particularly cheese-crates and fruit-cases, the Waipa Box-factory undertook the supply of increased quantities of these lines (see also paragraph 67).

75. Timber Imports.—As shown in Appendix IV, the importation of timber in 1946 was between 4,000,000 board feet and 5,000,000 board feet greater than during any of the three previous years. The 22,000,000 board feet of timber imported bears no relation to demand, but simply represents the total that it was found possible to purchase in and ship from other countries and is approximately half the pre-war quantity.

The procurement in 1946 of 7,276,000 board feet of Douglas fir (3,750,000) brought much-needed relief to builders engaged in the erection of factories, public buildings, schools, &c. After many years of acute shortage, stocks of Douglas fir, although still small, are once again held at the main ports and to a limited extent in the principal inland towns. The acquisition of this timber must be largely attributed to the visit of a trade and a Government representative to North America early last year.

Since January, 1946, owing to prolonged industrial trouble in the mills no redwood has been shipped from California, and at the close of the period covered by this report there was still no sign of any settlement in the dispute. To a slight extent the shortage of joinery timber occasioned by the small supply of redwood was relieved by purchases of western red cedar.

Although the receipt of almost 14,000,000 board feet of Australian hardwoods represents only half of our pre-war requirements of these timbers, the Dominion is extremely grateful for such supply. The Commonwealth faces an internal timber shortage just as acute as that which exists in New Zealand, which has led to its inevitable decision to restrict exports. The Australian Government agreed, however, to meet our demand for hardwoords where the end-use could be classed as truly essential, provided that New Zealand supplied 12,000,000 board feet of softwoods and silver beech annually in return. As explained in paragraph 76, only half of this supply was made in 1946 owing to shipping shortages, and it was not wholly unexpected when the Commonwealth Government advised that it was forced to consider further reductions in export of hardwoods to New Zealand. As such an action would have an extremely serious effect on many local activities, particularly railway transport and electricity distribution, every effort is being made to avert it.

76. Timber Exports.—Limitations of shipping space continued to restrict the export of timber during the year. Although some improvement in export was secured by backloading charter vessels, ships engaged regularly in the trans-Tasman service are able to make space available for about one-third only of the 12,000,000 board feet which the Dominion is committed to supply to Australia in return for hardwoods.

In the circumstances it was possible to secure space for only 6,500,000 board feet (see Appendix V), and much of this had to be shipped from ports which, on account of cost or local demand, would not in normal times be considered as suitable for export purposes. Before the war most of the timber exported was shipped from Greymouth, and failure during 1946 to secure a single vessel for loading at this port was the principal cause of the smaller quantity exported.

The export of insignis pine in the form of sawn timber and box shooks totalled 4,117,000 board feet (1,824,000). The Waipa Sawnill shipped about one-third of this quantity through Auckland, and most of the balance was supplied by Canterbury sawnillers and boxmakers through Lyttelton and Dunedin. The production of insignis pine is expanding rapidly in the Rotorua district, and as more shipping becomes available it can be expected that the export of this timber through Auckland, and later Tauranga, will steadily grow.