

were reserved, much of the neighbouring land would be excluded from settlement. (3.) After milling, the land now occupied by forest will support a certain number of settlers. (4.) Although situated in almost the wettest district of the North Island during an abnormal dry season, the forest would be in danger of fire. (5.) The forest is a very ancient one, and the kauri-trees are not regenerating, so that as they die they are succeeded by taraire and other trees. (6.) The reserve of 200 acres, as suggested, and the Warawara Forest would supply admirable examples of kauri forest which would be a source of great attraction to visitors from abroad and to our own people. (7.) The Warawara State Forest is situated near the sea-coast to the north-west of Hokianga Harbour on broken hills having an altitude of some 1,600 ft. to 2,000 ft. The forest is extremely wet, and there is very little danger from fire. Owing to the position of the forest, and the rugged nature of the country, it would be difficult and expensive to remove the timber. We are of opinion that the forest is admirably suited for the purpose recommended above.

The Preservation of Scenic Reserves.

At the present time many of the scenic reserves are not as well cared for as they ought to be. They are frequently not fenced, and stock belonging to neighbouring settlers stray into them. In no few cases they are exposed to damage by fire. We therefore recommend that where possible the scenic reserves shall be fenced, and steps taken by planting shelter-belts, or otherwise, to preserve the forest, and that no stock shall be allowed to graze therein.

The provisions of the Scenery Preservation Act are stringent enough, but they are for the most part disregarded. As this is in many cases the result of ignorance of the law we recommend that notices *re* the reserves be placed not only in conspicuous places in the reserves themselves, but also in public places in the neighbourhood, such as post-offices, railway-stations, &c.

2. AS TO WHICH OF THE FOREST-AREAS ARE NOT REQUIRED FOR CLIMATIC AND SCENIC RESERVES OR ANY OTHER NATIONAL BENEFIT, BUT ARE SUITABLE FOR SETTLEMENT, SAWMILLING, OR OTHER COMMERCIAL PURPOSES, WITH INDICATION AS TO PRESENT OR FUTURE UTILIZATION.

Except in the specific cases dealt with in Appendix B, we can only deal with the above matter in such a general manner as to give a lead in future transactions with forest-areas. It may be stated as a broad principle that no forest land, except it be required for the special purposes of a climatic or a scenic reserve and which is suitable for farm land, should be permitted to remain under forest if it can be occupied and resided upon in reasonably limited areas.* Should the area under consideration contain milling-timber the question will arise whether it be more profitable to mill before settlement or to fell, burn, and grass. Obviously the answer is purely one of finance, and each case must be dealt with on its merits, the main factors being the enhanced value of the timber if reserved for a stated period, its distance from the centre of demand, and the expense of the milling. Year by year timber formerly considered as far too distant from any market is being profitably milled. We strongly recommend, in consequence of the increasing scarcity of timber, that all land containing milling-timber shall have such converted prior to settlement.

The question with regard to the present or future utilization of the forest-areas as a whole would entail a most careful and detailed examination of all the forest land throughout the Dominion, a task quite impossible for us to have attempted. All that we can say is that the matter is, in the main, one of supply and demand, and each case as it arises should be judged on its merits, and with special regard to the financial aspect, and that the view of the proposed Advisory Forestry Board should in all cases be obtained and given effect to wherever possible.

* National parks and sanctuaries are not specifically mentioned, since they are really in the same category as scenic or climatic reserves.