

RETURN SHOWING REVENUE RECEIVED FROM TIMBER LICENSES AND
LEASES AND SALES OF TIMBER ON CROWN LANDS.

Year ended 31st March.	Amount.			Year ended 31st March.	Amount.		
	£	s.	d.		£	s.	d.
1899	3,391	16	10	1905	34,819	12	8
1900	11,359	12	0	1906	40,483	16	4
1901	10,177	9	11	1907	30,203	3	8
1902	17,044	19	0	1908	43,550	11	4
1903	15,893	6	3				
1904	13,739	2	11	Total	£220,663	10	11

NOTE.—Under "The Timber and Flax Royalties Act, 1905" (now section 319 of "The Land Act, 1908"), one-half of the revenue received from timber royalties is payable to local bodies.

NET EXPENDITURE ON STATE NURSERIES AND PLANTATIONS.

	£	s.	d.		£	s.	d.
From 1896 to 31st March, 1900	12,004	9	5	For year ended 31st March, 1906	19,479	6	6
For year ended 31st March, 1901	6,908	5	7	" " " 1907	23,900	10	5
" " " 1902	9,646	16	10	" " " 1908	24,442	15	1
" " " 1903	9,131	2	5				
" " " 1904	18,195	11	6		£138,122	15	5
" " " 1905	14,413	17	8				

NOTE.—This does not include expenditure on State forests supervision and management.

Department of Lands, Wellington, May, 1909.

WM. C. KENSINGTON,
Under-Secretary.

APPENDIX I.

EXTRACTS FROM THE REPORT ON STATE NURSERIES AND PLANTATIONS BY THE
UNDER-SECRETARY OF LANDS, FOR THE YEAR ENDED 31ST MARCH, 1908 (C.-1B).

FUTURE REQUIREMENTS.

The trees already planted by the Forestry Branch will not all be available in the years to come, as it must be remembered that they will need very extensive thinning and trimming to enable a satisfactory crop of timber to result. In fact, it is probable that out of the five or six million trees planted annually at the present time no more than a third will eventually survive the repeated thinning processes and reach maturity. Moreover, long before they reach an age at which the best results can be expected, the scarcity of timber in New Zealand is likely to be such that there will be a general demand for the utilisation of the trees for immediate use so soon as they are in any way suitable for the requirements of our trades. Bearing in mind, therefore, only the industrial requirements of the Dominion, the present rate of planting is only barely sufficient for our future needs, and, although the greatest efforts are made to plant trees which will yield the best results in the shortest space of time, there are very few trees fit for milling under forty or fifty years, and even these will be much more profitable if allowed to remain in the ground another ten or twenty years. Planting for posterity, though admirable in theory, is inevitably attended by pressing and irresistible drawbacks in practice, and all that can be done is to harmonize the needs of the present day as far as practicable with the requirements of future generations. It is almost impossible to lay too great stress upon the importance of the work of reforestation in this country, and each year sees its importance in other lands more and more recognised by far-sighted statesmen, and greater efforts made to insure the permanent timber-supply of the nation.

NECESSITY FOR AFFORESTATION.

The general principles underlying the modern system of forest-conservation and reforestation in all other countries apply equally to New Zealand as to the older civilisations. The more this subject is studied, the more one is impressed with the fact that judicious afforestation is the backbone of success in the important industries of every nation. As has been frequently pointed out, the cutting and utilisation of the indigenous forests by the sawmillers is proceeding at such a rapid rate in New Zealand that it is only the matter of a very few years (comparatively) when the greater bulk of our timber-supply must be obtained from abroad. Each year sees the output larger and the resources of the Dominion smaller, and, although the Government has taken the matter in hand with commendable foresight by the establishment of State plantations of timber-trees, yet it must be at least from thirty to forty years before any great supply can be calculated on from this source. Under these circumstances it appears imperative to restrict the present indiscriminate sawmilling of all available forests to such moderate extent as will insure their gradual disappearance synchronous with the development and growth of the State plantations, so that as the one fails the other may take its place. Unless some such steps as these are immediately taken, it follows that, although for a few years the demand can be fairly well satisfied, before long there would be no reserve of native timber, and the price would rise to a figure which would seriously embarrass many of the growing industries of New Zealand.

PRODUCTION OF ARTIFICIAL FORESTS.

Although there is a vast disproportion between the areas annually cut down in our native forests for sawmilling purposes and the areas planted by the Forestry Branch, yet it may be well to point out that an average acre of milling-bush contains a large number of trees unsuitable for sawmilling, and probably only from 10,000 to 20,000 superficial feet of timber is eventually extracted from the area. On the other hand, in our plantations, by successive thinnings, only the