

7. TIMBER-SALES.

Not for eight years has the volume of timber sold by the State been so great as it was for the year just closed; local field officers state that the keen demand for new areas of milling-bush continues, and it may therefore be anticipated that the current year's sales will at least be equal to, if not greater than, last year's totals.

It is pleasing to record this revival in the sawmilling industry, as it undoubtedly indicates greater activity in house-building, joinery, and wood-using generally, which must result in the employment of an increased number of skilled workmen. The improvement in the industry is due mainly to increased house-building, discussed elsewhere in this report, coupled with the overseas demand for rimu and white-pine and a welcome restoration of financial stability in allied industries and business circles generally. Sales of miscellaneous forest produce—posts, poles, sleepers, stakes, props, house-blocks, firewood, &c.—also show an increase. In one region alone approximately 122,600 fencing-posts were sold from State forests. Statistics of sales of timber for the past four years are appended.

Year.		Number of Sales.	Quantity sold.	Sale Price.
			Board Feet.	£
1931-32	30	12,240,000	16,435
1932-33	51	32,314,954	35,633
1933-34	83	49,026,302	52,118
1934-35	117	65,302,700	71,243

The quantity of timber cut from State forests, including Wardens' areas, increased in proportion to the volume sold; the grand total was approximately 70,254,600 ft. (board measure) or, roughly, 28 per cent. of the total cut from all sources for the whole Dominion—viz., 250,000,000 ft.

8. CONCESSIONS TO SAWMILLERS.

In view of the increased demand for timber, the rise in prices, and the all-round improvement in the industry generally it was decided, as from the 1st April, 1934, to reduce the special discount of 10 per cent. for prompt payment to 5 per cent., and this discount operated throughout the year.

The other general concessions mentioned in last year's report—(a) Abolition of payment of ground rent on sawmill areas, (b) waiving of interest-charges on overdue promissory notes, (c) refusal to offer blocks of milling-bush for sale unless definitely applied for—were continued. Other concessions which benefited those sawmillers who exported timber during the year were: A 20-per-cent. reduction in the price of silver-beech (*Nothofagus Menziesii*), rimu (*Dacrydium cupressinum*), matai (*Podocarpus spicatus*), and tawa (*Beilschmiedia tawa*) exported to England, and on such quantities of the three species last mentioned as are exported to Australia.

It should be mentioned that the reference to silver-beech limits the quantity to what is necessary to fill the initial orders placed in England by the Trade Delegation of 1932, and that the 20-per-cent. discount consists of a 10-per-cent. discount for prompt settlement plus refund of 10 per cent.

In addition to the foregoing, the freight concessions granted by the Railway Department, as outlined in last year's report, also continued to operate.

9. WEST TAUPO TIMBER LANDS.

By arrangement with the Native Department and the Lands and Survey Department this Service, during the year, undertook the supervision of the timbered lauds formerly held by the Tongariro Timber Company.

This stand of millable timber, extending practically from the North Island Main Trunk Railway at Kakahi to Lake Taupo, and occupying approximately 82,000 acres, is the largest virgin forest remaining in the North Island, and must consequently be reckoned as an important factor in the available supplies of indigenous timber.

Hitherto the lack of supervision and the comparative isolation of the block were responsible for the trespassing, unauthorized cutting of timber, and vandalism generally that were prevalent.

Recent reports, however, indicate that the regular patrol instituted by the Service has effectively suppressed these misdemeanours.

CHAPTER II.—PROTECTION.

1. FOREST FIRES.

The forest-fire season climatically was one of the most remarkable for many years, and was characterized by an exceptionally high fire hazard in some parts, and in others by comparative immunity from danger owing to well-distributed rainfall at intervals during the months of January and February.