

In the southern end of the district milling in a small way in the native bush may last for another ten years or more; but in the northern end the present mills will cut out sooner, and even now the bush is being worked over a second time. Attention is beginning to be directed to the conversion of *Pinus insignis* trees for box and case timber.

The timber in the Waitaanga Plateau, mentioned in last year's report, should be investigated. On account of the cost of getting to it, it will require to be let in large areas. One generally adverse feature in the remaining forest is the increased cost of laying down trams (sometimes involving tunnelling through ridges) and the scarcity of experienced labour.

There has been little increased utilization of timbers formerly little used.

No forest has been destroyed by fire during the year.

The following royalties were received: Crown land, £1,013 10s. 2d.; national endowment, £166 14s. 10d. (not paid to State Forests Account).

WELLINGTON.

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

The general condition of this industry is absolutely sound, the mills having more orders on hand than the labour available will enable them to fulfil. A mill turning out 10,000 sup. ft. per diem before the war will now cut only about 7,000 to 8,000 sup. ft. per diem.

There are fifty-eight mills operating, their output being about 350,000 sup. ft. per diem, or about 2,000,000 ft. per annum for each mill, the timber being principally rimu. A number of people are now cutting kahikatea logs and forwarding them by rail to a town factory, which helps to supply crate and box material for dairy-produce.

The prices of sawn timber generally have increased 10 to 15 per cent., a price-list for random lengths disclosing the following quotations, which, though satisfactory to a wholesale dealer, is worthless to a private purchaser for special lengths.

<i>Sawn Timber.</i>						Per 100 sup. ft.			
						s.	d.	s.	d.
Heart—									
Scantling	...	...	...	...	...	22	0	to	36 0
Bridge and building scantling	...	...	...	...	...	25	0	„	37 0
Dressing quality	...	...	...	...	...	30	0	„	38 0
Clean	...	...	...	...	...	35	0	„	40 0
Rough heart	...	...	...	...	...	17	6	„	24 0
Ordinary building—									
Scantling	...	...	...	...	...	16	6	„	17 6
Boards, planks, &c.	...	...	...	...	...	17	6	„	20 6
Dressing quality	...	...	...	...	...	19	6	„	23 0
Second class—									
Scantling	...	...	...	...	...	13	0	„	14 0
Boards, planks, &c.	...	...	...	...	...	14	6	„	16 0
Rough lining	...	...	...	...	...	11	6	„	12 0
Heart, 1s. 6d. extra.									
<i>Dressed Timber.</i>									
Weatherboards—									
Heart	...	...	...	...	...	33	0	„	40 0
Rough heart	...	...	...	...	...	25	0		
Ordinary building	...	...	...	...	...	22	6	„	25 0
Seconds	...	...	...	...	...	17	6	„	18 0
Flooring—									
Heart	...	...	...	...	...	33	0	„	40 0
Rough heart	...	...	...	...	...	25	0		
Ordinary building	...	...	...	...	...	22	6	„	25 0
Seconds	...	...	...	...	...	17	6	„	18 0
Match lining—									
Heart	...	...	...	...	...	33	0	„	40 0
Ordinary building	...	...	...	...	...	22	6	„	25 0

At the present rate of milling most of the mills will cut out in nine years. Small mills are now commencing to cut the logs on milled, felled, and grassed areas. No timbers formerly not used are at present being utilized.

There was no damage to existing forests by fires during the year.

The amount of rents received from State forest areas was £417 3s. 6d., and no royalties were received. The milling-labour problem is acute, and dissatisfaction exists amongst the employees, they being under the belief that the prices charged for timber cut during one day's work pay the wages for a week. The position (to the sawmillers) is, however, not quite so good as claimed, but certainly there is ample margin to justify a considerable increase in the royalties charged.

MARLBOROUGH.

H. J. LOWE, Conservator of State Forests (Commissioner of Crown Lands).

Owing to the scarcity of timber for building, every available tree is now being sought after. In addition to the three main mills—Marlborough Timber Company (Opouri), Ward and Co. (Wakamarina), and Bryant Bros. (Pelorus Valley)—mills have been put into the Ronga and Opouri Valleys, the foot of the Rai, and the Mount Rutland State forest, while others are being put into places that would have been scorned in pre-war days.