

During the year 580 acres of scrub were cleared in preparation for pitting and tree-planting, and pits to the number of 375,685 are now in readiness for the reception of trees. It is anticipated that about 700,000 trees will be dealt with during the coming planting season. During the year three additional huts were built for the use of employees, and the camp will now accommodate twenty men. A small cottage for the plantation foreman is now nearing completion, and should be finished by the end of April; this long-looked-for requirement will be much appreciated. The usual poisoning of the rabbit-infested areas met with a fair measure of success. All manuka scrub of sufficient size for fuel was set aside whilst clearing was in progress, and was subsequently carted to depots for departmental use. A small quantity was disposed of locally, but the sale was discontinued latterly owing to camp requirements.

The daily average of men employed during the year was 20·8.

The expenditure for the year was £3,254 17s. 9d.; and total expenditure to date, £10,726 8s. 11d.

Summary showing Area of Balmoral Plantation (732 Acres in Trees).

How occupied.								Acres.
Pines	..	..	..	..	..	..	..	718½
Poplars and English birch	..	..	..	..	..	..	..	3½
Douglas fir	..	..	..	..	..	..	..	10
Firebreaks, tracks, paddocks, &c.	..	..	..	..	..	..	..	680
Unplanted land	..	..	..	..	..	..	..	6,224
Total	..	..	..	..	..	..	..	7,636

APPENDIX B.

EXTRACTS FROM REPORTS BY THE CONSERVATORS OF STATE FORESTS.

AUCKLAND.

H. M. SKERT, Conservator of State Forests (Commissioner of Crown Lands).

The general condition of the timber industry throughout the Auckland District during the past year has been well maintained, and, notwithstanding the further increased retail and wholesale prices fixed by the Sawmillers' Associations for the various sawn products, the number of orders received by the principal sawmillers has far exceeded the available stock supplies, resulting in an accumulation of unfulfilled orders. The shortage of sawn timber is mainly attributed to the depleted log stocks, through the continuance of the scarcity of skilled bush labour causing delay in resuming operations in several of the larger bushes; but this difficulty is gradually being overcome, and many of the smaller sawmillers have recently reported more favourably in this direction.

Local Trade.—Both the building and furniture trades have shown a marked improvement, more particularly the former, owing presumably to the present demand for houses.

Export Trade.—From the official statistics the total quantity of timber exported for the year ended 31st December, 1918, from Auckland and Kaipara combined was 37,519,176 sup. ft., valued at £303,356, which, whilst showing a slight decrease in quantity as compared with the return for the year 1917, shows the substantial increase in value of about 32 per cent. per 100 sup. ft.

Sawmills.—There are at present about sixty sawmills working in the Auckland District, employing about two thousand hands, the approximate output of sawn product being 150,000,000 sup. ft.

Prices for Sawn Timber.—As contemplated in my previous year's report, the prices of sawn timber were subjected to a further substantial double increase during this year—firstly by a reduction in discounts allowed to builders—viz., 10 per cent.—being reduced to 2½ per cent., and, secondly, by an average increase on all kinds and classes of sawn timber of about 2s. per 100 sup. ft. Taking, as an example, one line alone in each kind of timber, it may prove of interest to note the increases in prices per 100 sup. ft. during the war period, exclusive of the reduced discounts allowed as above stated:—

			Kauri, First-class, 3 in. to 12 in. wide.	Rimu, Heart.	Matai, Heart.	Totara, Heart.
			s. d.	s. d.	s. d.	s. d.
1914 ..	..	..	28 0	25 0	23 0	25 0
1916 ..	..	..	28 0	28 0	25 0	29 0
1917 ..	..	..	32 0	34 0	28 0	30 0
1918 ..	..	..	36 0	38 0	33 0	40 0
1918 (October) ..	..	..	38 0	39 6	34 6	42 0
			(Increase, 35½%)	(Increase, 58%)	(Increase, 50%)	(Increase, 68%)

Increased Utilization of Inferior Timbers.—Owing to the exceptionally high prices commanding for those grades of the better kinds of milling-timbers which were previously used for the manufacturing of cases and fruit-boxes, the substitution of the lower grades of timber has considerably increased the demand for such timber as tawa and *Pinus radiata*. The utilization of the latter timber to such an extent has resulted in the erection of a number of small sawmills throughout the district wherever fair supplies of the log timber were available. The royalty paid by sawmillers for the standing timber