

tinuance of the war, the increasing scarcity of skilled labour, and the greatly increased cost of all building-material, there exists a demand only for such timber as is needed for urgent requirements. Furthermore, owing to a large proportion of the younger and more skilled mill employees having been absorbed in the Expeditionary Forces, the millers are confronted with the increasing difficulty of carrying on their operations with older and less efficient workers, and with a consequent increase in cost.

However, notwithstanding the difficulties contended with, there appear to be about sixty sawmills cutting at present in this district on Crown and private lands. About fifty-five of them are situated in the north-western part of the district, to the north of Taihape.

It is difficult to collect particulars of the output of each variety of timber. Thirty-two of the mills along the North Island Main Trunk Railway are said to be cutting altogether about 4,270,000 superficial feet per month, principally rimu and matai; about nine mills in Taihape district produce a total of about 104,000 superficial feet per month, two-thirds of their output comprising rimu and kahikatea.

Very little milling is now going on in the Wairarapa or that part of the Wellington District situated east of the Tararua Ranges. As all the easily available timber has been cut out, only one or two small mills remain in operation there catering for requirements in their immediate vicinity.

During the year the total amount of royalty received from sale of timber was as follows: From timber cut on Crown land, £7,337 14s. 4d.; from timber cut on State forest, £128 11s. 6d.: total, £7,466 5s. 10d.

It is estimated that in the most northern part of the district it will take from fifteen to twenty years to cut out the remaining milling-timber at normal rate of cutting; further to the south what is now available will probably be exhausted within the next eight to ten years.

Although millers are said to be now cutting timber in localities where such would formerly have been regarded as unprofitable, they do not appear to be cutting any of the particular varieties hitherto regarded as being unmarketable.

Notwithstanding the prolonged duration of the dry season recently no material damage has been caused to milling bush by fires.

Eleven lots of milling-timber, comprising about 100,873,000 superficial feet, have recently been withdrawn from application with the view of amending prices in conformity with the increased royalties recently fixed by regulations, and of reoffering as occasion requires.

NELSON.

(F. A. Thompson, Commissioner of Crown Lands.)

As conditions vary somewhat with the different localities it will be found desirable to consider the question under three cases.

(A.) In the northern portion of the district the cutting is practically confined to freehold lands, and the areas therein available are comparatively small and scattered. For the more valuable kinds of timber, therefore, such as rimu, kahikatea, matai, and totara, cutting can hardly last more than five years at the present average rate of conversion. There will certainly still remain a very considerable area of good birch of black and brown species. At present, however, birch is not much in demand, and other timber is now being brought here for conversion from Pelorus Valley, either by sea or by forty miles of wagoning. These circumstances, combined with increasing inaccessibility and difficulty of marketing such timbers as remain, and to some extent the prevailing war conditions of labour, make milling operations in the above locality unsatisfactory.

The timber industry on the whole is thus far from flourishing. During the year eight mills closed down, leaving twenty-four in active operation.

It has been impossible to obtain a reliable statement of output from mills working on private lands.

The destruction of millable bush by fires was practically inconsiderable during the past year.

(B.) In the Reefton district there are seven mills in active work, operating almost wholly on Crown lands. The output ascertained was about 2,700,000 superficial feet, showing a falling-off of, say, 600,000 superficial feet. The present year's output is made up as follows: Rimu, 2,000,000 ft.; birch, 700,000 ft.; silver-pine, about 10,000 ft.; and totara, under 2,000 ft.

The more valuable classes of timber, such as rimu, may stand fifteen years' milling, and the birches, as elsewhere, very considerably longer. Silver-birch, formerly rejected, is coming into use.

A considerable amount of damage has been done in the aggregate by fires during many years past; usually no considerable area has been burnt in one year owing to the wet climate, but last year fires ruined only an inconsiderable area of fair milling-timber. Owing generally to shrinkages of forest milling areas and to stress of labour conditions, the industry has considerably declined.

(C.) In the Buller County some five mills appear to have practically closed down, leaving nine mills in active work. The principal timber now being cut is rimu. Kahikatea is found now only in small patches about the gullies. Brown and silver birch are found in abundance, but are becoming somewhat difficult to work. Just at present no milling is going on at Karamea owing to the uncertain nature of the bar harbour.

Although during the past season several tram-lines and fences were damaged by fires, yet but very little standing milling bush has suffered. The output of timber so far as can be actually ascertained is—Rimu, about 2,500,000 superficial feet; and kahikatea, 50,000 superficial feet.