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forest question in the House of Representatives in 1874, it was stated that New Zealand, so far as could be judged from the printed reports, was far in advance of many other countries in the shape of appliances for the removal of the timber from the forests and its conversion. After an inspection in every part of the colony I can fully indorse that view. Certainly the saw-millers and bushmen of

New Zealand have nothing to learn from India, nor, I think, from Europe, in these respects.

The methods of felling, logging, and "exploitation" or removal from the forest, from the appliances made use of in handling the gigantic kauri trees of the Auckland forest to the smaller descriptions at the Seaward Bush in Southland, are excellent, and the same may be said of the breaking-down or converting machinery, which is, as a rule, the best of its kind produced, and specially adapted to the description of work which it has to perform. I have already given some information in a general manner regarding the methods of conversion, saw-mills, &c., and it does not fall within the limits of any report such as this to go into further details regarding them, and the excellent arrangements I have seen in all parts of the colony. The subject indeed forms matter for a report in itself.

There is, be it understood, great waste, or more properly speaking neglect, in utilizing the timber; but this clearly results from an abundant and seemingly inexhaustible supply, high rates of labour, and very low rates of sale, which has led to only the best portions of the best trees in the most accessible localities being made use of, and the rest either left standing, or their upper portions and branches left

lying on the ground to decay or feed the forest fires.

Another very important point demands consideration here—viz., the way in which timber trees have been felled and worked up at all seasons of the year, the timber being made use of for constructive works without any attempt at seasoning. The results of such a system are everywhere apparent in the warping, contraction, and rapid deterioration of the timber in houses, bridges, wharves, and other buildings, and furniture. It has done very much to give the timbers of New Zealand a bad name, and it should be one of our first aims to put a stop, as much as possible, to felling and conversion in the spring and summer months, and induce saw-millers and timber merchants to allow of seasoning both in log and plank before placing the timber in the market. The advisability of some such measures is admitted on all hands, and the saw-millers on the West Coast have, to a certain extent, already set an example in the right direction, and limit the felling, especially of silver or yellow pine, to a minimum Whether this is due to their having a considerable export trade, and finding in the summer months. that timber felled in the autumn and winter months fetches better prices, I cannot say, but I firmly believe that any timber merchant possessing the means and determination to sell only timber so felled and after a certain amount of seasoning, and being able to guarantee his timber as of a certain season, &c., would find himself well repaid by a steady demand at enhanced rates. The timber trade is at present, as stated in the section devoted to saw-mills, in rather a depressed state, especially in the South Island, the rates ruling very low indeed, especially in Southland, where pine from the Seaward Bush, delivered at the mill, generally alongside the railway, realizes only from 6s. 6d. to 7s. 6d. per 100 feet superficial, leaving scarcely any margin of profit, even under the most favourable circumstances, to the saw-miller. The reasons generally given for this state of things are general dulness of trade and stagnation in building generally; but I cannot reconcile this with the numbers of new buildings everywhere springing up. I am inclined rather to ascribe it to the effects of over-competition, the low rates at which forest can be acquired, and the little value set upon it, causing numbers to embark in the timber trade, who, once in, are bound to go on and keep their mills going even if they barely make the men's wages by so doing. I anticipate a considerable rise in the price of timber throughout New men's wages by so doing. I anticipate a considerable rise in the price of timber throughout New Zealand in the course of the next few years, especially if the measures of conservancy and securing a forest revenue to the State, which I am about to propose, be introduced. I do not think that this result, if gradually brought about, will in any way paralyze or cripple the timber industry, nor will the rise be such as to be felt severely by the consumer and prevent the extension of building. The main thing to be guarded against is raising the price to such an extent that it would be found cheaper to import from other colonies, America, or Europe, which would of necessity have a most disastrous effect on the trade. I see no reason to anticipate any such movement. The timbers of Australia are of a perfectly different character from those of New Zealand, and, although imported to a certain extent, and, I may say, a greater extent than I can see any adequate reason for, it is for special purposes, and not, except perhaps in the case of Tasmanian shingles, which are ousting those of New Zealand wood from the market, in competition with New Zealand timbers. Comparatively small quantities of Baltic and Oregon pine do even now find their way into the New Zealand markets, and are sold at comparatively low rates, but they are generally shipped to make up or pack cargo, and not as a speculation in themselves. I am inclined, therefore, to think that, if the subject be properly dealt with, we have nothing to fear from imports of foreign timber, and that, if anything, the tendency will be the other way, and that, as the evils of felling at the wrong time of year and want of seasoning are realized and remedied, a considerable increase in the export timber trade, especially from the West Coast to Victoria and New South Wales, may be looked for.

The evils to which I have referred will gradually remedy themselves as timber becomes scarcer

and more valuable, and we should endeavour very gradually to overcome them and secure more economy in working. I do not at all despair of being able to do so, as the private or freehold forests become worked out and we get the thing more into our own hands.

Much the same may be said with regard to forest fires, with regard to which much has been said and written, and on which point I have a reference from the Minister of Justice, forwarding rider to a report of a Coroner's jury at Kaiapoi, praying for some legislation to check or prevent them. The forest trees of New Zealand are certainly very impatient of the effects of fire, and, at some seasons of the year, the bush is exceedingly inflammable; but not more so than in India, where we have grappled with and overcome the difficulty in some of our reserves with the most satisfactory results. Once place the conservancy of the forests and their management under officers specially responsible for them and duly authorized by law to prevent waste and admage to the State property in their charge, and I am confident that fires and other evils will gradually decrease and eventually disappear altogether. The Inspector of Forests in Southland informs me that such is already the case there and that bush fires in the postions leaved the case there and that bush fires in the postions leaved the case there and that bush fires in the postions leaved the case there are already the case there, and that bush fires in the portions leased by saw-millers are, comparatively