

(No. 60.)



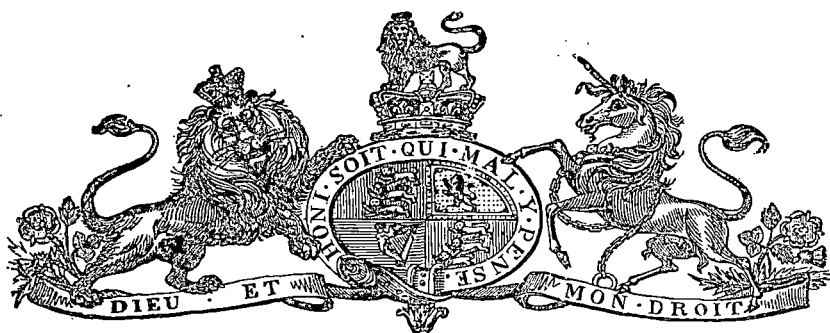
1887.

PARLIAMENT OF TASMANIA.

SAW-MILL RESERVATIONS :

REPORT BY CONSERVATOR OF FORESTS,
G. S. PERRIN, F.L.S.

Presented to both Houses of Parliament by His Excellency's Command.



REPORT upon the Southern Saw-mills, and Reservation of Lands in their neighbourhood.

THE saw-milling industry at the present time is in a very depressed state, chiefly through the failure of the various colonial markets to keep up anything like a fair demand for timber.

Depressed state of the timber industry.

The protective policy of the adjoining Colonies has deepened the depression, and given a slight impetus to local saw-mills, thus enabling them to become successful competitors in their own markets as against the dutiable timber of Tasmania.

The protective policy of Victoria and South Australia adverse to Tasmania.

South Australia, one of the best customers in the timber line this Colony possesses, has passed through a terrible time of depression, which has re-acted upon the Tasmanian timber industry in a marked degree, causing capitalists and speculators in the former Colony to altogether lock up their money chests, and building operations as a necessary sequence almost entirely ceased throughout the Colony; and this added to the immense exodus of the population during the depression, whereby hundreds of houses suddenly became tenantless, not only in the city but in all the towns of the Colony as well, and property of all description depreciated in value to such an extent that rents were lowered with lightning rapidity to nearly half their former rates; contractors and builders collapsed, and the large timber merchants, with their ever-accumulating stocks, now found their occupation, if not quite gone, brought to an abrupt standstill, and probable ruin or bankruptcy staring them in the face; and this is the present condition of affairs.

Depression in South Australia.

Another cause of depression in the timber trade is largely due to the action in the past of the saw-millers themselves, when timber of the most inferior kind was thrust upon the markets of the colonies, and this procedure naturally induced the consumer to seek other fields, which, unfortunately for Tasmania, were only too readily found in the immense forests of Western Australia, where splendid jarrah timber is found in forests of hundreds of miles in extent.

Inferior timber sent from Tasmania in the past has caused the colonies to look up other markets.

The opening of the Gippsland Railway was yet another factor in causing the depression, as this line opened up extensive tracts of virgin forest land in close proximity to it; hence timber is now readily procurable, and is being sent to Melbourne in immense quantities, which, in conjunction with supplies from other districts, practically shuts out Tasmania from the Victorian markets.

The Gippsland Railway opening up forest resources in Victoria.

The protective duties imposed upon Tasmanian timber by South Australia and our nearer neighbour Victoria, has also had the effect of seriously handicapping the timber industry here.

Such is the history of the present unprecedented run of low prices and consequent serious depression in the timber industry of this Colony; and the question arises, "How much longer is it going to last—by waiting until the present timber supplies in Victoria run short, or prosperity returns to South Australia?" No. The remedy consists in endeavouring to open up by every means in our power new and untried markets for Tasmanian timber, also in the saw-millers vigorously supporting each other and unitedly working for the common good, instead of splitting up into adverse factions, and thus, metaphorically, "cut their own throats" by encouraging ruinous competition in the timber trade.

