

New Zealand with its high and normally well-distributed rainfall throughout the year does not suffer from the same recurring fire risk as is so characteristic of Australia and elsewhere, nevertheless plans must be made against an occasional high and widespread risk. To this end the major authorities concerned—the Soil Conservation and Rivers Control Council, the Forest Service, and the fire-brigade authorities—have been making exhaustive inquiries, as a result of which it is anticipated that a conference of all interests concerned will be called at an early date to consider the implementation of far-reaching proposals for dealing with the whole problem on a national basis, the essence of these proposals being the declaration of fire emergency areas and the provision of reserve fire-fighting equipment for use in such areas.

10. *Forest Utilization.*—The most serious crisis in timber use in the history of New Zealand arose during the past year. Under pressure of the acute shortage of timber, the pendulum has swung from a virtual prohibition against the use of exotic softwoods in general and insignis pine in particular to a permitted use without adequate safeguards.

It can be said that for the first one hundred years of New Zealand's development, timber use as based upon such durable species as kauri, totara, and matai was characterized by virtually limitless abuse. When rimu became the predominant timber in the country's economy this feature still continued, and even now there is gross carelessness in the handling of indigenous timber required for average building operations, as at some stage or other the timber is needlessly exposed to the elements at the sawmill or in the yard or on the building-site, and even in partially erected structures. But whilst the indigenous timbers do not seriously deteriorate under such conditions, the exact reverse occurs in the case of the exotic softwoods, particularly insignis pine produced from immature stands and containing little, if any, heartwood. If this freshly sawn timber is either block-stacked or carelessly exposed to the elements it will not only warp and twist more than the indigenous timbers, but, what is worse, become affected with sapstain, which will act as a focal point for decay. Previous annual reports have stressed this, together with the necessity for kiln drying and, in the case of sub-flooring timbers, also treating with suitable wood-preservatives. Unfortunately, now that only very limited supplies of indigenous timber are available, the necessity for these precautions is being lost sight of. If this tendency is to continue, it will jeopardize the national forestry objective of transferring the emphasis on timber-production from the indigenous to the exotic forests.

The danger is a very real one, and all housing authorities, local bodies, and other interested parties are urged to see that the strictest safeguards are taken against the development of careless practice in the handling and use of insignis-pine for building purposes. It would be nothing less than a tragedy if in a few years' time, due to negligence now, a significant number of structures were to suffer a high rate of deterioration. Numerous references will be found in the body of this report with respect to the various precautions which are advocated in the use of insignis pine for building purposes.

11. *Forest Finances.*—Considering the limited trained staff available, excellent progress has been made with the reorganization of departmental accounts and finances. Sufficient preparatory work has been completed to ensure the introduction of a modern budgetary control system into all conservancies during the next two years, and it is anticipated that mechanization of wage accounts will be initiated in the Rotorua Conservancy towards the end of the current financial period. After prolonged negotiations the State Forests Account has been credited with the cost of timber control over the four-year period ended 31st March, 1945. The outstanding defect in the existing departmental financial system is that all expenditure must be made out of the State Forests Account, which is virtually a loan account. There are some items of expenditure which should more properly be met out of the Consolidated Fund, and as with the inevitable expansion of general forestry functions, as distinct from State Forest activities, these expenditures must increase, appropriate recommendations are being formulated for consideration by the Government.