

Production of insignis pine at 153,000,000 board feet showed an increase of 17,000,000 board feet on the previous year; including other minor species, the total output of exotic timber was 161,000,000 board feet, which is equal to 34 per cent. of all timber sawn, and the highest figure, both relatively and absolutely, yet reached. It is worthy of mention, however, that the production of exotic species is virtually static in all conservancies except Rotorua, and Auckland, still dependent principally on farm woodlots and shelter-belts, shows a small decline. Production of larch at a little over 4,000,000 board feet assumes some significance for the first time.

Among the indigenous species there are both increases and decreases. Production of rimu and miro is up by 18,000,000 board feet on the previous year, matai is up by 4,000,000 board feet and totara, by 1,000,000 board feet. Beech, kauri, and white-pine show little change; and tawa shows a decline of 2,000,000 board feet. However, though total production of indigenous species was more than 20,000,000 board feet above the figure for 1947-48, it is likely that the peak has been reached; and a progressive decline in the output of indigenous timber is expected to commence next year.

(2) *Sawmills in Operation.*—There has been a rather remarkable increase in the last few years in the number of sawmills in operation, the number having risen by 50 per cent. during the past five years to a total of 692 as at the 31st March, 1949. Comparative statistics for the five-year period are as follows:—

Year Ended 31st March,					Mills Registered as at 31st March.
1945	..	..	..	..	452
1946	..	..	..	..	445
1947	..	..	..	..	527
1948	..	..	..	..	608
1949	..	..	..	..	692

The increase, incidentally, has been distributed almost uniformly between the North and South Islands, both showing an increase of just over 50 per cent. for the five years. This contrasts rather strangely with the relative increase in timber-production referred to in the preceding paragraph, and reflects a tendency towards a smaller-capacity mill in the South Island. This in turn is a reflection of the relative weakness of the South Island in timber resources.

It is evident that new mills continue to greatly exceed mills cutting out and ceasing operations; nevertheless, the current high level of almost 700 sawmills must be near the peak, with little likelihood of any further significant increase. Many of the mills, of course, are quite small; some are only part-time ventures which cut very nominal quantities of timber. The average output for all registered mills was only a little over 500,000 board feet.

(3) *Equipment and Supplies.*—The general position has not improved to any significant extent since the previous year. Tractors, trucks, and spare parts are still very difficult to obtain, and many of the tractors at present in use by sawmillers are too old to give satisfactory service in bush operations. Saws, too, have been in short supply, especially large circular saws and crosscuts. Wire rope also has been difficult to obtain. The high cost of essential supplies is reflected in a recent consignment of tram spikes obtained from Sweden by an operator in Southland, the price being £144 per ton, as compared with £38 for a similar article of English origin in 1938.

In some districts power saws are being used to an increasing extent in felling operations. There has also been a further advance in the conversion from steam to Diesel haulers, locomotives, and tractors, and the adoption of electric power in place of steam for driving mill machinery is on the increase.