Depression in the timber industry in Australia and Tasmania.

Ruinous competition.

Such, in brief, is the history and causes of the depression which has been, and still is, hanging over the timber industry in all parts of Tasmania; and, under the present system of every man for himself, the trade will continue to languish and mills drag out a miserable hand-to-mouth sort of existence.

Want of united action in local mill-owners to push the industry.

There appears to be no want of individual energy among millowners : it is united action, in conserving and pushing the trade into hitherto untried quarters, and in *regulating* the supply of timber in the existing markets, that is urgently wanted.

Proposed co-operative company of mill-owners.

A proposition or project of forming a co-operative company of all the southern mills has been mooted, and this would be an excellent plan if numerous difficulties in the way could be overcome, and I have no doubt if the owners will only put shoulder to shoulder these preliminary difficulties could easily be surmounted, and the proposed company, with their united fleet of barges, could be worked at one-half the present expense, whilst better prices would result from such united action, and general current expenses be greatly lowered.

The magnitude of the saw-milling industry.

The saw-milling industry of the Colony is one which, from its magnitude and importance, deserves every encouragement at the hands of the Government. It is an industry which none but men of lion hearts, indomitable will, and untiring industry should have anything to do with. The unfortunate mill-owner often sees his valuable machinery—costing thousands of pounds—a prey to the devouring element, together with miles of tramways destroyed by fire in the summer months, or costly high-level bridges by floods in winter.

Losses by fire and flood, &c.

Want of natural grasses, and high price of forage.

These drawbacks, in conjunction with the almost total want of natural grasses, and the consequent high cost of forage for the animals used in connection with the haulage of timber (an item running as high as a thousand pounds a year in some mills), added to the cost of the constant repairs required on the various tram-lines, swallow up a small fortune in itself.

Low prices for timber.

These, then, form formidable obstacles to the successful carrying on of the timber trade even in the best and busiest of times; and when prices recede to such an extent that no profit at all is made on the output, and mills are merely kept going to keep the men employed *together* and the cattle in work (which would otherwise eat their heads off if kept idle), the outlook is indeed gloomy.

Conservatism of mill-owners in the past.

In spite of all these drawbacks the milling industry should be in a much better position to-day than it is; and for this want of success the millers are themselves largely to blame, sufficient advantage not having been taken of the good times, when high prices and plenty of work were the rule rather than the exception. The extreme conservatism of the mill-owners in the past has militated against success; but little or no advantage having been taken of new or improved machinery or other appliances in use elsewhere, thus saving both time and material.

Lack of labour-saving machinery.

Except at Mr. Lee's Mill at Duck River, haulage by machinery or by means of wire-rope trams are, as yet, unknown; also many labour-saving appliances (which, in country so densely timbered as Tasmania, are so requisite) being, comparatively speaking, ignored.

"Black-mailing" by selectors, &c.

Another important matter in connection with saw-mills is the liability which every saw-miller has to face, of the selection of timber lands in immediate proximity to the mill, as it is by no means an uncommon occurrence to find the best portions of a fine bed of timber through which a tramway has been partially laid at a cost of £2 10s. per chain, or the line of a projected tramway to a bed of timber, cut off by a selection. These selectors in many cases are perhaps *ex-employés* who may have been discharged from the mill for misconduct, and who, to revenge themselves, take up these blocks in pure spite, and successfully hold them from year to year, or else levy black-mail upon the miller for the right to cut timber or to pass through the land to the forest beyond.

"Bogus" selection of land.

In order to secure themselves from the greedy or spiteful neighbour, or *ex-employé*, they have been compelled, in self-defence, to select land largely themselves, which land, after survey fee and first instalment has been paid, is frequently thrown up, and after the timber is gone, other lands selected or exchanged for the former block.

Selection of land on a newly-made tramroad.

As matters now stand, any person may go along a newly-made tram-line and select the best of the timber land upon it, and then black-mail the miller for the right to cut the timber upon such selected land. This is what constitutes a serious defect in the relations of the saw-miller and the Government.

