43 C.—3.

The quantities of each kind of timber produced during the year were—Rimu, 10,900,000 sup. ft. : kahikatea, 5,000,000 sup. ft.; beech, 3,550,000 sup. ft.; matai, 428,000 sup. ft.; totara, 420,000 sup. ft.

Royalties and rents received from—State forests, £1,820 fs. 3d.; licenses and sales of timber from national endowment lands, £11 7s. 4d.; licenses and sales of timber from Crown lands, £1,492 fs. 3d.

Silver-beech (Fagus Menziesii) has now been established as a good timbèr for sawmilling purposes. It is classed as suitable for butter-boxes, and a small factory at Otautau is manufacturing it into handles for spades, shovels, picks, hoes, brooms, axes, &c.

Timber prices (per 100 sup. ft., less 10 per cent. to builders).—Red-pine (rimu) and beech (Fagus Menziesii): O.B.—½ in. thick and under, up to 8 in. wide, 15s.; up to 10 in. wide, 16s. 3d.; up to 12 in. wide, 17s. 3d.; scantlings up to 5 in. wide, 19s.; scantlings, three-quarter heart, 4s. extra. Heart—Up to 8 in. wide, 25s. 6d.; up to 10 in. wide, 27s. 6d.; up to 12 in. wide, 28s. 6d.; clean heart 3s. extra on above prices. Matai (black-pine)—Up to 8 in. wide, 25s. 9d. ordinary, but 31s. 3d. if all heart.

There has been no destruction by fires this year.

The Southland forests are carefully managed. There is a very strong demand for timber at the present time, but owing to a scarcity of labour it is difficult to keep pace with requirements. Looking at the timber-milling industry in Southland purely from this Department's point of view, it would appear that the high prices charged for sawn timber are such that it would almost justify the Department revising its scale of royalties, but before doing so it would be necessary to consider to what extent the restrictions being placed upon millers by the Board of Trade affect the position.

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