REPORT.

INTRODUCTION.

A brief review of the major activities of the Service is given here. The items are dealt with in greater detail in the pages which follow.

Afforestation.—The area of new planted exotic forests—viz., 12,211 acres—is the smallest for nearly a decade, and gives point to the fact mentioned in recent reports that the Service will shortly cease large-scale tree-planting operations. The total area of the State exotic forests is now, in round figures, 406,200 acres.

Sales of Timber.—The keen demand for blocks of milling-bush is evidenced by the marked increase in the volume of timber sold during 1934–35 as compared with the three previous years. Indeed, if a comparison be made with the 1931–32 figures—the first year of the economic depression—the increase is 22 per cent. The demand is still unsatisfied, and at the time of going to press there is no falling off in this respect.

Timber-production. — A corresponding increase also occurred in the total quantity of timber cut from all sources, approximately 250,000,000 ft. board measure. Of this, the cut from State forests totalled 70,254,600 ft. board measure, or about 28 per cent. of the whole.

Sawmills.—The numbers of recorded sawmills show an increase from 534 to 568. 444 are operating solely in the indigenous forests and 78 solely in the exotic forests, while 46 cut both native and exotic timber. A pleasing feature is the fact that the number of mills working full time during the year 1933-34 has risen from 180 to 255. Mills working part time only number 171, while 142 were closed down.

Mining Privileges in State Forests.—Although applications for mining privileges showed a falling off in Auckland Region, the reverse was the case in Westland, where 1,149 applications were received and dealt with; the previous year's figures were 700. The high price of gold and the subsidy granted to miners by the Unemployment Board were no doubt responsible for the increased mining activity, and coping with this, in addition to ordinary duties, has severely taxed the energies of the local Forest Office staff.

Forest Finance.—The receipts for the year—£72,900—showed a gratifying increase of £20,000 over the previous period, whilst the gross expenditure was practically the same. That the financial position of the sawmilling industry has eased was proved by the fact that in the majority of cases operators met their commitments to the Department promptly and fewer postponements were applied for.

Work done for other Departments.—By arrangement with the Lands and Survey Department this Service now appraises for sale purposes all blocks of milling-timber on Crown land, and, upon request, carries out similar work for the Native Department and Maori Land Boards. At least fifty such cruises have been made during the year, and in consequence the field staff has been compelled frequently to work long hours in rough, bush-clad country and under trying climatic conditions to prevent work from falling into arrears.

General.-Officers of all ranks have again rendered yeoman service throughout another difficult period, and I wish here to place on record my sincere appreciation of the manner in which I have been assisted and supported on all occasions by every member of the staff.

FOREST POLICY.

General.—As the art of maintaining all non-agricultural soils in a state of maximum plant productivity, forestry may be credited during the period under review with substantial contributions to the attainment of the Government's long-term policy of land-utilization. They include:—

(1) The addition of 850,000 acres of State forests to the area permanently dedicated for

protection against unfavourable climatic conditions, erosion, and drought:

(2) The decision of the Government to perpetuate the kauri forests by placing under regulation and management both the remaining virgin stands and those cut-over areas carrying regeneration and advance growth:

(3) The examination of typical silver-beech and rimu forests for the selection of demonstration management units, which by appropriate cutting-systems will maintain

mills in permanent production.

Protection Forests.—Though to-day the national forestry effort owes its public support largely to the fears engendered by regional timber shortages, nevertheless it derives its greatest importance from the contribution of the forests to the well-being of the agricultural community. Immeasurable as it may be in tangible money terms, the influence of the forests upon streamflow and soil stability, &c., is none the less real. To the average man in the street spasmodic floods here and there are naturally regrettable, but just as definitely they are accepted as natural phenomena, if not as acts of God, certainly as nothing of import to concern the public mind,