Where expensive improvements have been made by saw-miller, protection against selector should be afforded him.

It is only reasonable that after a man has, with the full approval of the Government, selected a saw-mill site, and spent, say £3000, in purchase of a saw-mill plant, and another £1000 in tramways, that selection should be stayed in the vicinity of such mill. Some scheme should certainly be devised whereby the saw-miller should be protected for, say two years, upon every new line he puts down, and if at the expiration of that time the timber has not been removed then the land shall become available for selection; the area or extent of timbered country thus secured to be as follows:—half a mile on each side of a main tramway, and a quarter of a mile on each side of a branch line, with the permanent reservation of all main lines.

Land selection by saw-millers, and procedure thereunder.

The position the mill-owners now occupy with regard to the timbered lands may be summarised as follows:—Land is selected to the full extent allowed by the Act, and as a matter of course the best portions of the timber lands are occupied, and the "eyes," as it were, picked out. After the area selected has been denuded of its timber, and probably £1000 or

£2000 worth of timber removed, the rent or instalment falls due, and is *not* paid; shortly afterwards an application is perhaps sent in for another block some distance ahead of the former one; "a tram" is put down across the intervening Government land, and under the protection of a couple or more licences the timber is cleared off, whilst the selected block is carefully kept in reserve until such time as it is required, when the land is denuded of its timber as before, and may or may not be thrown up at the will or convenience of its owner. Of course this does not apply in every instance, as a good deal of the land is *bonâ fide* in the occupation, and perhaps is cultivated by, the mill-owner.

The taking out of licences upon Government lands adjoining these selections is a very haphazard sort of affair, and seems to be performed in a perfunctory manner. The mill-owners as a body have of late years pretty well secured themselves from selection, and appear to hold a considerable extent of land, most of which is carefully kept in reserve, and the timber untouched, until the Government lands adjoining have been cleared or exhausted.

Licences for timber on lands adjoining saw-mill lands, &c.

There appears to be a system in vogue of taking out a couple or more licences for Crown lands, and under cover of these a virtual monopoly of nearly all the Crown lands in the neighbourhood of a mill is secured to the proprietor thereof; and I am afraid there is a good deal of abuse of these licences going on at times.

As there seems to be a very great deal of misapprehension as regards the money value of our best timber trees, the following figures may help to remove erroneous impressions.

The value of the timber on forest land per acre.

The trees in good beds run from 17 to 20 to the acre, and the average contents of these trees may, at Geeveston, be taken roughly at, say, 8000 superficial feet per tree; or, say, a money value at the mill after being cut up, at 5s. per 100 feet, of £20 per tree; or, taking the lower number as a basis of calculation, = £340 worth of timber from a single acre of land. Now, a block of first-class timber land, say 50 acres, would thus yield £17,000, and to make every allowance for bad timber and scrub, say £8500 as the value of the yield per block of 50 acres. Viewed in this light, the question naturally arises—How long would it take a settler to raise and produce a return equal to this? And yet thousands of acres of such land are being thus sacrificed yearly, to say nothing of the damage caused by fire. That I have not exaggerated the size of the timber will be patent when I quote Mr. John Geeves, of Geeveston, as my authority for the size of some trees cut at his mill. One tree cut up 27,000 feet of timber, whilst trees of 15,000 superficial feet are not uncommon at Geeveston and elsewhere.

The produce of the forest compared to the produce of the selector.

Size of timber and superficial feet in a tree.

Mr. Graves, of Southport, also gives his experience of a blue-gum which, at 25ft. from the ground, measured 5ft. 2in. in diameter, and at 118ft. 4ft. 4in. in diameter, from which 750 first-class sleepers, 6ft. 6in., 9 × 5, and a considerable quantity of marketable timber was also cut, thus conclusively proving that very large trees are obtainable at times.

Blue-gum at Southport yielded 750 sleepers 6ft. 6in. 9 × 5, besides other timber.

