on the joint management scheme at Lake Vyrnwy in North Wales.

Notes to the Accounts (*continued*)

15. EXPENDITURE

	£ million	<i>Previous Year £ million</i>
(a) Total expenditure before notional interest charges comprises:		
Plantations account	81.3	84.3
Trading account	5.1	4.8
Sale of properties (Note 13)	1.8	1.7
	<hr/> 88.2 <hr/>	<hr/> 90.8 <hr/>
(b) The above expenditure includes:		
Labour oncost (Note 18)	19.7	17.7
Administrative expenses (Note 19)	26.1	24.1
Research and development	3.9	3.1
	<hr/> 49.7 <hr/>	<hr/> 44.9 <hr/>
(c) Total staff costs for the Forestry Enterprise and Forestry Authority comprise:		
Salaries	17.8	17.1
Wages	29.4	28.3
Social security costs	4.1	4.5
Superannuation costs	10.3	7.9
	<hr/> 61.6 <hr/>	<hr/> 57.8 <hr/>
Travel and subsistence	3.2	2.8
	<hr/> 64.8 <hr/>	<hr/> 60.6 <hr/>

Approximately 80 per cent (previous year 80 per cent) relates to Forestry Enterprise operations.

(d) The average number of employees during the year was made up as follows:

	Number	<i>Number</i>
Industrial	5,222	5,530
Non-industrial	2,078	2,130
	<hr/> 7,300 <hr/>	<hr/> 7,660 <hr/>

(e) Included in staff costs at (c) above is the remuneration of the Commissioners which comprises (excluding pension contributions):

	£ thousand	<i>Previous Year £ thousand</i>
Chairman	14	12
Highest paid Commissioner	29	26
Other Commissioners	86	79
	<hr/> 129 <hr/>	<hr/> 117 <hr/>
Total emoluments of Commissioners		
Travel and subsistence of Commissioners	25	24
	<hr/> 25 <hr/>	<hr/> 24 <hr/>

Notes to the Accounts (*continued*)

The emoluments of the other Commissioners fell within the following ranges:

	Number	<i>Number</i>
£nil to £5,000 . . .	6	5
£5,001 to £10,000	—	—
£10,001 to £15,000	—	—
£15,001 to £20,000	—	—
£20,001 to £25,000	3	3

The Commissioners' remuneration is in accordance with Civil Service pay rates.

16. CAPITAL COMMITMENTS

Future capital expenditure on Other Tangible Fixed Assets in 1983–84 authorised by the Commission amounts to £10.7 million (£11.2 million for 1982–83).

17. CONTINGENT LIABILITIES

Contingent liabilities exist at 31 March 1983 for damages caused by the Commission to other persons' property and for compensation for personal injury to Commission employees amounting to an estimated sum of £0.4 million (£0.5 million at 31 March 1982).

18. LABOUR ONCOST

Labour oncost covers those costs incurred in the employment of industrial labour which cannot be allocated directly to activities, e.g. employer's national insurance and provision for superannuation.

The costs incurred for the year ended 31 March 1983 were:

	£ million	<i>Previous Year £ million</i>
National insurance, holiday and sick pay	5.8	6.1
Wet time	1.4	1.5
Transport of workers and travelling and subsistence	5.7	4.9
Provision for superannuation	5.6	4.2
Other net costs	1.2	1.0
	19.7	17.7

	£ million	<i>Previous Year £ million</i>
Allocated to:		
Plantations account		
Establishment and maintenance	11.1	9.7
Harvesting and marketing	6.8	6.5
Forest recreation and amenity	1.0	0.9
Trading account	0.8	0.6
	19.7	17.7

Notes to the Accounts (*Continued*)

19. ADMINISTRATIVE EXPENSES

	£ million	<i>Previous Year £ million</i>
Salaries and national insurance	16.5	15.8
Travelling, subsistence and staff transfer expenses	3.5	3.1
Provision for superannuation	3.9	3.1
Accommodation and estate expenses	2.3	1.9
Office expenses	2.3	2.5
Auditors' remuneration	0.1	0.1
Other net expenses	2.0	1.6
	<hr/> 30.6	<hr/> 28.1
<i>Less:</i> charged to Forestry Authority	4.5	4.0
	<hr/> 26.1	<hr/> 24.1
Allocated to:		
Plantations account		
Establishment and maintenance	11.9	11.0
Harvesting and marketing ..	9.8	9.1
Forest recreation and amenity	1.5	1.5
Trading account	1.5	1.3
Sale of properties (Note 13) ..	1.4	1.2
	<hr/> 26.1	<hr/> 24.1

