

nursery production of trees most species of locally collected seed have proved to be definitely superior. Every care is taken to ensure that seed is collected only from the best types of thrifty and disease-free trees, such careful selection of parent trees being impossible in the case of supplies collected overseas.

Most regions now possess facilities for the economical collection and extraction of tree-seed, and this important by-product of the older plantations can therefore be utilized to the fullest extent, thus reducing an establishment cost and providing employment in its collection.

Sale of Trees and Seeds.

As intimated in last year's report, it was decided to discontinue the sale of trees from State nurseries for private planting. This took effect as from the end of the 1930 planting-season, and, naturally, the year's sales showed a marked falling-off when compared with the returns for the past few years. Nevertheless, although sales were practically confined to big lots to Government Departments, local bodies, afforestation companies, &c., a total number of 1,211,660 trees were disposed of, for the sum of £4,488. The largest single order was from Australia, for 100,000 trees. The sale of tree-seeds likewise showed a decline, and totalled 851 lb., including 526 lb. sold to Australia.

In accordance with the practice of former years, small packets of seeds were distributed gratis to schools, and 170 lb. were used in this way—94 lb. to schools in the North Island, and 76 lb. to those in the South.

5. PRIVATE AFFORESTATION.

Tree-planting by afforestation companies, local bodies, &c., was continued, and it is reported that the total area of exotic plantations established by these bodies is now approximately 221,000 acres—an increase of 41,000 acres over last year's area. Of this total, private afforestation companies are responsible for the establishment of 200,000 acres.

6. TIMBER INDUSTRY.

General.

For the year ended 31st March, 1930, the production of timber showed an increase of $4\frac{1}{2}$ per cent, over the output for the two previous years, but the indications are that there will be a decline in the figures for the year just ended, and although final figures cannot be given, as returns are incomplete, it is expected that the reduction will be approximately 30 per cent.

There is a total of 420 mills in the Dominion, including some forty-six operating in exotic plantations; but at the present time the demand for timber has decreased to such an extent that only 78 mills are working full time, 178 are working only part time, and 164 are closed. The falling-off in demand in both domestic and export trade is world-wide, and the current sales of standing timber are, of course, affected in direct ratio. During the depressed state of the timber-market the practice of the Service has been, and is, to withhold from sale all timber except what is absolutely necessary to meet the requirements of existing operators, and to offer no timber for disposal unless it has been definitely applied for. The result of this policy is reflected in the year's timber-sales, particulars of which are as follows:—

Timber-sales.

The sales for the year were fifty-six in number, covering a total quantity of 42,118,024 board feet, with a value of £41,883, as compared with a number of fifty-eight, a quantity of 60,053,000 board feet, and a value of £73,865, for the previous year. This represents a fall of 17,934,976 board feet, or 30 per cent. in quantity, and £31,982, or 43 per cent., less in selling-price. Of this reduction in price, 13 per cent. represents lower values.

The commitments made by the purchasers of standing timber have been waived in cases where hardship is evident, and reasonable postponements of payments have been allowed, free of interest, to help millers overcome their difficulties. These financial concessions are, of course, reflected in decreased revenue receipts as detailed elsewhere in this report.

7. FIRES AND FIRE DISTRICTS.

After several years of comparative immunity from serious forest fires, Auckland Region suffered severely from four fires, three of which occurred in the State forests of the far North, and the other in southern Auckland. In all, over 3,000 acres of cut-over bush, scrub, and fern lands were burned, and 57,000 ft. of totara, miro, and rimu were scorched. Three of these fires occurred through sparks from adjoining settlers' fires, but there is good reason to suppose that the fourth was lighted deliberately, although, despite the fullest inquiries, the offender has not been traced. Rotorua Region reports three fires, none of which did any serious damage. A similar position obtained in Wellington Region, where five small fires were recorded, one of which damaged standing bush to the value of £20. Seven fires were detected in Nelson Region, where 2,330 acres of cut-over bush and fern-scrub lands and 4 acres of one-year-old *Pinus Laricio* trees (Golden Downs Plantation) were burned. The only fire in Westland Region was one which originated close to the plantation, and by spreading quickly it destroyed 15 acres of young trees before it could be checked. Although Canterbury Region experienced the driest summer for many years past, no fires damaged State forests or plantations. On the other hand, however, many local body and privately-owned plantations suffered more or less severely; in one instance 150 acres of plantation, valued at £2,500, was destroyed. In Southland Region the fire hazard was low, owing to a wet summer, and no fires endangered either the indigenous or exotic forest.