

board feet (7,827,000), of which 7,525,000 board feet (7,077,000) consisted of green timber and 721,000 board feet (750,000) partially air-seasoned stock. Based on the assumption that the plant is capable of drying for 335 days of twenty-four hours, the kiln-operating factor for the year was 91 per cent. (91). The quantity of timber dried per kiln hour amounted to 263 board feet (267). The profit from the sawmill and dry kilns amounted to £14,000 (£21,576).

67. *Waipa Box-factory and Planing-mill.*—It was found necessary, in order to cope with demand, to operate the box-factory on a forty-eight-hour week throughout the year, and in addition to work extra overtime in some sections of the factory. The expectations that demand for the factory's products would decline did not prove correct. As explained in other sections, the factory accepted substantially increased orders for fruit-cases and cheese-crates owing to the reluctance or inability of boxmakers who had customarily made these containers to maintain their former scale of production, and, in addition, increased orders were accepted for other types of containers the usual suppliers of which were no longer able to cut or secure sufficient timber for their manufacture.

The box-factory's output of case shooks used a gross total of 7,468,000 board feet of rough-sawn timber (8,691,000). Sales of dressed timber during the year amounted to 862,000 board feet (459,000). At the present time the box-factory is producing more box shooks and dressed timber than any other single factory in the Dominion.

Demand from Australia for box shooks was exceptionally heavy ; but unfortunately, after essential domestic demand was met, remaining boxmaking capacity enabled orders utilizing only 339,000 board feet of rough-sawn timber to be fulfilled. It is hoped that it will be possible to secure a general increase in box-manufacture throughout New Zealand, which will enable a worth-while supply of box shooks to be offered to Australian buyers in 1948.

Profit from the box-factory operations amounted to £8,303 (£19,142). The decline in profit earned was due to increased manufacture of fruit-cases and cheese-crates, the production of which is not sufficiently economical at current approved prices. A shortage in supply of these types of containers for the 1947-48 season is probable unless higher prices are approved.

68. *Departmental Wood-preserving Activities.*—As forecast, there has been a substantial decrease during the year in the amount of produce creosoted. Unfortunately it was not possible to allocate sufficient labour to cut produce for seasoning in advance of creosoting at Waipa, so that creosoting operations there will continue to be seriously retarded. However, it is expected that the cutting of round produce will shortly be resumed, which will permit creosoting in the year following seasoning. At Conical Hill, mainly fencing-material for departmental use was treated. At Hammer, lack of seasoned produce retarded creosoting operations, which were confined to a small quantity of poles.

69. *Exotic Forest Exploitation.*—Throughout the Dominion, demand for the steadily increasing production from exotic forests continues unabated. Market conditions have been chiefly responsible for this, as many industries would never have considered the use of exotic timbers if adequate supplies of rimu had been available. However, on account of the acute shortage of rimu, wood-users, by changes of design and manufacturing processes, have successfully substituted knotty insignis pine for clear rimu to an extent that had never previously been contemplated or considered practical.

It is believed to be unfortunate that demand is so heavy, as it has encouraged the expansion of exotic-timber cutting by small, poorly financed sawmillers whose equipment does not permit the production of accurately sawn timber and who take little care to see that the timber is marketed in the best condition. The subsequent failure in use of timber thus poorly sawn, graded, and seasoned may well prejudice the future utilization of insignis pine.