20. PLANTING, RESTOCKING AND FOREST RECREATION AND AMENITY SUBSIDIES

(a) Details

	Planting			Restocking			Forest Recreation and Amenity
	Area Planted (hectares)	Subsidy per hectare	Subsidy £82/83 (000)	Area Planted (hectares)	Subsidy per hectare	Subsidy £82/83 (000)	
		£			£		
GREAT BRITAIN	8,899	453	4,035	5,798	591	3,429	£000 3,792
ENGLAND							
Conservancy:	442	462	204	2,027	886	1,795	1,962
North West	162	432	70	303	583	177	253
North East	229	392	90	601	775	466	228
East	50	831	41	518	831	430	345
South East	—	—	—	170	1,565	266	762
South West	1	2,691	3	435	1,048	456	374
Total	8,021	428	3,434	2,289	126	289	1,143
SCOTLAND							
Conservancy:	3,009	767	2,308	435	550	239	272
North	1,142	485	554	352	(94)	(33)	353
East	1,089	50	55	701	60	42	268
South	2,781	186	517	801	51	41	250
West							
Total	436	910	397	1,482	908	1,345	687
WALES							
Conservancy:	255	900	230	488	1,000	488	377
North	181	924	167	994	862	857	310
South							

Note: brackets indicate extent of expected return in excess of 3 per cent.

(b) The planting and restocking subsidies per hectare for each Conservancy are derived from the weighted average of the net discounted revenue at 3 per cent of the various soil type models representing the reserve of the plantable land at 1 April 1982. The total subsidies for each Conservancy are calculated by multiplying the total area planted and restocked in the year by the average subsidy per hectare converted into current pounds by application of the index based on the GDP implicit price deflator.

(c) Forest Recreation and Amenity covers visitor 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 motor sports and other specialist activities.

Notes to the Accounts (*continued*)

21. FORESTRY SUBSIDY

The basis of calculation of the Forestry Subsidy, which represents the opportunity cost of investment in forestry, has been altered from 1 April 1982. The subsidy is now presented as the capitalised sum on new investment, similar to the planting and restocking subsidies, and is assessed as the difference between the net present values of income and expenditure discounted on the one hand at the target rate of 3 per cent and on the other at the public sector trading rate, which is currently 5 per cent. Details of the calculations are set out below. Because of the change in presentation a calculation has been made on a once and for all basis of the unexpired amount of the subsidy on investment in the existing estate; this amount, represented by the difference between the plantations valuation at 1 April 1982 (£967.5 million) and a valuation calculated at 5 per cent (£491.2 million), is £476.3 million.

	£ million
Planting and restocking subsidies to achieve the public sector trading rate of 5 per cent	17.7
Planting and restocking subsidies to achieve the target rate of return of 3 per cent	7.4
	<hr/>
Forestry subsidy on new investment in 1982-83	10.3
	<hr/>

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL
FORESTRY COMMISSION

Delay in Presentation of Forestry Enterprise Accounts

1. The Accounts of the Forestry Enterprise are presented and audited under Section 5 of the Exchequer and Audit Departments Act 1921. The provisions of the First Schedule to this Act require the accounts to be rendered to the Comptroller and Auditor General by 30 November following the end of the financial year to which they relate, for subsequent transmission to the Treasury by 15 January, and for laying before the House of Commons by 31 January.
2. Changes in the Forestry Commission's computerised systems delayed the production of accounting data for the 1982-83 Accounts. The requirement for the Forestry Commission to introduce from the start of the new quinquennium a form of accounts which would comply with the accounting and disclosure requirements of the Companies Acts 1948-81 caused further delays. As a result the draft Accounts and supporting data were not available for audit until late December 1983, and the final Accounts were not signed by the Accounting Officer until 26 January 1984. This has prevented compliance with the statutory laying date.

GORDON DOWNEY

Comptroller and Auditor General

National Audit Office

23 February 1984