

100 board feet on all indigenous and exotic sawn timber milled in the Dominion, including timber cut by the Crown for sale. The levy is payable to the State Advances Corporation in quarterly instalments, and it will be placed in an account known as the "Timber Workers' Housing Pool Account." While the pool is building up, advances will be made from the Corporation's own Housing Account in order to permit the Act to have immediately effective operation, but such advances will eventually be repaid, with interest from the pool. The amount of the levy is reimbursed to sawmillers by an equivalent increase in the sale price of sawn timber.

Priority in providing houses or granting advances will go to new units cutting in indigenous forest and to existing units which can be expected with such help to make an effective contribution towards increased indigenous-timber production. The dwellings so constructed or renovated shall not be used for any purpose except the accommodation of timber-workers, unless consent is first obtained from the Corporation. The houses will have all the usual modern amenities. Their rent is not to exceed 15s. a week for a dwelling containing two bedrooms or 17s. 6d. a week for a dwelling of three bedrooms. The rental of houses renovated will be decided in each case by the Corporation. As mills cut out, houses constructed and erected under the Act may be transferred to new sites.

Although this part of the Act is administered by the State Advances Corporation, the Timber Production Advisory Committee functions in a consultative capacity and investigates all applications for houses and improvements before any action is taken by the Corporation. Up to the 31st March, the Committee had received and dealt with 35 applications for 140 houses, as follows :—

Committee's Decision.	Applications.	Houses.
(1) Recommended to receive houses ..	27	112
(2) Deferred pending satisfaction of priority claims	6	18
(3) Declined as not eligible under the Act ..	2	10

A further 32 applications for 116 houses were under action at that date.

When the year closed, a demonstration house had been erected by the Housing Division of the Public Works Department and authority granted for the immediate calling of tenders for 300 houses.

101. *Declaration of Timber Industry as Essential.*—No declarations of essential undertakings under the Industrial Man-power Regulations 1944 were made subsequent to the 31st January, 1946, and all controls of man-power were revoked as from the 30th June, 1946, being the date upon which the Industrial Man-power Emergency Regulations were revoked by the Emergency Regulations Revocation Order No. 3 (Statutory Regulations, Serial number 1946/101).

102. *Industrial Man-power.*—Man-power gains in the timber industry as a result of the demobilization of the Armed Forces were not as large as expected. This was due mainly to the remote localities in which most operations are being conducted and to the accommodation position at so many mills. It is hoped, however, that a considerable improvement will take place when houses are provided under the timber-workers' housing scheme which has now become law. (See paragraph 100.)

Revocation of the declaration of sawmilling as an essential undertaking was delayed as long as possible, as it was certain that a large number of the men engaged in the industry would seek less arduous work once the restrictions were removed. Immediately following the revocation, a considerable movement of employees took place, older men