

The timber throughout the bush of this district upon the whole is somewhat patchy in its distribution, the first-class timber being scarce and consequently expensive to bring to the mill and market. This is further aggravated by the fact that the best timber is situated either some distance from a railway, or near a port where the loading is somewhat hazardous and the size of vessels limited on account of the shallow nature of the harbours (Tautuku).

When I came to this district about eight years ago I found that practically the whole of the district was open for application under the various land tenures. It seemed to me then that if it were left in this way it would be a matter of a very short time when all the land carrying milling-timber would be taken up either for settlement or speculation—if for the former the timber would be ruthlessly destroyed, as the position of the greater portion, pending completion of the railway, would not be favourable to its removal to market.

After going carefully into the matter, I asked the Ranger to make a careful inspection of all the timbered land in that district, and after receipt of the report I obtained the approval of the Land Board to a recommendation to the Minister of Lands to have all the land carrying timber of any commercial value reserved for milling purposes.

I may here remark (as the position of the Tautuku Milling Company may be brought before the Commission) that one man (Clark) secured a substantial block before the reservation could be made.

The Queenstown district includes Lakes Wakatipu, Wanaka, and Hawea, and Martin's Bay district.

Ranger Mackenzie had charge of all of these localities with Assistant Ranger McDougall, resident at Wanaka. Since Mr. Mackenzie's retirement, about a year ago, the new Ranger, who is resident in Dunedin, has had little opportunity to make himself familiar with the timber question (having had so much to do with Crown lands since his appointment). Mr. Mackenzie's evidence would therefore have been of value to the Commission. Taking these districts as a whole, I find that the returns furnished from time to time give the following results:—

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|----------------------------|-----|-----|-----|------------|
| Martin's Bay district | ... | ... | ... | 49,000,000 |
| Wakatipu district | ... | ... | ... | ... |
| Wanaka and Hawea | ... | ... | ... | 12,000,000 |
| Comprising the following:— | | | | |
| Martin's Bay,— | | | | |
| Red-pine | ... | ... | ... | 10,000,000 |
| White-pine | ... | ... | ... | 11,000,000 |
| Black-pine | ... | ... | ... | 9,000,000 |
| Miro | ... | ... | ... | 8,000,000 |
| Totara | ... | ... | ... | 2,000,000 |
| Red-birch | ... | ... | ... | 2,000,000 |
| Silver-birch | ... | ... | ... | 7,000,000 |
| Wanaka and Hawea,— | | | | |
| Totara | ... | ... | ... | 1,000,000 |
| Matai | ... | ... | ... | 50,000 |
| White-pine | ... | ... | ... | 50,000 |
| Birch | ... | ... | ... | 11,000,000 |

5. You are putting that statement in?—Yes. Very little was taken up for speculation, but a great many who did take up land were unable to carry on, others required to fell a certain amount of timber in order to grass the land, but all that timber was practically burnt or destroyed. There was no way of taking it to the market, the mills were too far away, and the roads too bad. Fortunately, the Minister of Lands approved of the recommendation referred to in my statement, otherwise this land would have been selected probably and held over for speculation or for farming, and the bulk of the settlers would be unable to carry out the important conditions. There is always the danger, if they do not carry out the conditions, that in six years their holdings will be forfeited. As a matter of fact, nothing of that sort has been done, but the settlers always had that difficulty. They were afraid that the Land Board might come down upon them rather severely and cancel their holdings if they did not carry out the conditions. In order to prevent that, I thought it better to preserve the whole of the bush, pending the completion of the railway. At that time it had only reached Catlin's, and it seemed to me a matter of time (and also in the opinion of the settlers and others) when the railway would be carried through and the bush utilised, so that it seemed advisable to reserve all that which carried milling-timber. That land which carried only scrub, of course, remained open for selection, but any land with milling-timber of any quality, although some was scattered, we thought best to reserve for that purpose. What brought this more particularly before me immediately after I came to this district was this: one or two men came down from Canterbury, and, as the land was open for application, one of them applied for a block of something like 1,200 acres, and we had to grant to him this particular area, which was very good milling-bush. Another man came along from the same locality, and I saw also from the description he gave and from his calling that he was a sawmiller. I then induced the Land Board to refuse his application, and from that time to this we have never granted any land with milling-timber on it. Of course, since that we have had some applications for milling-timber land only for the timber itself.

Mr. Arnold: You purpose opening up the old areas when the railway is through. Of course, if a settler had the railway running alongside he would utilise the timber, even although he got