

6. TIMBER INDUSTRY.

General.

The disturbed conditions of trade common to all industries were again gravely reflected in the timber-production for the year just ended. That the falling-off in business was even more marked than for the year 1930-31 may be gathered from the fact that whereas for the year 1929-30 the production of sawn timber was (in round figures) 272,000,000 board feet and for 1930-31 it was 229,000,000, for 1931-32 it is believed (final figures are not yet available) that it will not exceed 140,000,000 board feet. In other words, although the fall last year was approximately 16 per cent. as compared with the year 1929-30, it has now increased to 50 per cent. of that year's total.

Of the total sawmills in the Dominion, 88 per cent. cut indigenous timber, but so serious has been the decline in orders that only 20 per cent. of the total number are working full time, 44 per cent. are working part time, and the remaining 36 per cent. are closed down. Sawmills operating in exotic plantations are reported to number sixty, of which at the close of the year, seventeen had temporarily closed down, twenty-two were working half-time, and twenty-one were working full time.

It will be noticed that a greater proportion of mills are working full time in the exotic stands, and this is due to the increased demand for New-Zealand-made boxes and crates and all kinds of containers generally. Mature stands of *Pinus radiata* plantations command a ready sale, and experience has proved that by efficient manufacturing methods shooks can be produced from this species which equal in every respect the best imported article.

Further information regarding the utilization of our exotic timbers will be found in a subsequent chapter of this report.

So far as the indigenous timbers are concerned, the main item of note has been the steady overseas demand for white-pine, and the increased orders placed by Australian buyers during the year have given a temporary fillip to the production of this timber. Unfortunately, the principal stands of white-pine have already been depleted, partly owing to the well-recognized fact that it generally grows on reasonably good farming-country and partly owing to the excellence of the timber for butter-boxes. The remaining supplies are now, of course, more difficult of access, and consequently the logs cost more to extract. So keen is the present demand for this species that millers are reported to be seeking out and buying up isolated clumps hitherto neglected or regarded as worthless and unmarketable.

Timber-sales.

Timber-sales for the year numbered thirty, covering a quantity of approximately 12,240,000 board feet, with a value of £16,435. Corresponding figures for the two previous years were:—

Year.		Number.	Quantity.	Sale Price.
			Board Feet.	£
1929-30	58	60,053,000	73,865
1930-31	56	42,118,024	41,883

This phenomenal decrease is doubtless a reflex of the economic conditions which prevailed in most industries and is a sure indication of the difficult times through which the sawmilling industry has been passing. It may be, however, that the worst phase of the depression, so far as sawmilling is concerned, has now passed, as present signs seem to point to the fact that the prospects of increased overseas orders for such species as white-pine and silver-beech are brighter than for some years past. It is also probable that surplus stocks accumulated by timber-merchants during the "boom period" are now nearly exhausted, and this fact must have an important bearing on future production.

In an endeavour to assist millers to tide over their difficulties and keep their mills working as long as possible, the Service granted another concession (in addition to the ones mentioned in last year's report) by abolishing the payment of 1s. per acre ground-rent hitherto charged on all block sales of timber. In this connection it may also be mentioned that from the beginning of the current fiscal year it has been decided to grant a special rebate of 10 per cent. for twelve months on all payments for timber cut from State forests, provided such payments are made on the date the accounts are presented. Although the year's timber revenue will be adversely affected by this decision, a corresponding benefit will be received by those milling operators who meet their accounts promptly, and in the present age of low price-levels and diminishing trade returns it is felt that this timely gesture from the State will be appreciated by the Sawmillers' Federation as an earnest desire of the Government to share a portion of the losses at present being sustained.

7. FIRES AND FIRE DISTRICTS.

Although the summer season was dry and the fire hazard fairly acute in most regions, it is satisfactory to report that, thanks to a vigilant and well-organized fire patrol, the damage caused to the indigenous forests was practically negligible.

The most serious fire occurred at Hanmer Springs, where a settler's fire got beyond control, entered the plantation and destroyed 67 acres of five-year-old *Pinus radiata* trees, valued at £427. Responsibility for lighting the fire was admitted by the settler concerned, with whom a claim for compensation has been lodged.