£75,767; other kinds 1,291,733 sup. ft., value £4,622: total 33,266,127 sup. ft., value £144,662. Grand totals, 65,828,072 sup. ft.; value, £333,979.

Imports of Timber, Auckland, from 1st April, 1910, to 31st March, 1911.—Sawn timber 3,738,923 sup. ft., value £29,102; laths, shingles, logs, palings, posts, rails, &c., value £5,894: total value of timber imported, £34,996.

Timber-floating.—Number of licenses at present in existence, 143; new licenses issued during the year, 10; licenses transferred, 3; licenses renewed, 100.

Bush-fires.—Bush-fires throughout the district were prevalent during the dry season, and a number of privately owned bushes were more or less burnt. Fortunately, however, as far as can be ascertained, none of the Crown forests suffered. More particularly the Waipoua and Warawara State forests were free from fire, owing, no doubt, to isolation from settlement and to the wet nature of the bush, as well as to the vigilant watch kept by the caretakers in preventing trespassing.

Gathering Gum, Waipoua and Warawara State Forests.—During the year the net proceeds from the sale of gum collected from outside the incisions of the kauri-trees in the latter forest amounted to £269 0s. 8d., and the stocks in hand are valued at about £240.

In addition to the amount of work entailed in dealing with timber matters, the administration of the Kauri-gum Industry Act has also been carried out by this branch of the Department since the 1st January last in accordance with the Kauri-gum Industry Amendment Act, 1910.

Correspondence and other matters dealt with by the timber branch have been heavy this year. Upon comparison with the previous year's report it will be seen that the amount realized on the sales of timber this year has increased over fourfold. During the year 1,075 letters and 972 sale-posters were despatched.

ERIC C. GOLD SMITH,
Commissioner of Crown Lands.

MARLBOROUGH.

There have been seven sawmills cutting timber from State forests during the year, and three cutting part of the time from Crown lands.

The amount of timber cut in superficial feet is as follows: State forests—Rimu, 6,597,381; white-pine, 3,488,658; matai, 1,021,630; totara, 96,792; birch, 13,301: total, 11,217,762 sup. ft. Crown lands—Rimu, 669,058; white-pine, 64,903; matai, 18,837; birch, 1,341: total, 754,139 sup. ft. Grand total, 11,971,901 sup. ft., yielding a royalty of £3,115.

The gross output this year has been practically 12,000,000 sup. ft., or over 3,000,000 ft. short of our estimate and 500,000 ft. short of the actual output last year. This is caused chiefly by the less white-pine cut, also to the very bad times. Some of the smaller mills have been experiencing considerable difficulty in keeping going at all.

I estimate that next year 15,000,000 ft. will probably be cut—that is, 14,000,000 ft. from the State forests and 1,000,000 ft. from the Crown lands.

The amount of royalty this year is about £180 short of last year's figures, but it is hoped that about £5,000 will be received next year.

From nearly five years' experience, I have come to the conclusion that the system of paying by royalty as the timber comes out of the mill is a mistake—it would be far better to have the trees properly measured and sold to the sawmiller as they stand in the bush; he could then use his own discretion as to how much or how little he used; he would be far more careful not to allow the trees to be destroyed by fire, and we should, I believe, not only transfer the fire risk on to the shoulders of the persons who cause the fires, but probably would get a greater return, because having bought the tree the miller is far less likely to leave it if it is growing in an unhandy place or in felling gets into a difficult position.

While I am on the subject of fires in the cutting-area of the sawmills I should like to offer a few remarks on a subject of even greater importance than the loss of a little timber by fire: this is the very great loss and damage done to the land itself by partly burning the tree-tops and dead rubbish left on the ground when the timber has been removed. This is frequently burnt by the fire for the log-haulers, and if not sown is soon covered by fern and noxious weeds, such as blackberry, &c., and before the land can be got into the hands of the settler it has seriously depreciated in value. Sowing good grass-seed is only a part remedy for the evil, because, in the first place, it is difficult to get a good sowing when the ground is cumbered by rubbish of a poor burn; and, secondly, the burning of a large mass of timber on the ground creates such an intense heat that it generally destroys a large part of the grass sown. The proper remedy would be to follow after the sawmills as closely as possible and underscrub and fell all the trees left, then burn in the proper season and sow with clean grass-seed; this would cost perhaps £2 10s. per acre, but there would be no difficulty in letting the grazing of the land until it can be settled for more than the bare interest on the cost of the work, and the whole cost could be loaded on to the land when finally offered. I am perfectly confident that this is the only reasonable course to pursue, and should be adopted. I therefore would strongly urge that the land now being divested of its timber in the Opouri Valley should be so treated.

The general conditions of the timber industry in this district have been fair during the past year, but the lack of cash orders has pressed very heavily on the smaller mills, almost to their extinction. The outlook, especially in regard to the export trade in white-pine, appears to be improving.

F. STEPHENSON SMITH,
Commissioner of Crown Lands.