

to assume hazardous and arduous duties in both forest and mill. The total strength of the industry is estimated to be about 10 per cent. below normal. Further reference to the staff problem will be found in clause 102.

73. *Equipment for Timber and Allied Industries.*—The delivery of new equipment for use in the sawmilling and boxmaking industries has not improved greatly and the difficulties of maintaining production have increased accordingly. The position has been relieved to a certain extent by improvisation within the industry, but the problems in replacing worn equipment or repairing the rapidly ageing plant is straining the resources to the utmost. This is particularly so in regard to tractors and motor-trucks, as the demand for parts exceeds the supplies arriving in the country, and only by the closest co-operation between units has it been practicable to keep such equipment operating.

Extensions in the equipment installed in the new plywood-factory operated by Messrs. N.Z. Plywoods, Ltd., have increased this company's output, which, together with that of fibre board by Messrs. N.Z. Forest Products, Ltd., has afforded considerable relief from the acute shortage caused by reduced imports of these products, as well as conserving supplies of sawn timber for essential purposes.

74. *Domestic Markets.*—Demand for timber for defence works both in the Dominion and in the South Pacific war theatre continued to be maintained at a high level throughout the year. At the 31st March, 1943, stocks of building timbers were estimated to be not more than 20 per cent. of normal and of seasoned lines not more than 10 per cent. In order to assure supplies for work for which only dry timber was suitable, sufficient deliveries were maintained to keep all approved dry kilns in full operation, and their output rationed. Due to the necessity of employing building personnel largely on defence works, the number of building permits issued for dwellings in the larger centres was recorded as only 600, while the total value of permits for all buildings in the same centres was only £2,245,000.

The demand for timber for containers for both potatoes and other vegetables, which have hitherto been carried in sacks, resulted in insignis pine, although produced in greater quantities, being insufficient to meet demand. It has been necessary to meet the deficiency with matai and rimu, but owing to the sudden demand, boxmakers' stocks have been reduced temporarily to unsatisfactory levels. The butter-box and cheese-crate position is dealt with later in clause 106.

Strict control over timber-prices continues to be maintained by the Price Tribunal, to which all applications should be addressed. The only general price increases approved during the year were relatively insignificant, being of the order of 3 per cent. to cover the increased costs of production resulting from the new award and its provision for the payment of non-statutory holidays between Xmas and New Year.

According to the latest figures published by the Government Statistician, the average values per 100 board feet of all species of timber ex mill for the last four years for which figures are available are as follows: 1938-39, 18s. 6d.; 1939-40, 19s.; 1940-41, 19s. 3d.; and 1941-42, 20s. 1d.

75. *Timber Imports.*—With timber and shipping in short supply in both Australia and North America, the reduction of imports as shown in Appendix IV to only 8,447,000 board feet (21,814,000 board feet) is not unexpected. The export from Australia of sawn hardwood is under strict control by permit, and at the suggestion of the Commonwealth Timber Controller all Government and local-body orders for poles, &c., are placed at ruling rates by the New Zealand Supply Liaison Officer in Sydney after consultation with the Deputy Controller there, this being regarded as the only alternative to more irksome control and to a steep spiral of rising prices. The Douglas fir stock position has improved in respect to large structural sizes of merchantable grade, but efforts are still being made to secure better stocks of No. 2 Clear and Better for specialist uses.

76. *Timber Exports.*—Though it could ill be afforded, a release of 13,000,000 board feet to Australia was scheduled for 1942 in exchange for essential supplies of sleepers, poles, &c., but, as indicated by Appendix V, a shortage of shipping made it impracticable to export more than 7,548,000 board feet (16,709,000 board feet). The silver beech exported was released only to purchasers nominated by the Commonwealth Timber Controller.

CHAPTER X.—UTILIZATION

77. *General.*—The trend towards substitution of minor local woods for imported special-purpose timbers has been limited by the incidental availability of supplies: sawmills in general have had to give precedence to maintaining output of the important building timbers for defence construction, and emphasis on the adaptation of these rather than of the more suitable but relatively scarce woods has been necessary in order to avoid excessive sacrifice of total production by extensive scouting and logging of such timbers.

78. *Grades and Specifications.*—Timber-control inspections have shown the national grading rules for building timbers to be invaluable in policing the supply of timber to Government defence contracts. There is almost as much timber supplied over-grade as under-grade. Only in one instance have substantial quantities below grade and quality been detected, and action appropriate to the seriousness of the case is in progress.

The preparation of standard hardwood grading rules has been further advanced by the development, as a result of various mill studies, of what is believed to be an entirely practicable set of grading rules for silver beech. From subsequent mill-cutting studies of tawa, it would appear that the underlying provisions of the beech rules are applicable to this timber, and a composite rule for all New Zealand hardwoods is now being drafted on the basis of the size and percentage of usable cuttings yielded by the various species and as required by the different wood-using industries.