The present mill-owners have practically a complete monopoly of the timber on Crown lands in the south of the Island; and as all the best water, and, in many cases, the only frontage, is in their hands, the chances of successful competition are reduced to a minimum.

Monopoly of the forest by present mill-owners.

The following is a brief description of the timber available, its approximate extent and quality.

Messrs. M'Dougall & Co., Recherche.

The forest here is composed of myrtle, celery-top pine, and stringy-bark of large size. These trees are remarkable for their bulk, and are of a much greater age than any other timber in the district. Myrtle timber here is of excellent quality, and large numbers of trees are available. The celery-top pine, if not very numerous, is exceptionally fine in quality, and is found from 14 to 16in. diameter.

Messrs. M'Dougall's mill, Recherche.

There is probably 20 years' supply of timber in the neighbourhood of this mill, with splendid grades for trams all through the bush, and there are but few creeks requiring high-level bridges until the country some miles back is reached.

Mr. Cuthbert's Mill, Recherche,

Is situated about 2½ miles from M'Dougall's, and the lands selected nearly adjoin each other. The timber here consists of stringy-bark of medium size and of fair quality. The rapid transition from the large-sized timber at the lower part of Recherche to the comparatively small timber at Cuthbert's is somewhat remarkable, the presumption being that the first-named is the remnant of an old forest which has probably escaped the severe frosts which undoubtedly visit the southern forests at long intervals of time. There is not much timber available on Crown lands at this mill; the bulk of it is on the selected land, and an extensive plain lies on the west side of the range at the back of the mill, so that the timber available is on the range only. It will not take many years to "cut out" this forest, as the trees are small, and will be used the more readily on that account.

Mr. Cuthbert's mill, Recherche.

I estimate that, with a fair demand for timber and constant work at the mill, the supply will probably last about 15 years.

After leaving Mr. Cuthbert's mill and Recherche behind, a level tract of country intervenes between D'Entrecasteaux River and Ida Bay, and consists chiefly of button-grass plains alter-

Country between D'Entrecasteaux River and Ida Bay.

nating with belts of stunted timber (peppermint and stringy-bark) along the coast, and also on the land side of the plain until the foot hills of the La Perouse Range are reached, when the timber improves in quality and quantity for about two-thirds of their altitude, when either bare rugged rocks or dense horizontal or bauera scrub, with dense belts of tea-tree interspersed with a few dwarf King William pines, both dead and alive. The extreme width of the country thus described would be probably about ten miles from the sea to the foot of the main range.

Forest land at
"Conical Hill."

Between the D'Entrecasteaux River and Ida Bay are situated two prominent hills—the first on the right bank of the river, and about two miles from Cuthbert's, and the other the same distance from Ida Bay. Both of these hills are splendidly timbered (stringy-bark chiefly), and on these selections have been made by Messrs. Cuthbert and Tyler respectively. A low range winds back towards the main range and joins the hill near Ida Bay. (See Exploration plan, La Perouse Ranges, &c.)

Mr. Tyler's Mill, Ida Bay, near Hastings.

Mr. Tyler's mill,
Ida Bay.

This mill has not been very long established, and Mr. Tyler is working the timber described on hill near Ida Bay. The tram-line runs round the base of this hill, and the trees, being small (stringy-bark, with a few stray blue-gums), are shot down to the line below. The supply of timber here is fairly good, and if it extends back to the foot of the La Perouse Range, then there is a supply for years to come; but if extensive scrub lies at the back of the "conical hill," then the supply is limited, and a couple of decades will see the end of it.

Mr. John Hay's (No. 3) Mill at Hastings.

Mr. John Hay
(No. 3), Hastings.

