

retiring or seeking less strenuous employment and others transferring from one mill to another. A further small but steady loss of man-power has been brought about by the general shortage of labour throughout the country and by the tendency for men to seek the most attractive working conditions offering. This position is likely to continue until working conditions, both in the bush and at mills, have been materially improved. To maintain production under such circumstances it has been necessary to continue working extended hours, particularly in the bush, and some bush mill operations have accordingly been working forty-eight hours a week, but the average in the industry is about forty-four hours a week.

The working of extended hours by sawmills, which was previously subsidized from the War Expenses Account, has this year been subsidized from the Consolidated Fund, vote "Stabilization," on the same basis as before—viz., 80 per cent. of the extra cost for overtime at time and a half rates worked during the week and on Saturday mornings and 100 per cent. of the extra cost of overtime at double rates worked on Saturday afternoons. The Forest Service continued to check all claims from the industry, and during the year has passed for payment amounts totalling £98,166 (£120,129). The estimated additional production achieved as the result of this subsidy is 25,000,000 board feet (32,000,000).

103. *Petrol and Tire Conservation and Vehicle and Tractor Supplies.*—Owing to the removal of the restrictions governing the sale of petrol, no further action is being taken by the State Forest Service in its advisory capacity to and on behalf of the Commissioner of Transport and the Oil Fuel Controller.

The tire position, however, calls for close attention and, by arrangement with the Rubber Controller, all applications by private operators in the timber industry are submitted to the local Conservator of Forests, whose recommendations are taken into consideration by the Tire Controller when reviewing the application. The control over tractors having been removed and the supplying of motor-vehicles through the War Assets Realization Board having virtually ceased, assistance is no longer necessary regarding allocation to the industry. The Forest Service has, nevertheless, served the industry usefully by arranging for the supply of urgent materials and spare parts.

104. *Essential Supplies.*—Last year the controls on saws, wire ropes, corrugated fasteners, hoop steel, &c., were removed, as the stocks held were deemed sufficient to maintain production until further deliveries were received. For various reasons, including strikes, lack of shipping, and excessive demands from other countries, the deliveries have not been as large as desirable and stocks, particularly certain individual items, have become precariously low. Constant efforts have been maintained to obtain early fulfilment of the large orders placed overseas, and sufficient deliveries of the most essential materials under this head to effect an improvement in the general position are expected to be made in the immediate future.

105. *Timber Purchases for Defence Works.*—Activity under this heading has been confined to an endeavour to complete the reconciliation of timber quantity schedules compiled from purchase records in the Timber Controller's Office with those prepared from the contractors' records. This work has been practically concluded and there now remains only one large contract in which finality has not been reached.

106. *Timber Control Notices.*—Changes in Timber Control Notices effected during the year were as follows :—

- (a) The Second-hand Fruit-case Control Notice (No. 2) 1943 was revoked and replaced by the Second-hand Fruit-case Control Notice 1946 (Serial number 1946/159), which came into force on the 1st October, 1946. The main result was to remove the restrictions from the use of certain types of cases.