

times in somewhat serious loss on account of financial failure between periods of payment ; the granting of licenses for the excessive term of forty-two years permits of unwarrantable delay in cutting-operations, with the result that the land is indefinitely withheld from settlement ; while the uncertainty of the titles to reservations, which are granted for terms of one year only and must be renewed each year, seriously hampers the sawmillers in their financial arrangements. The administration of the timber in manner provided in the regulations under the Land Act would dispose of most of the objections mentioned, and by enabling the Board to keep a stricter control over the country worked would not only prevent a certain waste in timber, which is now going on through the areas not being cleanly worked, but would ensure that each reservation as completed would be handed over for settlement purposes before the blackberries got a start.

During the past year the total output has amounted to 62,450,663 ft., representing the operations of forty-three sawmills employing almost a thousand hands.

H. D. M. HASZARD,
Commissioner of Crown Lands.

SOUTHLAND.

During the year sixty-one mills out of sixty-three were working mostly full-handed ; indeed, I consider it was the busiest year that Southland sawmillers have had for the past twenty years. These sixty-one mills produced, approximately, 60,000,000 ft. of sawn timber ; 400,000 ft. were shipped to Australia and England, and of the balance, 27,000,000 ft. were delivered inside the Southland District, and 32,000,000 ft. delivered outside the district—viz., Gore to Christchurch. About 50 per cent. of the timber produced was manufactured into mouldings and dressed lines of different kinds. During the year about 1,100 persons were engaged in the industry, and £125,000 paid in wages.

G. H. M. McCLURE,
Commissioner of Crown Lands.

APPENDIX IV.—REPORT ON WARAWARA STATE FOREST.

[By J. HUGH BOSCAWEN, Inspector of Kauri-gum Reserves and Forest-areas.]

I HAVE to report that I have lately visited the Warawara State Forest and spent four days exploring the ranges containing the forest. As far as I can ascertain, this forest has not previously been reported upon.

To begin with, the Warawara is what is known as a "rain forest," and situated about fifteen miles along the coast north of Hokianga Heads, on ranges having an altitude of 1,600 ft. to 2,000 ft. The spurs start from the seashore with a gradual ascent to the main ridge, with small streams in each gully, these streams having a descent to the sea through the land on the coast-line. Running north and south is a reef of hard volcanic rock crossing these streams at right angles, thus causing high waterfalls in most of the streams. These waterfalls are the stumbling-blocks to getting out the timber by driving, so it has been the means in the past of preserving the timber up to 1886, at which time the forest was gazetted a State forest ; and I hope it will remain as a State forest for all time. The kauri, as can be seen from my rough exploration-map, is situated on very inaccessible country. It consists of fine timber averaging from 8 ft. to 10 ft. through ; but I noticed that there is very little young kauri growing. In the past a good many of the trees have been bled for kauri-gum. This, no doubt, from the appearance of the trees, has injured them ; but I am inclined to think that from the present appearance of them the bleeding has been stopped in time and the trees will gradually recover. In one clump of trees the leaves certainly looked very brown, but I fancy this was due to exposed position, and that this year's westerly gales of salt-laden air have done the damage. Bled trees in a sheltered gully opposite looked quite green. But, undoubtedly, bleeding would kill the kauri in time. The former incisions in the trees are now healing, and a strict watch is kept to prevent bleeding at present or in future. The forest consists of two watersheds, marked A and B on map. The estimate of the timber on each area I obtained from an old timber-worker who had to do with the forest when it was Native land. I understand that he had to estimate the amount many years ago, and as it is still virgin forest I fancy his estimate is a fair one—viz., 60,000,000 ft. As before mentioned, the streams down which the timber would come have high rocky falls on them. If timber were driven down these creeks it would come out on an impossible coast with surf nearly always breaking. The