

any local district where there is a principal local authority, the cost shall be borne in equal one-third shares by such principal local authority, the Land- and Income-tax Department, and the Government Valuation of Land Department, the last being recoverable as fees from Government departments and others using the valuations. In any local district or other portion of the colony where there is no principal local authority, the cost shall be borne in equal shares by the two departments before mentioned. It is also proposed that the payment of costs by the principal local authorities shall be made in three instalments, at the following periods :—

One-half of the amount found to be owing shall be due and payable on receipt of the valuation-roll from the Valuer-General, one-quarter of such amount shall be due and payable within twelve months from the date of such receipt, and the remaining quarter of such amount within twenty-four months of the date of such receipt.

Each principal local authority shall pay its share of the annually-recurring expenditure on receipt of a demand from the Valuer-General.

All these proposals being approved, it is intended to pass regulations giving effect thereto.

The Valuers appointed under the Act have received full and specific instructions, and special attention has been drawn to the fact that the valuation will be used for lending purposes, as well as taxing and rating; and I am confident that the result achieved will be the best and most reliable valuation of the colony yet made.

The heavy expense inseparably connected with a valuation of the colony will fall within this year, and it will not be possible to obtain any considerable sum by way of recoveries in reduction of this expenditure until following years, as the valuation-rolls will not be ready until after the 31st March, 1898.

FORESTS AND FORESTRY.

Every well-wisher of the colony must, with me, deeply deplore the irreparable loss the colony has suffered by the burning of valuable timber off vast areas of our timbered lands. Settlers in some districts now realise that the royalties obtainable for timber amount to more per acre than is obtainable from the land of a well-appointed farm. Again, those engaged in sawmilling and the timber trade generally complain that competition is so great that they are after years of work no better off than when they commenced. It will be contended that those using the timber for buildings and other purposes have reaped a benefit. The immediate gain of the few is, however, more than counterbalanced by the national loss. Moreover, owing to undue competition and other causes, our forests have not been either systematically or advantageously worked. Only the best trees have been taken, and the tops and branches of those cut down have, with the smaller trees, been left on the ground; and, in the past, the white-pines have in many cases been untouched, there being no market for that kind of wood; ultimately the whole of the timber has been destroyed by fire. Millions of pounds' worth of timber have vanished in smoke, and cannot be replaced. Although the wretched past cannot be recalled, the question naturally arises, Is this unfortunate, undesirable, and unprofitable condition of affairs to continue? I distinctly say, it should not. To permit it would be wanton in the extreme, and nothing less than a national calamity. At the present rate at which our forests are being denuded New Zealand will in a few years require to import timber. It will not for a moment be contended that settlement must be stopped until the sawmiller has removed the timber from the land, or that only such Crown lands as have been denuded of timber shall be open for occupation. There is, however, a reasonable possibility of matters being so adjusted that the waste of timber can be avoided, and, at the same time, settlement be allowed to proceed. In disposing of timber lands it should be made a condition that all valuable trees shall be logged, ready to be taken to the market or the saw-mills. The royalty payable to the settler would enable him to obtain a little money for necessaries, and he would at the same time be clearing his land. Moreover, the State would