GRAZING SHEEP ON FIRE-BREAKS.

The experiment made last year of grazing sheep on the fire-breaks in the South Island plantations having proved so successful, more sheep were obtained, with the most satisfactory results, as not only was the cost of maintenance of the fire-breaks reduced, but a very handsome profit was made from the lambs and wool. When money is available it is proposed to further increase the number of sheep, as in addition to the fire-breaks there are some of the plantations in which a limited number of sheep could be advantageously grazed. It is also proposed to extend the scheme to the North Island plantations.

SHORTAGE OF SUITABLE LABOURERS.

In both North and South Island there was great difficulty in getting a sufficiency of suitable labour. This difficulty was, of course, caused by so many men having enlisted in the Expeditionary Forces.

EMPLOYMENT OF DISCHARGED SOLDIERS.

During the coming year it is hoped to employ discharged soldiers in the State nurseries and plantations. By doing this not only would regular employment be found for the soldiers, but it would then be possible to keep up to the past average the area planted for the year, even if it should not be possible to make an advance towards that area which should be planted to balance the annual decrease in our indigenous forest.

IMPORTANCE OF PROVIDING FOR FUTURE SUPPLIES OF TIMBER

On the assumption that native milling-forests yield an average of 15,000 superficial feet of sawn timber per acre for the whole Dominion, it will be seen that the 360,000,000 superficial feet (approximate) that we are now consuming are depleting our timber reserves to the extent of 24,000 acres per annum. This does not, of course, mean that to compensate for this we should plant 24,000 acres yearly, as, though there are as yet no reliable data by which to estimate the return of timber that may be expected in this country from the chief trees that are now being planted, the returns that these trees give in other countries warrant the conclusion that in this Dominion they will yield much more than 15,000 feet of sawn timber to the acre. On the other hand, most of the trees in the plantations will not have reached a size large enough for profitable sawing until many years after our native supplies have been exhausted. This Dominion will then be dependent on foreign supplies of timber at high prices, and perhaps, more serious still, this supply may be cut off by the occurrence of war. In this connection it may be stated that in England the price of timber has gone up more than 200 per cent. since the war, and is still on the rise. In Italy (a country which is very largely dependent on its foreign supplies) the rise in the price of sawn timber during the last year has been 300 per cent. The United States are threatened with a very serious shortage of wood-pulp for paper-making, as Canada is about to prohibit the export of pulp to any country except Britain, whose supplies from the Baltic States have recently been stopped. Statistics show the value of the timber imported into this country during 1915 was about £400,000. All the timber imported would grow in this country just as well as in the countries from which it was brought.

EXPERIMENTAL PLOTS IN OTAGO.

To test the suitability for tree-growing of the country near Alexandra, in Central Otago, a small experimental plantation was made on a part of the Galloway Run. Owing to the drought and the attacks of grubs the experiment was not very successful; however, the locality will be further tested during the present year.

A similar experiment made at Omarama, where there is a better rainfall, has so far proved quite successful.

RESERVATION OF LAND FOR FUTURE PLANTING.

The provision of suitable land for future planting is a matter demanding serious consideration. Most of the areas reserved for planting in both the North and South Island are filled up. There are 30,000 acres reserved at Kaingaroa Plains and about 21,000 acres temporarily reserved at Omarama and Benmore, but these areas are a mere trifle when it is remembered that a total area of about 700,000 acres of commercial forest is required to produce the probable amount of timber that will be annually required in about thirty years' time.

In France, which is certainly a country which has no land to spare for unprofitable use, there is an area of 24,021,587 acres of commercial forest. In spite of this huge supply France had to import, in 1913, 2,130,000,000 superficial feet of timber.

The suggestion of the Superintending Nurseryman at Rotorua that, instead of planting the whole area of the Kaingaroa Plains, it would be generally advisable and would ensure greater protection from fire to plant strips a mile wide, leaving between them strips of equal width for settlement purposes, is worthy of consideration.

ON POOR LAND FORESTRY MORE PROFITABLE THAN FARMING.

European experience has proved that on poor land an established forest yields a higher interest on the capital invested and employs more men than does any form of farming on similar land. Whilst Crown lands are available, then, it is highly advisable that an area ample for our future planting requirements should be so reserved that it will be available when wanted without the payment of compensation.

The detailed and summarized reports of the Superintending Nurserymen are attached.

I have, &c., T. N. BRODRICK, Under-Secretary.

The Right Hon. W. F. Massey, P.C., Commissioner of State Forests, Wellington.