

SALE OF THINNINGS.

It is very gratifying to report that the prospects of profitably disposing of a considerable quantity of the thinnings from the plantations are much better than was at one time thought possible. During the year 400 cords of firewood and 2,500 poles for mining and fencing purposes were disposed of, the revenue received being £346 6s. Owing to the fact that only a small portion of the area thinned has been completely dealt with, it is not possible at present to submit a balance-sheet which would show the result of the transactions. The greatest amount of the material is still lying where it was felled, while some is stacked into cord-wood. Now that the market for fuel and poles is assured it is proposed to classify the material over the whole area and place it into stacks to keep it from rotting. The prices obtained for the material will cover the cost of thinning, and in all probability show a small profit over and above this. It is desirable to mention also that the freight charges which have been paid into the Railway Department as a result of these thinnings being available have amounted during the year to a very considerable sum. In addition to this the amount paid out in wages by this Department in utilizing the thinnings and by the firm who use the thinnings for drying pumice for insulating purposes was about £900. From the above figures it will be seen that the afforestation is increasing the revenue of this Department and of the Railway Department, besides providing labour for a considerable number of workmen in this district.

Firewood for household purposes is nearly always wanted in from 8 in. to 16 in. blocks, and as many inquiries have already been received for supplies, arrangements are now in hand for the procuring of a sawing plant in order to meet the demands of the market. The orders for firewood and poles now on hand and which will be supplied early in the next financial year amount to £175. Every effort will be made to maintain the business already secured and to extend it where possible.

There is no doubt but that the Dominion is already feeling the result of a diminishing timber-supply. The increase in prices during the past few years is due both to the higher wages demanded by timber-workers and to the fact that the remaining supplies are less plentiful and more inaccessible. Certain classes of firewood are now difficult to obtain, good fencing-posts are scarcer and much more costly, and farmers are now using either iron standards, concrete, or wooden posts having a comparatively short life. Large areas of new country are being settled every year, and the demand for fence-posts alone must be very great. If the few timbers which hitherto have been regarded as the only ones suitable for fencing are now unprocureable or too expensive, the difficulty could be got over by treating the softer timbers with a preservative. If creasote could be cheaply obtained the value of the thinnings from the State plantations would be immensely increased. Any soft timber sufficiently strong would, if treated with creasote, become valuable for fence-posts and like purposes, and in a few years when the trees become larger there is a probability that much of the material obtained from thinnings could be used for railway-sleepers. There is no doubt but that, if the value of creasote for preserving timbers became better known, the demand for this article throughout the Dominion would rapidly increase. If, for instance, supplies of creasote reasonably low in price were available, the Monterey pine, which is common in almost every part of New Zealand, would be increased very much in value, and a great many districts would not need to import fencing-timbers for many years to come. This would have a directly beneficial effect upon the timber problem, because by the use of this material, now regarded as worthless for fencing, the good native timbers could be made to last longer and put to uses more befitting their value. Creasote can be manufactured in the Dominion, and, considering the necessity of conserving the country's timber resources, it would seem to be advisable to assist its manufacture.

PROPOSALS FOR 1916.

Assuming that funds will be available, the following planting operations are proposed for the coming year:—

Whakarewarewa Plantation.—Preparations for planting 500,000 trees are now in progress. About 400 acres will be planted with the following species: Douglas fir, Weymouth pine, heavy pine, and Monterey pine.

Waiotapu Plantation.—About 400,000 Corsican pine will be used in replacing deaths in recently planted areas. No new area will be planted.

Kaingaroa Plains Plantation.—About 2,500,000 trees will be planted on a new area of 2,000 acres, and 400,000 deaths replaced in the previous year's planting. The species to be planted are Corsican pine and heavy pine.

Puhipuhi Plantation.—The failures in trees planted last winter, amounting to approximately 20,000, will be replaced. These are *Eucalyptus resinifera grandiflora* and *Eucalyptus Macarthuri*.

GENERAL.

I have to express my appreciation of the zealous and efficient assistance given me by all officers in carrying on the work during the past year.

Attached hereto are reports on the several stations under my charge.

H. A. GOUDIE,
Superintending Nurseryman.

ROTORUA NURSERY.

Owing chiefly to the very dry weather experienced during the summer, the growth made by the young trees in the nursery is, on the whole, not quite as good as usual. Although the rainfall for the twelve months ending the 31st March, 1916, was about 16 in. greater than the previous year, the