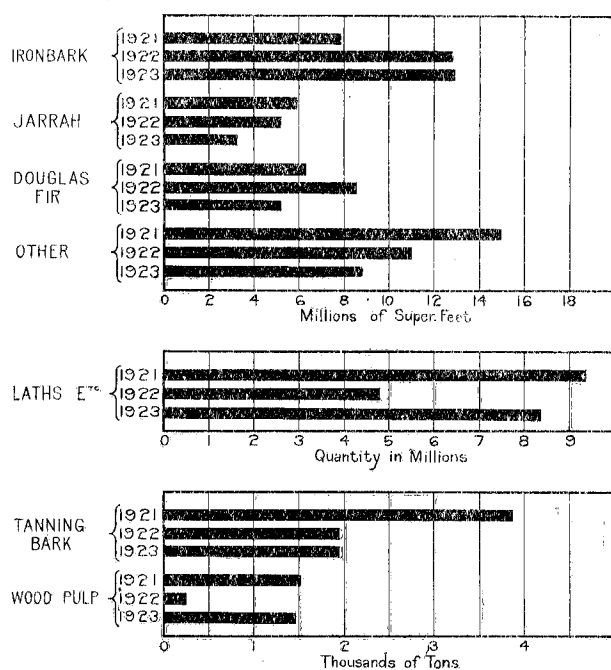


*Import.*

During the period under review 30,351,696 sup. ft. of timber, valued at £488,095, were imported, compared with 37,410,358 sup. ft., valued at £673,023, imported in the year ended 31st March, 1922. This represents an average decrease in the c.i.f. value of 3s. 10d. per 100 sup. ft.

The heavy demand created for ironbark in 1921-22 by the activities of Electric-power Boards in transmission-line work, and of Government and local authorities in heavy construction, was maintained during the past year. Import values, however, show a considerable fall of approximately 19 per cent. on those for the year ended 31st March, 1922. Stricter specifications now being demanded by consumers of this timber may result in an increase in price during the present year. Jarrah also decreased in import value from 41s. 3d. to 25s. 2d. per 100 sup. ft. While importations of Douglas fir decreased by 3,297,172 sup. ft. compared with those of the previous year, the value increased by 1s. 1d. per 100 sup. ft., reflecting the gradual and firm upward movement in Douglas-fir prices in Canada and the United States of America.

The most interesting importation of the year was that of approximately 1,000,000 sup. ft. of hemlock shakes from Canada for the manufacture of butter-boxes. It is not considered, however, that this timber is nearly as suitable for this purpose as our splendid white-pine, and it is confidently anticipated that with adjustments in prices of the local article the latter will easily maintain its supremacy.



GRAPH SHOWING IMPORTATIONS FOR PERIOD 1921-23.

*Markets and Prices.*

There has been a marked decrease in the cost of production during the past year, mainly accounted for in labour values and efficiency and in the fall in cost of all mill-supplies.

In the North Island, where the relations between operator and consumer are established on a firm basis of direct trading, there has been some slight alteration in the selling-price of the product of the log in sawn timber. The poorer grades have been reduced by 2s. per hundred with the commendable intention of encouraging their use. Operators in the North Island have not felt the slump to the same extent as in other parts of the Dominion, as the local markets, although slack, have enabled the millers to keep going by slightly reducing their output. Nearly all the millers do a fair proportion of trade at retail prices.

In Southland, to a certain extent, the same conditions obtain. There has been a stagnation in the demand, and the selling-prices have been varied for different grades, but the average price over the whole has been maintained. Direct trading with the consumer forms a very large percentage of the operator's business in this region, and a good proportion is sold at retail rates.

Westland operators are in an entirely different position. With the large increase of sawmills brought about by the heavy demand from Australia, the cutting-capacity is now in the neighbourhood of 100,000,000 sup. ft. per annum. Foreign timber landed in Australia at a c.i.f. price not more than the f.o.b. price of the New Zealand product has practically ousted the latter from the Australian market. Attention had, therefore, to be turned by Westland producers to New Zealand markets, the principal of which for Westland being Canterbury, where the retail trade is in the hands of established timber-merchants. Owing to the nearness of the completion of the Otira Tunnel, and the anxiety as to the result of the opening-up of the Westland timber-supplies to a possible direct