

There are altogether eleven sawmills working in this land district, and the approximate amount of timber cut per annum is—Beech, 160,000 sup. ft.; totara, 5,000; matai, 166,000; rimu, 2,344,000; kahikatea, 1,054,000.

The revival of the industry can, however, only be of short duration, because the areas of bush now being worked are very limited. It is quite evident that in a few years Marlborough must obtain timber-supplies from elsewhere, and a higher price will consequently have to be paid.

During the year £1,528 was received in royalties, from the following sources: Crown lands, £238; State forests, £1,290.

The net wholesale prices per 100 sup. ft. for timber in Blenheim as follows: O.B. rimu, 29s.; heart rimu, 35s.; matai, 44s.; beech, 42s. 6d.; white-pine, 28s. Prices for timber at Kaikoura are generally 25 per cent. dearer than in Blenheim.

As stated in a previous report, the cheapness of water carriage, the working of the forests, and protection from fire make the Sounds district somewhat unique for the purpose of forest-planting, to say nothing of the enhanced beauty it would give to these fine waterways, the hills surrounding which are to-day practically bare, and an unsightly lot of poor farms. There is also a large area along the seafront of the Wairau Plain which might be placed in the hands of the foresters. It is low-grade land that could be acquired for very little.

NELSON.

H. D. McKELLAR, Conservator of State Forests (Commissioner of Crown Lands).

The timber industry in this district at present has a bright outlook, and operations show increased activity. Stocks at some of the mills are very low. In view of the brisk demand for all descriptions of timber, the energies of those connected with the business are consequently likely to be severely taxed to meet requirements. It may be expected, with the increased rate in wages and the influx of population, that many will be attracted to mill and bush work: thus the labour difficulty that presented itself at the time of my last annual report might reasonably be provided against.

During the period under review thirty-one mills were working, of which fourteen were cutting from private property. The total output from these was 6,216,000 ft. of sawn timber, made up as follows:—Rimu, 4,501,267; birch, 564,360; white-pine, 1,063,260; totara, 6,225; yellow-pine, 28,788; miscellaneous, 52,100: total, 6,216,000.

The royalties and rents received from the various classes of land were: State forests, £35 7s.; national endowments, £726 5s. 6d.; other endowments, £121 8s. 11d.; Crown lands, £827 1s. 10d.: total, £1,710 3s. 3d.

The net wholesale prices in this city for ordinary building and clean heart timber are:—Rimu—ordinary building, 25s. 6d.; clean heart, 32s. Matai—rough heart, 28s.; clean heart, 39s. 6d. White-pine and red-birch—ordinary building, 25s. 6d.; clean heart, 32s. Brown-birch, 35s.; totara piles, 1s. per foot.

As to the approximate duration of supplies of timber here, it is a matter very difficult to estimate. There are large areas of bush in the district consisting of birch with some rimu which are not being worked at present owing to other areas being more accessible, but it is quite possible that as timber becomes scarce mills will be shifted further back; in fact, several mills in the south have recently been removed into more remote localities, and the bush they are dealing with yields good quantities of rimu and birch, which augurs well for similar undertakings in places heretofore considered out of the way and unworkable. Accordingly, as the more suitable classes of timber are becoming scarcer or more difficult to obtain, those of secondary quality that were previously discarded are now being utilized by millers, and find a ready market. To illustrate the point it may be noted that areas previously worked are again being applied for, in order to deal with smaller trees and those which were at one time considered unmarketable. There is, moreover, very little waste material about the mills, as was the case in times past. Most of this is now used locally, or exported for conversion into boxes. Amongst varieties of timber until recently not much in demand brown-beech and black-beech are now readily disposed of for constructing bridges, buildings, &c., whilst silver-beech is being used for making cases and for other purposes. A considerable amount of *Eucalyptus* and *Pinus insignis* was milled during the past year for manufacturing fruit-cases and for the erection of buildings. Several cottages close to the city are built of these timbers. The milling of exotic timbers cannot be carried on for long at the present rate of cutting, as there is no great quantity of them suitable for milling in this district.

About 100 acres of mixed bush in Aorere Valley was destroyed by fire during the year. As there was a long spell of dry weather during spring and summer seasons, there is no reason to complain of the loss thus sustained, for worse results might have been expected, as selectors are frequently burning off felled bush on areas adjoining forest lands. It is difficult to suggest how to prevent fires extending to standing forest on Crown lands. Tenants holding areas adjoining them should use every care not to start burns when the wind is blowing towards the forests. One would think that it would be unnecessary to direct attention to this necessity. Perhaps the opinion is held by some that they have a better chance of securing a larger area if the bush is disposed of in this way.

The fruit industry is likely to considerably expand within the near future, with the result that treble the quantity of timber will be required for fruit-cases. As white-pine, pukatea, and *Pinus insignis*, which have been utilized to supply this demand in the past, will be cut out in a few years, provision should, I think, be made to produce timber to take its place, and to this end I would suggest the afforestation of certain poor land suitable for the purpose. Farmers in localities adjacent to the fruitgrowing districts, recognizing the need for supplying the demand referred to, are steadily planting portions of their land with *Pinus insignis* and other exotic trees.