that there were four fatal accidents: one in Auckland, one in Rotorua, and two in Nelson. One of the Nelson fatalities concerned an employee of another Department who met his death while assisting to fight a fire in a State forest; the others were Service employees. In all cases these fatalities were due to circumstances beyond the control of the Service.

19. Compensation to Employees.—The Service continues to carry its own accident-insurance risk, and the total compensation payment, total wages, &c., are as under:—

Year.		Total Payments. Total Wages.		Per Cent. (Approx.).
1942–43 1943–44		4 804	$\frac{\pounds}{261,000}$ $255,611$	£ s. d. 1 13 11 1 17 7

For the year the estimated premium payable for a comprehensive accident policy would have been £10,600; a saving of £5,800 has thus been effected.

The increases in the number of recorded accidents and in compensation payment are due to—

(a) Greater pressure being brought to bear upon employees to report even minor injuries so that these may receive urgent first-aid attention:

(b) The increasing numbers of older and unskilled men now being employed as a result of the shortage of young, skilled operatives:

(c) The larger proportion of employees now being engaged on the more hazardous work of tree-felling, &c., instead of on ordinary forestation operations.

20. Recruitment.—The class of applicant now coming forward from the secondary schools for appointment to the Forest Service continues to show heartening improvement. Twenty-one trainees were appointed during the year in continuation of the policy of providing forestry experience and training to suitable young men in the earliest possible stage of their careers. Of these recent appointments, however, seven are now on active service, bringing the number of trainees serving with the Armed Forces to thirty-six.

21. Training.—As a result of the policy of recruiting trainees below military age whenever possible, twenty-four trainees were actually employed and trained during the year. Fourteen professional trainees were provided with part-time facilities for University study in approved science subjects as a preliminary to technical forestry training, and during the long vacation were afforded practical experience in the field.

To meet the present shortage of field officers and the anticipated demand for a rapidly increasing staff to control immediate post-war forest projects, fifteen new timber appraisers are now being appointed, and will receive intensive training at the Forest Service Training Centre which has been established in the old Whakarewarewa Forest headquarters. Refresher courses for both junior and senior officers will follow.

A saw-doctors' school—the first of its kind in the Southern Hemisphere—has been established at the Waipa Mill, and similar training courses on timber-grading and kiln drying are planned as a direct contribution to trade training for the timber industry.

An introductory course in forestry has been prepared by the Forest Service for the Army Education Welfare Service. In addition to the immediate value of such courses, this, and more advanced courses under preparation, should prove to be important contributions to the post-war forestry training of junior departmental officers.

22. Examinations.—One trainee has graduated (B.Sc.) during the year; several other trainees who would have completed their degrees this year are on active service. One senior and three junior Efficiency Tests were credited to departmental officers during the year.

23. Allocation of Duties.—Numerous officers continue to be seconded for timber-control activities at considerable sacrifice to their normal duties, but with the easing of the general man-power position it is anticipated that sufficient officers will be released from the Armed Forces to overtake important arrears of work.

24. Field and Office Inspections.—The Chief Inspector returned from military service during the year, and undertook a comprehensive review of field personnel with a view to formulating plans for the inauguration of refresher training courses for all grades of rangers. Office inspections were not as frequent as desired, mainly because of other urgent work—i.e., the payment of purchases arranged by the Office of the Timber Controller, which during the last twelve months involved continuous attention from clerical controlling officers.

25. Regional Organization.—No major change in policy has taken place, but regional officers have had to handle to a greater extent than hitherto matters affecting the timber industry, such as the supply of labour through local Man-power Advisory Committees and, in the larger centres, the supply of timber to and its distribution by Timber Allocation Committees.

26. Inter-departmental Co-operation.—Specific mention is made of assistance rendered by accounting officers of the Railways Department, who have worked for nearly the whole year on overtime in recording, checking, and adjusting and passing for payment the various freight and timber accounts involved in the special purchases made by the Timber Controller for various defence works. The purchase of land for forest purposes continues to be handled by the Lands and Survey Department, with excellent results.