

*Sand-dunes.*

The work of reclaiming and stabilizing the sand-dunes area at the mouth of the Rangitikei River, which has been in hand for several years, is now practically completed, with satisfactory results, and the experience and data thus gained will be of immense value should it be decided to treat other sand-drift areas in a similar manner.

*Destructive Forest-insects.*

As will be seen from the more detailed report which appears in another portion of this report, good progress continues to be made in this important line of research. The work accomplished to date shows that the present-day forest fauna of New Zealand is composite, there being an interaction of indigenous exotic elements, the latter being the more injurious to forest economy. To successfully grapple with this problem it is deemed essential that the following recommendations be given effect to as soon as it is possible to do so:—

- (1) A comprehensive system of fire protection of all indigenous and exotic forests.
- (2) The reduction of most exotic wild mammals.
- (3) Bird-establishment. Rigorous protection and development of the indigenous avifauna.
- (4) The introduction of a practicable quarantine system to check the entry of exotic insects and the movements of exotic insects already established, but as yet of restricted ravage.

*Forest-protection.*

*Ravages of Forest Vermin.*—Deer and wild pigs still constitute a serious menace to the community by the destruction of young forest-growth and consequent prevention of regeneration, damage to cereal and root crops, and the very serious mortality caused by the latter pest to flocks of young lambs.

Payment of bonuses for the killing of pigs and deer has been continued on the same basis as last year, and although 12,966 pig-snouts and 5,795 deer-tails were paid for in this way, yet owing to the natural increase of the animals some more wholesale method of reduction or extermination must be evolved to definitely reduce the herds to safe and reasonable limits. Experiments to this end are being continued, and are detailed in Chapter III of this report.

*The Timber Industry of New Zealand.*

During the year the production of sawn timber fell considerably lower than was required to fill the normal demands of the industry. Owing, however, to over-production during the previous two years, millers still had large stocks on hand despite the curtailment in production referred to. A further decrease in production appears to be necessary during the current year to enable the industry to resume its normal operation.

As a result of these accumulated stocks and trade-depression, the prices of many lines depreciated considerably, due not only to reduction in list prices by the various organizations, but also to varying discounts offered by individual operators to effect quick sales. To meet the over-production, reduced buying-power, and slackened demand, representations of the sawmilling industry appealed to the Government for an increased duty on imported timbers. The Tariff Commission inquired into the position and, following its report, the duty was considerably increased.

To further aid the utilization and market extension of local timbers, a Committee was set up consisting of representatives of all the interested Government Departments. It was primarily decided that certain definite improvements were necessary to the local industry, these including—

- (1) A revision of the present variable grading rules in operation throughout the Dominion, to reach one universal grading system.
- (2) The ready supply of seasoned timber, involving longer seasoning periods and improved seasoning practices.
- (3) Improved manufacture of the product, including docked ends, evenly-sawn boards, &c.

The sawmillers co-operated with the Committee, which drew up a uniform classification and grading-system for our native building-timbers, based on specified size and occurrence of defects. This, it is considered, will result in a more balanced sale of the product of the log, thus finding a use for all classes. The new rules will come into force during the current year and will be used as a basis for the ordering of all Government timber-supplies.

*Exports of Forest-produce.*

The export of sawn timber during 1927 was the lowest experienced by the trade for over thirty years. White-pine, which accounts for approximately 75 per cent. of our total export, was the main sufferer. Overstocking during previous years, a poor dairy season in Australia, and the serious competition of lower-priced Baltic and North American timbers have all combined to affect the white-pine trade. Indeed, the position is still serious at the present time, and with more than ample stocks in hand Australian buyers are not likely to increase their orders for some time.