kahikatea, 3,378,200. Upset price, £14,265. Time for removal of timber, five years.

Lot 3. –Section 5, Block XV., Manganui Survey District: Area, 195 acres 3 roods 20 perches. Estimated quantity in superficial feet: Matai, 665,600; rimu, 2,970,900; kahikatea, 1,687,200. Upset price, £7,986. Time for removal of timber, four years.

Lot 4. –Section 26, Block III., Makotuku Survey District: Area, 27 acres 3 roods. Estimated quantity in superficial feet: Matai, 27,800; rimu, 83,300; miro, 55,500; kahikatea, 111,000. Upset price, £277. Time for removal of timber, one year.

Lot 5. Section 21, Block II., Maungakaretu Survey District: Area, 69 acres 3 roods. Estimated quantity in superficial feet: Totara, 217,900; matai, 210,300; rimu, 799,200; kahikatea, 251,100. Upset price, £1,850. Time for removal of timber, two years.

Although there was a representative attendance of millers who were aware of the upset prices, there was not a single bid, and the general opinion of the Board was that the prevailing financial stringency had scared the millers or else they were unable to arrange the finance.

It will be noted that the general opinion of the Land Board was that the prevailing financial stringency prevented the sawmillers from bidding for these timber cutting rights, but an analysis of the figures might disclose another reason why sawmillers are unable to purchase timber at such high royalties in face of the present financial and trade outlook. Taking the total super. feet in all the sections and the total upset prices it would appear that the average royalty asked is slightly over 4s. 8d. per 100 super feet and the average "stand" is 11,000 feet to the acre, which in itself indicates bushes little better than "sparcely timbered country." Again, the above figures show that the average royalty would work out at £25 13s. 4d. per acre, and it must be remembered that the miller would not be buying the *land* but only the right to remove the timber in a given time; and the time allowed for the removal in most instances is far too short. Taking Lot 1 as an example, the upset royalty asked is 5s. 7d. per 100 super (and this is on a log measurement estimate which means a royalty of 8s. 4½d. per 100 sawn measurement), and the average "stand" is 12,000 feet to the acre, which works out at a payment of £33 10s. per acre merely for the right to remove the timber within the limited time of six years.

From the above figures it would appear that the average upset royalty expected by the Government is to be in the vicinity of 5s. per 100 log measurement, or 7s. 6d. per 100 sawn measurement, which will certainly not tend for cheaper timber to the public in the future. It does not seem very astonishing therefore that there were no bids offered for the cutting rights in question, especially in view of the general outcry for cheaper timber and the prospect of foreign dumping. To cut Lot 1 in six years would mean the establishment of a sawmill capable of cutting 1,774,000 per annum, but as under present conditions it would take fully a year to get a mill thoroughly established for cutting, with necessary tramways, cottages for employees, etc., it is only possible to estimate on five years' actual cutting, which means an annual output of 2,125,000 per annum, or, on a 300 cutting day year, roughly, 7,000 per day. This would mean an outlay of certainly not less than £10,000 to £12,000 under present costs and conditions for machinery, mill building, tramways, bridges, cottages, barracks, etc., etc.; but this cost would be very largely dependent upon situation. However, taking a moderate estimate of £10,000 plus the £29,520 asked for the cutting rights, it would mean that the miller would require to provide for the payment of £39,500 out of his cutting for five years, for unless he had other adjacent bushes to go straight into for continuous cutting it would mean that the life of the mill would then cease and the whole of the plant, buildings, etc., would have to be sold as "scrap." With the normal wages, maintenance, etc., cost of production, therefore, it is quite clear that under these circumstances timber could not be produced cheaply; and it is certainly not astonishing that there were no bids for the cutting rights in question.

Dumping.

Persistent rumours have been recently afloat of merchantable oregon pine being offered at the main ports of New Zealand at a very low c.i.f. figure, and it is plain to see that the American lumber trade is feeling the financial stress that appears to be world-wide, and it looks as though the sawmilling industry in New Zealand will shortly be faced with the wholesale dumping of second-class oregon at prices very considerably below the cost of production in the country of origin, and also below the cost of production of o.b. rimu with which it comes into direct competition. If this dumping be allowed the industry may look forward to similar times of unemployment as those experienced round about 1907, when it was possible to market only the highest grades of our local timbers, and the greater proportion of the actual timber available from the bush had to be burnt. Side by side with the possibility of this disastrous state of affairs we have constant reminders in the daily Press, and cables from London reporting meetings of the Empire Forestry Association, stressing a fear of a more or less world-wide timber famine, owing to the fast disappearing sources of supply. Also we have some of the local newspapers lauding the efforts of the Institute of Architects to not only prevent the export of our native timbers but to entirely remove the duty on imported timber, and the instigators of this movement appar-