

105. *Timber Purchases for Defence Works.*—The purchase of timber urgently required for defence works was continued during the current year until approximately October, 1943, from which date the Department ceased the purchasing of supplies for new works, servicing these merely by placing orders on behalf of contractors. Only for old work still in progress has it continued to order and pay for supplies and for timber required for special war purposes.

Payments for timber purchased for the year ended 31st March last amounted to £800,860, compared with £1,157,737 for the previous year. During this year, also, the staff commenced the rechecking of all timber quantity and quality records for each defence work, as well as all relevant rail, ship, and cartage accounts, and the preparation of statements showing quantities supplied, supported by invoices, &c., were well advanced by the end of the year under review. A number of recoveries for overpayments for timber, freight, &c., have already been effected as a result of this check.

An inspection of timber intended for shipment to our American Allies in the Pacific islands for the purpose of building a mobile hospital revealed that inferior grades quite unsuitable for the purpose had been included. Upon subsequent investigations it became apparent that a serious departure from the timber specification and the substitution of practically worthless timber had taken place, and legal proceedings were therefore instituted. The cases were heard in the Magistrate's Court, and the most serious one referred to the Supreme Court for trial. The jury, however, failed to agree at two trials, and the proceedings were stayed accordingly in all cases.

106. *Timber Control Notices.*—The following notices were issued pursuant to the Supply Control Emergency Regulations 1939 and the Timber Emergency Regulations 1939:—

- (a) Notice No. 55 (*Gazette*, 1943, page 449) requires that no proprietor of any sash-and-door factory or joinery-factory shall manufacture or permit the manufacture of any door unless it is one of the types specified in the New Zealand Standards Specification for Doors, numbered N.Z.S.S. E.106. The Notice is administered by the Building Controller, whose prior written consent is necessary to the manufacture of doors other than those specified. One of the most significant features of the standards specification is its insistence upon the use of kiln-dried timber:
- (b) A notice published in *Gazette*, 1943, page 1106, revoked Timber Control Notice No. 26, which prohibited the sale of Westland timber in the Southland and Otago Land Districts, the mills in these latter districts now being unable to satisfy the local demand.

107. *Removal and Erection of Sawmills Notice 1941.*—A total of twenty-nine consents to the removal and erection of sawmills was given under the provisions of this notice, which is a subsidiary one under the Timber Emergency Regulations 1939 and provides that no person may erect or remove a sawmill except with the precedent consent of the Timber Controller. The consents issued include eleven for the erection of new mills and eighteen for the removal of existing mills to other sites.

The administration of this notice calls for a careful review of each case to ensure the utmost economy in the road transport of both log-supplies and sawn timber, and also the maintenance of stability in production by existing sawmilling units, with particular regard to conservation of man-power, sawmilling equipment, and log-supplies. To implement these considerations applicants are required to furnish assurances that they can secure the man-power necessary to staff their operations without taking workers from established units and that they can secure all necessary equipment within the Dominion. Although the securing of the highest possible production of sawn timber is of major importance, it is necessary, in view of the limited log-supplies available in some districts, to ensure as far as possible that the production of any established sawmill will not be materially reduced or its cutting life excessively shortened by the operation of an additional sawmill in the district; otherwise the total national production would not benefit.

One sawmill which had closed down was acquired for the Armed Forces in the Pacific, and the owner was compensated in terms of the Supply Control Emergency Regulations 1939.

108. *Sale and Purchase of Forests.*—In terms of Regulation 3 of the Timber Emergency Regulations, 357 applications for consent to the sale and purchase of forest were dealt with during the year and consents issued, but in some cases it was necessary to require timber to be made available to sawmillers other than the applicants. The transactions involved fall into three groups:—

(a) *Privately Owned Forest.*—The greater proportion of these were in respect of insignis-pine trees comprising small farm lots and shelter-belts, and the co-operation of farmers throughout the Dominion in permitting the cutting of such trees to provide much-needed timber-supplies for the manufacture of munition and foodstuff containers is greatly appreciated. Quite a few appeals were made by sawmillers for the Timber Controller to exercise his powers under the Timber Emergency Regulations 1939, Amendment No. 1 (1943/106), whereby he may require an owner to dispose of his trees, but in no case was it necessary to resort to this authority. In all such cases the departmental policy is to appeal to the owners to release any trees which do not constitute essential shelter. In some