note to all the labours of the Conference, and during my tour I was able to recognise the correctness of the statements made and the conclusions drawn by Mr. Seddon in the course of his brief but masterly address.

A propos of the operations of sawmillers, which I have again and again referred to as alike prejudicial to their own and public interests, Mr. Seddon pertinently asks, "Then, again, those who are engaged in the industry: What is their position? Why, they have gone on year after year. Large sums of money have passed through their hands it is true; they have cut millions of millions of feet of timber; but, as far as they were concerned, there was no margin of profit left; and I have found them very little better off to-day than when I knew them years ago. Well, I say that, that being the position, there is something wrong. If it is wrong to the miller it is wrong to the State, and the State has not been getting the value it should." That this is an absolutely true statement of the position cannot be denied, and it emphasises the main contention that "the methods of the sawmilling trade in dealing with the forests have done vast and well-nigh irreparable injury to the national property without giving any adequate or permanent advantage to the millers themselves." Men there are who have spent their lives in hardship and incessant heart-breaking toil for years and years, and yet are no better off to-day than they were twenty-five years ago. Scores and scores of sawmillers can vouch for the accuracy of the Premier's statement; but even this does not convey a full sense of the national loss. This involves not only the loss of annual revenue, which should have been returned in the past under a proper system, but what is even more important, the loss of capital value in forest lands, a most serious indictment this of the methods hitherto prevailing.

But, again the Premier: "Has it done good to those engaged in the timber industry? I allude to the workers—the mill-hands, the log-getters. No. The competition has been so keen, everything has been cut down so often, that they have made very little, probably no more than a bare living, during the time they have been engaged in this very hard work. That is the position of the mill-hand in New Zealand." Just so; and that, too, is the position of the mill-hand all over Australasia. But with forestry operations conducted on scientific principles all this could be changed. The controlling influence of the State would regulate the supply by limiting the output to such produce of each forest as can be removed as annual revenue without affecting the capital value of the property. The moment that more than the legitimate annual produce is removed, the destruction of forests—that is, entrenchment on capital value—commences. Under proper systems of forestry every one is a gainer: the Government, by reason of royalty charges made on equitable lines, a source of revenue which the due conservation of forests would make available for all time. The sawmiller would gain by regulation of the supply, which would prevent the markets being glutted. The mill-hands, log-getters, fellers, and bushmen generally would gain in better wages, more constant work, and less toil. All would gain through the check a regular State control would put upon that cut-throat competition which has brought about starvation prices for the miller, and has left him unable to pay fair wages, while his tramways, his plant, and his horses represent so much unproductive capital.

Fair competition is the soul of business, but in the timber trade has been carried to such an undue extent that it has proved a bane, and practically ruined the industry. Associations have been formed in every colony to regulate the trade, but these have all collapsed through the disloyalty of members, and the mischievous system of cut-throat competition still continues, leaving whatever small profit there is to the middleman, while the mill-owner and his hands toil from daylight to dark for a bare subsistence without prospect of improvement.

Again quoting Mr. Seddon: "I say it is a matter of intercolonial concern as to whether this keen competition, this cutting-down of everything without any advantage either to the millers, to the workers, or to the State, whether or not that shall continue. My answer is, No; and you are called together on this occasion to see whether some steps cannot be devised to remedy this most unfortunate state of affairs. Now, I will tell you where the sore spot lies. While mills have been increasing in number your markets have not been extending. It has been simply a question of supply and demand. The supply has been greater than the colonial demand, and you have been competing with each other for this trade. You do no good for yourselves, and you are certainly not profiting the colony. In the meantime our timbered lands are getting smaller day by day. That is the unfortunate position in which you are placed; and what is the remedy? You must have foreign markets." This, of course, is most true, but of what use can the foreign markets be if the sawmiller, sleeper-hewer, and gum-digger, with axe and fire-stick, keep on reducing the forest areas of New Zealand by thousands of acres annually in both North and Middle Islands. If the colony had ten times the area of forest country it now possesses, the ruin and havoc wrought under existing conditions must soon reduce the forests to such meagre proportions that an export trade will very soon be out of the question.

The experiences of the past fifty years show that without an export trade the forests have decreased 50 per cent. Given, then, even moderate exportation to London, *plus* the present local and Australian output, and what will be the condition of the New Zealand forests and timber trade, say, thirty years hence? A consensus of opinion among the sawmillers of both Islands answers this question by stating that within thirty or forty years for other timbers, and perhaps fifty for kauri (owing to its greater value and the care now exercised by private owners to protect it), the forests of New Zealand, and consequently the local timber trade, will have ceased to exist. The possibilities of a profitable export trade loom large. The available supply may be gauged from the remarks made, or quoted, above. The fact of the matter is that nowhere in Australasia does the timber supply warrant the expectation of continuous and large export to foreign markets unless scientific systems of forest conservation and reproduction are adopted at once; and the sooner the various Governments recognise this fact the better. The world's market for wood-paving material alone would more than exhaust Australasian supplies, should, as is most probable, other European capitals follow the example of London in utilising our timbers. Our forests would melt like wax