Wherever forestry—that is to say, the managing of timber lands as crops—has been practised for a long-enough time its results have shown themselves in increased production per acre and in greatly increased revenues: for example, Germany, France, Sweden, and Switzerland, the United States, New Brunswick, and British Columbia. Every principle involved in the successful systems inaugurated in other countries can with proper judgment be applied somewhere in New Zealand even now, and to maintain the forests of New Zealand in continuous production is easily practicable.

3. Forests are national assets, and must be treated as such, for their presence and use enters into the daily life of all the people. The transformation of productive forests into idle waste impoverishes the nation, damages the individual, is wholly needless, and must be stopped.

4. The problem of supplying the fundamental wood needs of the people must be solved by action in this country. Improved methods in handling timber lands require a change from that of regarding the forests as a mine to be gutted to that of a crop which can be perpetuated by management. Improved methods can only be secured after we have more definite and reliable information regarding our timber-supply, after the reorganization of the system of selling public timber, and after the causes of such forest waste have been analysed to see how and to what extent they can be removed.

5. The secure and steady operation of the forest industry is of vital concern to the public. For that reason the Government should have power to control the industry in emergency. In the public interest all the residual forest lands vested in the Crown as owner or trustee should be placed under an applied forest management if a safety margin is to be secured against famine, high prices, and genuine distress. The Dominion's timber-supply must be made secure.

6. The management of the present State forests and of the enlarged areas which the programme calls for demands an efficient organization. A New Zealand Forest Service must be formed and placed on a high basis of efficiency.

The fundamentals of a forest policy for New Zealand are exposed in the following pages of this report.

Your adviser earnestly recommends that the principles as outlined be adopted and put into action without delay.

## SECTION III.—RECOMMENDATIONS.

## GENERAL FOREST POLICY.

"The test of true conservation is not in the size of the forests or in the quantity of the timber standing thereon, but in the fitness of the plan of forestation to contribute to the most efficient possible utilization of the State's resources of land and capital, and to the most profitable application of the labour of its people. Conservation of any other kind would not be conservation, but waste."

A successful policy means much more than tree-growing. It must provide confidence and security in every legal and commercial phase to industry and public alike, with each scrupulous to refrain from suspicion and injustice. It must seek—

(1.) The protection and beneficial utilization of our present forest resources in such a

way that it makes them of larger service:

(2.) Forest renewal on non-agricultural lands: (3.) Afforestation on lands now unproductive:

(4.) Stability and improvement of conditions for forest workers:

(5.) The assurance of sufficient raw material for the manufacture of timber and other commodities of almost universal use for the present and future:

(6.) The dedication and protection of forest areas wherever the water conditions, soilfertility, climate, and public health are dependent upon it.

The policy should also be framed in such a way as to-

- (1.) Ensure the consumer a maximum supply of timber at the critical time towards the end of the duration of the country's virgin forests and before new crops take their
- (2.) Exert a steadying influence on forest industry to prevent monopoly and extortion, overproduction, demoralization of the industry, wasteful utilization, and a safeguard of the interests of the small operator—all of which in the long-run injure the consumer and the areas in which the State forests are located:

(3.) Fix terms for State timber attractive enough to permit the use but not to subsidize excessive cutting, and leave private areas intact:

(4.) Be as simple and understandable as possible to public, purchasers, and Government. It is an essential that the programme under which the policy acts be an aggregate of local programmes adapted to different conditions and correlated through the Government to meet the broader requirements of the whole country. Therefore in order to ensure a continuity of policy and a stable and competent management it is necessary that there should be a definite covenant for a period of years.

The following statement presents the basic requirements for the foundation and performance

of a forest policy for this Dominion:-

## General Needs and Principles.

1. Formulation of a simple and effective Forest Act—an Act which clearly defines the principles along the line of action.

2. A continuity and stability of forest policy over a period of years, with a delegation of authority to a competent Forest Service.