

(b) A building concern has recently erected a sawmill and houses estimated to have cost £25,000. Its only timber resources are reported to be about 2,000,000 board feet. No other private timber resources are available in the locality, but adjoining them is a State forest with over 20,000,000 board feet of timber. The company believes that it has thereby a prior claim to this timber, whereas this particular forest was withheld from opening until other mills had been cut out elsewhere when it had been envisaged that they would be able to freely compete for its resources. As the forest is only large enough to give one sawmill a reasonable working life, the equitable disposal of its timber has been jeopardized by the action not of a sawmiller, but of an entirely new operator. Such tactics can only be effectively combated by an appropriate amendment to the Forest Act, providing that any operator establishing himself in any district without first securing State forest timber by free competition shall automatically be precluded from securing any State forest timber for that particular mill.

12. There are innumerable variations of such tactics, but the two foregoing instances have been chosen as illustrative of the necessity for establishing the sanctity of working plans, and for ensuring the equitable disposal of State-forest timber. Suitable recommendations are accordingly being made.

SOIL CONSERVATION

13. *Look After the Catchments and the Rivers Will Look After Themselves.*—Ever since its inception the Forest Service has consistently advocated the maintenance of an adequate vegetative cover on the high country of New Zealand as the only possible means of conserving soil and water and of preventing accelerated erosion. Elementary though the fact is, it must be continually reiterated. The root of the problem is in the headwaters and catchments of the rivers, and it is there, and not in the lower reaches, that preventative and remedial action must be taken; downstream engineering, necessary and valuable though it may be, does not strike at the cause of the trouble and can never be anything but a temporary palliative. The motto for soil erosion must be “look after the headwaters and catchments and the rivers will look after themselves.” In addition to representatives on the Soil Conservation Council and the Catchment Boards the Forest Service seconds a professional forester for duty with the Council.

14. *Forest Cover Essential for All Steep Country of High Rainfall.*—In the light of its convictions, the policy of the Forest Service in soil-conservation measures is clear cut. It is simply to initiate or encourage any action which will conserve or improve the existing cover, and, conversely, to prevent or discourage any action which would have the opposite effect. This is the policy which, with varying degrees of success, the Forest Service attempts to follow in the administration of the 6,000,000 acres of protection forest under its control; and it is the policy which the Forest Service continually advocates for all steep land of high rainfall intensities, irrespective of its tenure.

15. The year under review has seen a major step forward in that the functions of the Forest Service in regard to soil conservation have been given legal definition by the passing of the Forest Act, 1949. The Act refers directly to the responsibility with which the Forest Service is charged for controlling and managing State forest land for the purposes of water conservation, soil stabilization, and balanced-land use. It further provides for the acquisition of land specifically for these purposes. The present policy, therefore, is directed not only to existing State forests but also to land of other tenures which is showing signs of actual or incipient erosion, and for which the protective cover should be arboreal in nature. Such land is generally sub-marginal in character and unsuitable for permanent agriculture; as opportunity permits it is being acquired as