Although at first sight it may seem that a very large and sufficient proportion of the country is clothed with forest, and that the future supply of milling-timber is much larger than was generally supposed, yet it must be pointed out that many circumstances may prevent much of the milling-timber from ever being used for commercial purposes, and the retention of the forest covering.

For obvious reasons, such as climatic, soil-protection, river and water conservation, scenery-preservation, &c., it is absolutely imperative that large areas should permanently remain covered with forest, and, although it is usually the case that such areas are the most remote from market and on the roughest country, yet, owing to the annual shrinkage in timber-supplies, the saw-miller may ere long cast covetous eyes on many large areas of forest included in column 4 that it is imperative to retain in their natural state. For example, the Egmont, Sounds, and Tasman National Parks contain large quantities of timber, and, though at the present time it is too distant from a market, and perhaps not sufficiently valuable or suitable for commercial purposes, yet in the course of time it may happen that, through lack of better timber, that growing in the parks and reserves may be desired for milling, and, for the sake of a little monetary gain, extensive areas of attractive country infinitely more valuable in their native state than when cleared of their best covering may be dealt with in a similar manner to settlement lands and pastoral country, although it can rarely be utilised for any system of settlement except in extensive areas, and with little profit. However, this state of affairs may not eventuate, but it is well to draw attention to such a possibility in order that New Zealand's position with regard to timber resources may be thoroughly understood.

MILLING TIMBER.

With regard to timber suitable for milling purposes, enumerated in columns 3 and 5, a large amount is situated on hilly and mountainous country, difficult of access, and expensive to work by the miller. Then, again, the quantity per acre of milling-timber may be so small as not to warrant the expense of erecting a sawmill in the locality. Even if the bush is situated on level land and in payable quantities, yet the distance from the nearest railway may debar its working at the present time. Moreover, when the owners of the milling-bush have constructed a tramway from the scene of operations to the railway-line it has happened that their financial resources are so crippled by the heavy expenditure necessitated that they have been unable to continue working, and have been compelled to abandon operations. The expense of transport is one of the chief difficulties that has to be faced by a sawmiller, and it has been found that, unless the bush is in close proximity to the railway, the success of the sawmill is exceedingly problematical.

Bearing these matters in mind, it will be readily conceded that it will not be possible for many years to come to utilise much of our milling-timber for commercial purposes, and, although every effort is made by the millers to reduce the cost of cutting to a minimum, yet, unless certain natural advantages are associated with an area of forest land, its early use is very doubtful. Under these circumstances, although the amount of milling-timber given in the following table is probably very close to the mark, yet it must be remembered that its utilisation may be deferred for many years to come, and that the quantity of available timber that can be worked on a payable basis at the present time is only a comparatively small proportion of the whole.

The figures below indicate the *milling*-timber included in the amount given in Table A, the difference being made up of timber not suitable for milling, being varieties of trees not used by the sawmiller.

When it is noticed that out of a total area of 17,074,003 acres now under forest no less than 7,054,681 acres have been sold, and the timber thereon may be cut and destroyed at any time, whilst the timber in all the Crown forests is available for sawmilling, and will doubtless be eventually used for that purpose, it cannot be denied that an area of 2,110,717 acres (or only 3.1 per cent. of the total area of the Dominion) is a very small proportion to keep covered with forest.