

mature stands to make the operation self supporting. The rimu forests are in still greater contrast. The shy seeding propensities of this and associated species constitute a basic difficulty in the evolution of a practicable system of silvicultural management. Long-continued research into the physiology and genetics of the various species, coupled with equally long studies in the experimental logging and silvicultural treatment of rimu forests, may eventually evolve a practicable system of management for their perpetuation, but it is unrealistic to anticipate that they can ever make any major contribution to the timber-supply of the country. At the best it will be several centuries before they are restored to maximum productivity.

9. *Timber Sales*.—The long-term indigenous log sales, initiated pre-war, are now to be followed in the case of entirely new indigenous forests by long-term sales of standing timber with revaluations at stated intervals and appropriate safeguards against trafficking in goodwill for cutting rights. All such sales will be covered by working plans as provided for in the Forest Act, 1949. Similar policies will operate in respect to some exotic State forests.

10. A most serious defect in forest administration has been disclosed as a result of recent developments. Under the current policy of conserving the rapidly-diminishing supplies of indigenous timber for high-class joinery and finishing purposes, no new State forests are opened for sawmilling until absolutely necessary. When this arises as a result of the supply of indigenous timber being inadequate for absolutely essential requirements the timber is supposed to be thrown open for free competition either by tender or by auction. Equally important, the quantity to be cut annually from each new forest is supposed to be strictly limited so that each mill will have a long enough cutting life to warrant the establishment of good equipment and reasonable living amenities for workers. Other things being equal, preference is given to operators of proven efficiency, but otherwise the competition is free as it rightly should be in the disposal of publicly-owned resources.

11. A number of operators are attempting to circumvent the equitable disposal of public timber and the efficient management of State forests. Some have even succeeded. The following are typical:

- (a) An operator not previously in the industry built a mill without any timber resources whatsoever, and then applied on compassionate grounds for sufficient timber from a forest in the adjoining district, even though this would cause the annual allowable cut for this particular forest to be exceeded. Against the Department's recommendation, his request has been acceded to, and what is most important, without there being free competition for the extra resources released from this forest. In this case the Department was to blame for not having a working plan prepared in conformity with the Forest Act, but it is appropriate to emphasize the difficult position in which the Director of Forestry would have been placed if, as would have been necessary in this case, he had refused to recommend the Minister to change the working plan, as he is entitled to do by the Forest Act, and without which change the sawmiller could not have been supplied. It is therefore apparent that the Forest Act should be suitably amended to provide that any proposals or alterations to working plans, whether by the Government or the Forest Service, be fully set out in the annual report of the Department so that they may be fully examined by the House in session. Only by this means may the sanctity of working plans be established and efficiency of forest-management achieved. Another sawmill without any resources has now been erected very much nearer to the same forest.