

covered with timber as are not required for land settlement purposes, and for the plantation of areas of open land which though not required for land settlement purposes are suited for planting and afforestation. And I first remind you that the expression "State Forest" includes only Crown lands which have already been proclaimed to be State forests under the State Forests Act. Such lands constitute only a small part of the area required. I am not able to give the exact acreage of the lands already proclaimed as State Forests, because the plans of the State Forest lands, the preparation of which began at the end of last year, are not yet fully completed. But approximately the area is 1,654,214 acres, but only about 1,464,000 acres of this area are actually under forest. Part, however, consists of forest on high mountain ranges, and, therefore, not commercially available for timber purposes, and other parts have been proclaimed to be State Forests for the purpose of providing revenue for that branch of the Lands Department, and consist of lands really suitable for, and required for, land settlement after the milling timber has been cut and removed. The land which has been proclaimed to be State Forest is, however, so far safe for the present, and the future in that it cannot be taken out of the control of the State Forest Department without the concurrence of Parliament.

#### Demands for Land.

The serious and urgent problem for the Government arises with respect to the Crown lands covered with forest which have not yet been proclaimed to be State Forests. The demand for land for settlement, more urgent now than ever by reason of the requirements for provision of land for our returned soldiers, prohibits the possibility of conserving all such forest lands for forest purposes, and we have, therefore, to accept as a maxim that where the land under forest is good and required for land settlement purposes, the timber must go and the land be cleared. Whether in such cases the timber is burned or milled concerns the Lands Department and not the Department of Forests, for if the land is not to be used as forest land, the existence or non-existence of forest upon it is a matter of no moment to the Commissioner of State Forests. But in all cases where the land under the forest is not of the quality which I have just described, questions at once arise between the two Departments. In many such cases, and in all cases where the land is not of at least average quality I am quite satisfied that the best policy for New Zealand is to retain the land as forest, proclaim it State Forest, and deal with it scientifically for the provision of timber, not merely for the present, but until the distant future. It is, I believe, demonstrable that forest land so held and used provides a constant employment for a great number of people per area than any other industry, but it would unduly tax your patience were I on this occasion to attempt that demonstration. I can only urge upon

you that this is the matter for your closest consideration, as it is that which creates my strongest anxiety—the question namely, with regard to all these Crown lands covered with forest, where the line shall be drawn dividing the land to be opened for settlement from the land to be proclaimed as State Forest. That question can only be decided fairly and properly by the Commissioner of Forests recognising on the one hand the urgent demand for settlement, and the Minister of Lands and the Commissioners of Crown Lands on the other hand, recognising the future requirements of New Zealand, demand the retention of large forest areas under State control. The misfortune from my point of view is that, with some notable exceptions, the valuable timber trees of New Zealand stand on good soil rather than on poor soil.

It has been suggested over and over again that the line of demarcation between land to be held as forest and land to be used for settlement should be forthwith approximately determined by rough survey, and that throughout the forest lands of the Dominion the line of demarcation should be shown by beacons and other defining boundaries. That process has been adopted in other new countries where the lands available for settlement are in excess of the demand, and where for the present forest areas can be defined without conflict with the Department of Lands. But the conditions in New Zealand are entirely different, and in any case such a process of immediate definition of boundary by demarcation was impossible for want of labour during the war, and, even if begun, would have occupied so long a time as to be useless for all practical purposes. For that reason I proposed to Parliament last session the method which I had devised while Acting Minister of Lands of allowing any Crown lands to be proclaimed to be provisional State Forests, leaving then the demarcation to be the subject of agreement between the two Departments whenever the Department of Lands considered that part of the provisional State Forests should be used for settlement purposes. Parliament granted that power, and already considerable areas of Crown land have been so proclaimed and added temporarily and provisionally to the State Forests of the Dominion under my control. And I hope that much larger areas of Crown land will be so proclaimed from time to time, so that when the question arises whether such land shall be marketed the opportunity will be present to retain a large part of it for forest purposes. I do not know whether there is any precedent for this method, but I am satisfied that in this respect alone the legislation of last session has laid the foundation of a policy of forest conservation, which, if adopted by future Governments, will ensure the consideration by Forest authorities of every case where land covered with forest is proposed by the Lands Department to be used wholly for land settlement purposes.

Before I proceed to refer, as I must, to the other powers granted by the legislation of last session, I ask you to understand that I am dealing to-day