

being made to New South Wales, Victoria, Queensland, and South Australia to secure the widest practicable distribution. Details of distribution and stocks held for the past five years are given in the following schedule :—

Year Ended 31st March,	Sawn-timber Sales.				Stocks.	
	New Zealand.		Australia.		Quantity.	Percentage of Production.
	Quantity.	Percentage of Production.	Quantity.	Percentage of Production.		
	Bd. ft.		Bd. ft.		Bd. ft.	
1945	2,986,000	24	63,000	1	3,076,000	25
1946	4,431,000	32	537,000	4	2,804,000	21
1947	6,903,000	43	911,000	6	3,000,000	19
1948	4,802,000	29	1,539,000	9	3,372,000	20
1949	5,977,000	33	3,329,000	19	3,780,000	21

During the year, experiments were conducted in the sorting of timber for length and wire-bundling into packets containing 600–1,000 board feet for ease of handling both on to rail trucks and into ships' slings. The trials were very successful, and all concerned have expressed the keenest interest in the wider adoption of this procedure. So far the acute shortage of wire has been the principal limiting factor, but with the gradual easing of the supply position it is expected that a large proportion of future shipments will be bundled.

As in the past few years, there was again a seasonal shortage of rail trucks during March and the use of road transport was necessary to relieve the congestion in the mill yards at Waipa and Kaingaroa. During the period March–May last year, 675,000 board feet were forwarded by road ; but this year the truck shortage is not likely to continue beyond the end of April, and by then approximately 550,000 board feet will have been forwarded by road.

3. *Kaingaroa Sawmill*.—This was the first full year of operation for this mill. Logs sawn were almost entirely insignis pine ; and the mill worked an average forty-eight-hour week, operating 264 nine-hour days for a total production of 4,421,000 board feet. Last year it cut 1,094,000 board feet during the four months it was in operation. Of this year's output, 4,095,000 board feet were sold or used green and 326,000 board feet were filleted for air seasoning. Sales during the year amounted to 3,835,000 board feet, of which all except 66,000 board feet was green timber. At the end of the year stocks on hand amounted to 419,000 board feet.

4. *Conical Hill Sawmill*.—Construction of this mill, the log supply for which will come from the group of small forests located near Tapanui, was commenced during the year. The sawmill will include two 30-in. gang frames, and a bandmill with auxiliary machines ; boiler and power house, dry kilns, and ancillary workshops will also be erected. This mill will come into operation during 1950 with an annual output of 6,500,000 board feet ; but it is planned to double this figure about thirteen years later in accordance with the potential forest yield by that date. A small pilot mill was erected during the past year, but it operated only intermittently to cut timber as required for the main building programme. A total of 458,000 board feet was cut, and, of this, 230,000 board feet was held in stock at the end of the year.