Around the site of this mill is found the most extensive tract of timber country, with the exception of Geeveston, to be found in the Colony. The forest land here is nearly all alienated or held in such a manner that the Crown lands, from a forestal point of view, are of use to the saw-miller or splitter only, being cut up into blocks and the eyes of the timber picked out. At the back of the selected land, and immediately beyond the outlying blocks, a fine and extensive forest exists, consisting of blue-gum, stringy-bark, gum-top, blackwood, and myrtle, all of splendid quality. This forest country extends up the foothills or outlying spurs of Adamson's Peak, and winds round and follows the course of the River Lune and the valley of that river, and high overhead, on the bare rocky plateau, in places densely scrubbed, the King William pine, in conjunction with the celery-top, is found growing sparingly; the latter tree, however, luxuriates in the sequestered glades and sheltered nooks of the foothills and valleys below, and blackwood of good quality is found here. The main branch of the Lune does not emanate from Adamson's Peak, as shown on the charts of the Colony. The Lune takes its rise from the cliffs at the back of La Perouse, and quite close to Mount Alexander, and is fed from the snow which lies for about seven months of the year on the table lands at the back of the La Perouse Range, which also feeds one of the branches of the Picton from the southern face of the tableland, and the D'Entrecasteaux River on the eastern face, the heads of all three rivers coming within a radius of about three miles.

Country under
Adamson's Peak
and back of
Hastings.

Change of timber
at Ida Bay. Blue
gum ceases; not
seen further
south. No
stringy-bark in
valley of Lune;
peppermint takes
its place.

There is a singular departure from the general run of timber in this district, as, in the valley of the Lune, the stringy-bark almost disappears, and peppermint takes its place, and on the range on the western side of the river, at an altitude of about 1500 feet, the King William pine is found growing; on the higher and more exposed eminences immense numbers of bleached skeletons of this tree show out strangely white among the myrtles and scrub, and these wierd-looking trees can be distinguished for miles.

The peppermint (*E. amygdalina*) grows here to a very large size, and timber of a splendid quality is obtainable. The west and north-western banks of the Lune appear to be the extreme southern limit of the blue-gum; although a few trees are to be found at Ida Bay, they are small in girth and inferior in quality. On the other hand, the blue-gum north of the Lune is grand timber, and of great size.

Mr. Graves' mill,
Southport.

Mr. Graves' Mill, Southport, lies about four miles from Hastings, and comprises blue-gum timber of the best quality obtainable in Tasmania. The timber is not large, and therefore is readily handled. The contour of the land is rather steep, and high grades are the rule rather than the exception. The whole of the township lands in the neighbourhood of this mill are covered with a dense growth of fine young saplings, which ought to be conserved and looked after.

Mr. John Hay
(No. 2), Lady's
Bay.

Mr. John Hay's (No. 2), Lady's Bay, is the next mill requiring notice. Here a fine young forest of stringy-bark and blue-gum is found; the former grows very dense, and remarkably straight. It seems a pity to cut this timber, as it has barely matured, and large numbers of trees are quite unfitted for use on this account. The tramways built here are of such a character that astonishment at the energy and ingenuity, to say nothing of the enterprise displayed, is the prevailing sentiment of all beholders; the grades are simply astounding, and partake of the character, only in a minor degree, of the celebrated Zigzag Railway in New South Wales; but owing to the engineering talent and constructive ability of the enterprising owner, Mr. John Hay (No. 2), these terrible grades are worked smoothly and successfully. A timber-shoot a quarter of a mile long is in course of construction, and when finished will enable the owner to bring to the mill a large bed of timber otherwise inaccessible. The country here is very hilly, and timber is frequently shipped from the mill under great difficulties, owing to the exposed position of the jetty, the bay being little better than an open roadstead, exposed to the swell of the open ocean from the southern end of Bruny Island. The bulk of the

Exposed position
of Lady's Bay
jetty, &c.

timber is put into the barges or vessels by means of a shoot from the end of the jetty. There is a large supply of timber at this mill, but the great question is its accessibility; and probably 20 years will see the best of the timber cut out here.

Mr. Judd's Mill, at Port Esperance, is the oldest saw-mill in the district, and was erected about 30 years ago. Originally the machinery was driven by water power, but at the present time steam has superseded the water. The huge water-wheel, 40ft. in diameter, is, however, still *in situ*.

Mr. Judd's mill,
Port Esperance.

