to the locality. All the interests of the nation demand the perpetuation of the remaining forestsagriculture, mining, navigation, commerce, the builders' trades, all will require timber twenty, fifty, and a hundred years hence as urgently as we of the present generation, and the demands of the present sawmillers should not be permitted to devastate the forests still owned by the Government.'

To sum up: The destructive results following upon the indiscriminate clearing of forest lands, particularly at the sources of streams and along their banks, are only too well known. Hardly a country in the world has escaped from the inevitable consequences of the disappearance of indigenous forests. Spain was at one time one of the richest and most powerful nations, but the country is now one of the poorest and driest in Europe, owing to the scanty annual rainfall consequent on the denudation of its forest areas. Asia Minor, North Africa, Arabia, are all conspicuous examples of regions that once were clothed with extensive forests and supported dense populations, but at the present time are inhabited by comparatively few people over a large proportion of their areas, through the fertile wooded lands deteriorating into barren sandy wastes. Italy and many other European countries have also experienced in slighter degrees the evil effects of forest denudation. As a consequence, schools of forestry, and systematic afforestation, are now a feature of the modern State Governments, particularly in Germany, France, the United States, and India. There the lessons of the past are borne in mind, and future evils guarded against as far as possible.

New Zealand has so far only experienced the injurious effects of forest denudation in lesser degree, but already it has been noticed how much more disastrous the floods become, as witness the great floods of Easter, 1897, in Hawke's Bay and Rangitikei, and the Auckland and Waikato floods of last January. As years go on and the area of forest lands grows less, so much more difficult will it be to retain the surplus moisture from heavy rains and prevent sudden and excessive rises in the volume of river-waters sweeping away bridges, banks, and doing other damage. The bush that in the past absorbed much of the rainfall and caused it to gradually percolate into the river and lower-lying lands will have disappeared, and only a bare expanse of grassy slopes and plains will lie between the ranges and watercourses, with the inevitable result that under sustained and perhaps torrential downpours lasting over a day or two the rivers assume immense proportions, and the water, instead of sinking into the ground to any great extent, is nearly all drained into the streams immediately, and carries away with it much of the

surface-soil and vegetation, helping to choke the river-beds and drains with silt and detritus.

However, the Government has for some years been gradually working with a view to supplement the resources of our native forests, and the efforts of the reafforestation branch of this Department have already made a perceptible difference in the quantity of timber-trees that will be available for milling operations in some twenty years' time and onwards. The report of the Chief Forester on the year's operations is given in a separate paper (C.-1B), and from a perusal of this it will be seen that over fifteen million trees have already been planted out in the thirteen Government plantations, over an area of 6,8I0 acres, and distributed among domains, &c., whilst fifteen million trees are growing in the State nurseries and are available for further planting. Much of the planting has been accomplished on the pumice plains between Rotorua and Taupo, and in the treeless parts of Otago, Canterbury, and Marlborough; and it is in the necessary and early development of, and additions to, these plantations that the future welfare and maintenance of the sawmilling industry of this colony now lies. As has often been pointed out, those areas of pumice country and poor soil are peculiarly well adapted for tree-planting, and can be made to yield in this manner as profitable a monetary return as rich agricultural and pastoral land does in other parts of the colony.

AUCKLAND.

Throughout the past year the demand for sawn timber, especially kauri, has been well main-

The inquiry for the timber mentioned was greater than the supply during part of the year, a condition of affairs due partly to the increased requirements, but mainly to the growing scarcity of logs, caused by the increasing remoteness of the kauri forests, which, of course, renders it more difficult to obtain regular supplies, as most of the easily accessible timber is now cut out.

Towards the end of last year a log-famine was in sight, but it was fortunately averted by several very heavy and unexpected freshes occuring over the whole kauri area during the early months of the current year. The effect of these freshes was that thousands of logs in the various districts, some of which had been lying in creeks for fifteen or more years, reached tidal waters, with the result that nearly all the old-established mills now have a larger stock of logs available than for many previous years.

During the year the Department has disposed of, by public tender, 29,019,351 ft. of kauri, 8,975,648 ft. of rimu, 3,039,192 ft. of kahikatea, 287,319 ft. of matai, 525,696 ft. of totara, aggreg ting 41,847,206 ft. From this it will be seen that all milling timbers in kauri forests are included now in the sales.

Rimu: This valuable timber is now coming into general use, the output being 19,610,000 ft., the major portion of which is utilised for building purposes. It is a great pity that this fine timber is not more appreciated, and that such vast quantities have been destroyed in the past in kauri forests and by fires, also by settlers in the ordinary course of settlement.

Kahikatea: The demand for this timber is increasing, and it is now used for sheeting, piles, cofferdams, framing, and other temporary structures required in connection with concrete works, wharves,

docks, sea-walls, harbour improvements and buildings, &c.