

of all tractors operating therein, and, with the object of keeping all machines essential to timber production in good operating-condition, considerable assistance has been rendered by way of arranging loans, exchanges, and supply of spare parts and machines. The close co-operation of the Public Works Department in this particular matter is acknowledged with appreciation.

104. *Essential Supplies.*—The national reserve of wire rope, saws, and other supplies essential to the timber and boxmaking industries was extended to cover binding-wire and hoop steel; largely owing to the reserve stocks, the industries suffered no hold up or interruptions through lack of supplies. Arrangements have now been concluded whereby releases from national reserves will go through usual merchant channels.

105. *Forest Resources.*—The maintenance of log-supplies to sawmills dependent upon privately owned indigenous and exotic forests has given much concern, but appeals to owners for the release of trees not essential for shelter purposes as a very definite contribution to the war effort have so far proved successful and it has not yet proved necessary to force any sales by invoking the powers authorized by the Timber Emergency Regulations 1939, although it is anticipated that with the ever-increasing demand for essential supplies some such action may become necessary. The difficulty of securing shipping space for timber to the North Island is reflected in the reduced manufacture of white-pine butter-boxes, and to obtain an adequate supply for next dairy season it will be necessary to secure supplies from many privately owned clumps of white-pine in the North Island, and negotiations have accordingly been instituted. Not, however, until every possibility of voluntary release has been explored will legal enforcement be resorted to. In all cases owners are guarded against the removal of essential shelter-trees by arranging for Field Inspectors of the Department of Agriculture to reserve such trees from release to millers.

106. *Export Butter-box and Cheese-crate Pools.*—Due to the emphasis in dairy production reverting from cheese to butter manufacture, crate requirements for the current season as compared with last have receded by about 30 per cent. and butter-box demand increased by about 10 per cent., with serious repercussions in respect to timber-supplies. While the surplus stocks of cheese-crate timber such as insignis pine, &c., built up over the previous year were easily disposed of for the manufacture of other produce containers, it proved impossible to expand sufficiently the North Island production of butter-box timber or to move adequate supplies from the South Island for seasoning owing to the shipping shortage. The result was that over the peak of the season it was necessary to supply some boxes manufactured from insufficiently seasoned timber.

Naturally, with the ever-present danger of mould damage to butter, such a development was viewed with apprehension both by the Government and by the dairy industry, and when, therefore, the British Government advised that it had made tentative arrangements with America for the supply of one million fibre-board butter-boxes made of pure kraft pulp so that these could be reused by the British paper-mills, it was decided not only to take advantage of this arrangement, but to secure as a reserve against a possible shortage of seasoned timber at the peak of next season a further million of these boxes. By this arrangement it is anticipated that timber stocks will be built up to such a level that from 1944 onwards a fairly uniform rate of monthly manufacture may be assured in the butter-box factories and the whole of the 1944-45 butter production packed in wooden boxes.

For the first ten months of the current pool season, butter-boxes manufactured totalled 3,716,237 (4,035,430) and cheese-crates 1,115,296 (1,868,196). Deliveries to box-factories of butter-box timber for the same period totalled 16,885,000 board feet (15,656,000 board feet), but included 7,102,000 board feet (809,000 board feet) of rimu.

107. *Commercial Afforestation Companies.*—The latest available figures for the planted area controlled by private companies are those supplied by the Government Statistician for last year's annual report—viz., 310,542 acres.