The timber here consists of stringy-bark and swamp-gum, also gum-top (*E. Sieberiana*). The best of the stringy-bark and blue-gum has long since been cut out, and the timber now being cut up has to be brought a considerable distance by tram.

This mill completes the series of mill-owners in the occupation of the Peninsula, or stretch of country rather, divided by the road or track from Port Esperance to Hastings. Messrs. Hay, (2) and (3), Judd, and Graves, with a few splitters, virtually monopolise the whole of this forest tract, and selections judiciously picked out with regard to the timber prevent the utilisation for forest purposes of the bulk of this land. A considerable area of unalienated land is, however, to be found in the country situated midway between the various mills, and although a large portion has been stripped of the best of its timber by splitters, a considerable quantity of good mill timber remains. I would therefore advocate the entire withdrawal of this land from selection, and this in future years would serve to feed, and perhaps sustain, the mills when timber nearer to hand becomes exhausted. It is a pity that the whole of this fine forest was ever alienated; it should have been kept intact as a forest reserve.

The timber round Mr. Judd's mill is nearly exhausted, and this is not to be wondered at when the length of time the mill has been at work is taken into consideration. A few years more, and this mill will have to close for want of suitable timber.

The next series of mills are found within a short distance of Port Esperance, and are three in number. The first is—

Mr. Henry Chesterman's Mill, situated on the banks of the Esperance River, but the owner has been somewhat unfortunate in having several costly high-level bridges carried away by flood, and as this has occurred several times, the outlay necessary to repair damage has been very great. No less than three separate bridges have been built over this river; two out of the three are now in ruins, and as they are erected some 40ft. above the summer level, an idea of the magnitude of the work, and the costly nature of the undertaking, may be inferred therefrom. They are certainly the most extensive private bridges in Tasmania, standing as they do 40ft. above the water, with a double span of about 140ft. Considering their loftiness and carrying capacity, these bridges exhibit great cleverness in construction, and they frequently have to sustain the weight of a couple of bullock teams with, perhaps, a 10-ton or 12-ton log to each tram.

Mr. Chesterman's
mill, Port
Esperance.

The timber required for the use of this mill has to be brought some four or five miles along a tram-line, with two main branches, and both crossing the Esperance at about a mile apart, lead to the beds of timber some four miles away from the mill; one of the branch lines crosses a plain some three miles in extent, from which no timber whatever is procurable, and eventually ends in a bed of very fine timber, which apparently extends through a gorge, thence along a creek on to the Picton fall of the country.

Long distance
to bring timber
to mill.

Should selection take place here to any extent, this mill is doomed, and would have to shut up. Across the range to the northward, in the valley of the Esperance Settlement, numerous areas have been taken up by selectors, so that it is highly probable that selection may advance in the direction of this mill. Some splendid young saplings have here taken the place of the old timber, and are growing rapidly, and only require thinning to make good timber; a reservation to save this young timber would be invaluable in future years. It is not easy to estimate the supply of timber here, as there appears to be a break in the range on two sides, into the Picton on one side, and the Arve valley on the other; and one of the tram-lines runs far beyond the limits of selection, and tap the confines of the unknown country beyond. Myrtle or beech, stringy-bark, blue-gum, and celery-top pine is the prevailing timber.

Messrs. Pulfer Brothers' Mill is situated about three miles from Chesterman's mill, and was purchased from Mr. Chapman, and, within a few months after starting operations, was burnt to the ground. The mill is, however, now rebuilt, and will be ready for work about the end of February. The timber supply for this mill is fairly good, and if selection is stayed in its vicinity may last some few years to come, especially if the tramways are extended to the back of the range, and along the right of the River Esperance, though at some distance back from it.

Mr. Drysdale's Mill is situated about one mile from Dover, and has been lately burnt to the ground. As the timber here has been cut out to a great extent, and selection is setting in all round, it is not likely that this mill will be rebuilt.

