

As the operations of practically the whole of the sawmills have been restricted during the war period owing to the lack of suitable labour, it is certain that the output will materially increase in the near future when, as a result of demobilization, the men return to their former occupations. This increased output will, however, to a large extent be met by the increased consumption in the erection of buildings.

The regulations were applied to the various kinds of timber as follows :—

WHITE-PINE.

Immediately after the regulations were gazetted a return was called for, from each sawmill showing the names of persons to whom quantities of white-pine in excess of 50,000 ft. had been supplied during the twelve months ended 31st March, 1918. Upon receipt of these returns a communication was addressed to each of the white-pine users so disclosed, requesting information as to the estimated requirements of white-pine for the ensuing twelve months. These figures showed the total anticipated Dominion consumption for the twelve months ending 31st July, 1919, to be 36,535,000 ft., comprised as follows: Butter-boxes, 9,941,000 ft.; cheese-crates, 9,323,000 ft.; casks, 4,379,000 ft.; general, 12,892,000 ft. This total quantity represented approximately 60 per cent. of the total estimated output, and on this basis the restrictions were put into operation as from the 1st December, 1918, each sawmill being required to supply to the New Zealand market 60 per cent. of its total output, subject to arrangement between the sawmillers as previously referred to. The effect of fixing the quota on a percentage basis was to restrict the output of each sawmill to a quantity 66 per cent. in excess of the quantity from that mill that could be disposed of in New Zealand: *e.g.*, to justify the production of 100,000 ft. New Zealand orders for 60,000 ft. must be in sight.

At a later date the Board were advised that it was not the policy of the Government to delay the cutting of white-pine from land that was suitable for agricultural purposes, as it was desired as far as possible to assist progressive settlement. In order to meet this position and at the same time to ensure that there would be no shortage of supplies for the New Zealand market it was decided that the system of fixing the quota of white-pine be altered, and that each sawmill be allotted a definite quantity that must be supplied out of its production to the New Zealand market, a permit to export being given for all timber produced in excess of that quantity.

As a result of the enforcement of the regulations the difficulty previously experienced in obtaining supplies of white-pine for Dominion use has disappeared, and inquiries recently instituted disclose that the whole of the white-pine users are at present holding full stocks.

With a view to conserving for itself supplies of white-pine for butter-boxes, &c., the Northern Dairy Association, which represents practically the whole of the dairy companies in the Auckland District, is at present negotiating for the purchase of suitable blocks of timber, and proposes to install its own sawmilling and boxmaking plant.

Experiments with a view to discovering a substitute for white-pine for butter-boxes are continually being made, and several proposals have been brought under the notice of the Board. A box has recently been patented by an Auckland sawmiller, built of white-pine veneer, which it is claimed contains only about one-eighth of the quantity of white-pine at present used in each box, and which can be produced somewhat more cheaply than the price at present ruling for butter-boxes. The Dairy Division of the Department of Agriculture are conducting practical tests to prove its suitability or otherwise for the export trade.

RIMU.

The restrictions on export were applied to rimu as from the 1st April last, the quota for Dominion use for the three months from 1st April to 30th June, 1919, being fixed at 75 per cent. of the total quantity of rimu produced. Statistics that had been collected indicated that the New Zealand market would consume this percentage of the output for that period. The effect of fixing the quota on this percentage basis was that as production increased the quantity available for export would also increase. The following returns compiled by the Customs Department for the years ending 31st December in each case show that the export of rimu has been increasing at an alarming rate :—

Year.	Quantity Exported in Feet.					
1913	..	..	..	..	..	8,515,000
1914	..	..	..	..	..	13,007,000
1915	..	..	..	..	..	14,195,000
1916	..	..	..	..	..	15,312,000
1917	..	..	..	..	..	22,167,000
1918	..	..	..	..	..	30,391,000

(NOTE.—The export during 1913 would be affected by the strike.)

In view of the position as disclosed by these figures, it was decided that the basis of fixing the export quota should be altered, and as a result, for the period from 1st July, 1919, to 31st March, 1920, the amount for export from the whole of the mills in New Zealand has been fixed at a definite quantity, this quantity being allocated by the Board among the various exporting mills. The exportable quantity will be reduced each succeeding year. Increased production will therefore mean an increase in the amount available for use in New Zealand. There is at present a very keen demand for building-timber, and any increased output can be absorbed by the New Zealand market. Inquiries recently made indicate that in some localities the production of timber is not sufficient to supply local requirements. Although permits have been issued in accordance with the Board's allocation of exporting-rights, a special condition is attached in all cases reserving the right to the Board to cancel permits in the event of any local shortage existing. The Board is therefore in a position to ensure that the full requirements of the Dominion for building-timber will be met, provided that the