

all forms of forest produce have remained stable since that date. In December, 1938, an increase of 10 per cent. in rail charges necessitated investigation into affected prices, but a great part of the country's timber business being on an f.o.r. price-point basis and freight increases automatically carried by the buyer, few alterations to price-lists were necessary, while in a number of other cases producers and merchants were able, owing to the general increased demand for timber products, to absorb the increase.

(b) Export Butter-box Pool.

For the third successive dairying season the Department assisted the New Zealand Dairy Board in the purchase and distribution of export butter-boxes in the North Island. The Government Timber Price Committee also continued to act as adviser to the Minister of Agriculture on technical and trade problems arising from the administration of the Butter-box Pool Regulations. The organization of this particular trade is now stabilized, and an ample supply of reasonably priced high-grade containers appears assured for many years to come. It is regrettable to record for the second season in succession a decreased production in butter, and this is reflected by the fact that the demand for export butter-boxes for the current season 1938–39 was 15 per cent., or approximately 700,000 boxes, less than during the 1937–38 season.

The 1938–39 season is noteworthy for two far-reaching and important decisions made in respect of export butter-boxes, viz. :—

- (1) The Dairy Division, Department of Agriculture, amended the Dairy-produce Regulations to permit the use of only one type of butter-box for the export of butter, its choice falling upon the $\frac{5}{8}$ in. plain-end box with $\frac{3}{8}$ in. sides, top, and bottom. This box, therefore, becomes a Dominion standard.
- (2) The Export Butter-box Pool Regulations were amended to provide for the pooling of freights on export butter-boxes between box plants and dairy factories.

With minor exceptions, no difficulty was experienced in keeping box-plants adequately supplied with white-pine. Actually at one stage of the season, due to the marked decline in butterfat-production, boxmakers' yards were filled to capacity, and it was necessary to permit a limited export of white-pine to Australia until local users could accept further supplies. In this connection the Service desires to record its appreciation of the manner in which the timber industry, particularly the West Coast Sawmillers' Association, of Greymouth, assisted to ease the position by reducing production to a minimum and thus conserving supplies for local consumption.

As the boxmakers under the pool scheme are reimbursed for their delivered timber-costs, the increase in rail freights previously referred to had to be taken into the Pool Account, and this charge, together with a similar one for increased freights on boxes, particularly on nailed-up boxes, made necessary a revision upwards of pool charge-out prices as from the 1st January, 1939. Contrary to oft-expressed opinions, even these increased prices are well below those which ruled in the early post-war years, and, the pool reserve being virtually unimpaired at the close of the season, it is anticipated that the final price for standard boxes will not exceed 1s. 10½d. in shook and 2s. nailed up.

The figures in Table 8 have been secured from the Government Statistician to illustrate the trend in butter-box and white-pine prices since the war period, and the figures, together with the graph constructed therefrom, supply irrefutable evidence that the price of butter-boxes is neither excessive nor above that ruling at comparable periods.