Mr. Hamilton's Mill, at Surges Bay, is an old established mill, and a very extensive and valuable bed of timber is found in this neighbourhood, which extends for a couple of miles from Port Esperance to Surges Bay, a distance of nearly eight miles, passing through some splendid young blue-gum timber.

The whole of this country would be suitable for forest purposes, and it would be a pity to destroy the timber by cutting it up and allowing selection on it. A number of selections have recently been taken up, and it is certainly most undesirable that this forest country should be

altogether handed over to the selector, seeing that it is heavily timbered with blue-gum, which can be readily got at and brought to Surges Bay, also to one or two other points along the Huon or Channel coast; and I am strongly of opinion that all the unalienated land should be exempt from selection in this locality for the following reasons:—

1. The timber is first-class, and easily procurable.
2. It is the only place on the Huon where a timber reserve could be proclaimed having the special advantages this would have.
3. Its proximity to water carriage.

From Surges Bay to Geeveston a tract of forest country extends for some miles at the back of the selection bordering on the Huon river, whilst the Brothers Geeves are practically the owners of all the forest land, and have acquired large areas by selection. As the timber here is of immense size, and plenty of it, the value of these selections is apparent.

At the back of Geeveston and Honeywood a magnificent forest exists right into and along the valley of the Arve; and I am of opinion that no further selection here should be allowed, and that the whole of this timbered country should be proclaimed a "State Forest," and the timber from which should be cut only under regulations to be hereinafter made and provided, as easy access can be obtained into the Arve Valley from the head of the Geeveston trams; hence the importance of this forest, which, if proclaimed, would in future years exercise an enormous influence for good on the adjoining settlements, and still preserve to that part of the Huon the reputation of a first-class timber district.

Messrs. Oates & Co.'s Mill, at Victoria, has now been closed for some time, but good timber is still available in the direction of the new track lately cut by Mr. T. B. Moore from Victoria to New Norfolk, and it would be a grave mistake if the whole of this timbered country should be permitted to be selected. A timber reservation should be made here, in order to secure the timber for the future use of the residents, as in case of a revival of the timber industry this part of the Huon could still supply a considerable quantity of good timber.

Messrs. Ford & Harris, of Garden Island Creek, have an extensive plant, and splendid blue-gum timber is to be found in the valley adjoining their mill. As there is but one outlet, and this is in the possession of the firm above mentioned, they have the complete monopoly of the timber here, as high ranges shut in the valley on every side, and access thereto is only obtainable by means of the tram-line of the firm in possession. There are several blocks of Crown land in this valley all covered with valuable timber, which should undoubtedly be reserved. Some of the connecting trams have steep grades, and the unfortunate cattle have a hard time of it in the winter months, owing to the steep hillsides and the boggy nature of the ground.

Messrs. Gray Bros., of Bruni Island. This mill has been visited, and recommendations as to reservations for tramways and forest land included in Adventure Bay proposed Forest Reserve.

In the event of these reservations being made, the question is, how are they to become available. It has been suggested that the saw-millers should lease these blocks. The objection to this course is, in the absence of competition the lease might be sacrificed for a mere song. The fixing of an arbitrary rate by the Government is likewise objectionable, because the saw-miller might refuse to give the price or rate demanded, and the timber be thus at the mercy of anyone who chose to run the risk of helping themselves to it.

I would suggest that these lands be offered only in small blocks at a time to the miller, and that a valuation should be placed upon the *timber*, not the land; and that royalty charges should be made at per cubic foot or per 1000ft. super. A valuation on this basis would not be very difficult, and if special legislation is needed, the sooner these reforms are begun the better for the future timber supply of the Colony.

By a proper valuation of the timber all persons would be treated alike.

In order to carry out the above principle, it might be necessary to have blocks laid off in 50-acre sections. The cost of this survey might either be paid by the Government or by mill-owners when applying for blocks, as may be determined hereafter.

These timber reservations would have no connection with State forests, as stringent regulations must be made for the proper working of these, and mills allowed only under restrictions and regulations suitable for their conservation and proper working.

GEO. S. PERRIN, *Conservator of Forests.*

June 2, 1887.