

SUMMARY

THE report reviews the work of the New Zealand delegation to the World Wood Pulp Conference held at Montreal, Canada, from 25th April to 4th May, 1949, and convened by and conducted under the auspices of the Forestry Division of the Food and Agriculture Organization (FAO) affiliated to the United Nations Organization (UNO). Part I covers the events leading up to the Government's decision to participate in this Conference in order to improve its background to the question of establishing large-scale pulp and paper manufacture in New Zealand. Part II covers the organization and conduct of the Conference, and Part III its recommendations and conclusions. Part IV reviews the subsequent studies of the delegation and presents its own recommendations and conclusions.

The general finding of the Conference was that, having regard to existing plans for the expansion of production (including those in Australia and New Zealand), there is likely to be an approximate equilibrium between world production and requirements for the period 1948 to 1955, and that unless interim developments operate to the contrary there should be no major wood-pulp surplus or deficit during the period under review. As a result of its subsequent investigations the delegation has satisfied itself that the forward world pulp and paper position favours the early establishment of a large-scale sawmill and pulp and paper plant in the Rotorua Conservancy.

PART I—INTRODUCTION

NATIONAL PULP AND PAPER SCHEME

(1) Early in 1949 the New Zealand Government was faced with making one of the most momentous decisions in the history of the national forest policy—whether or not to proceed with the establishment of an integrated sawmill and pulp and paper scheme on such a scale as would ensure its ability to compete both on the local and Australian export markets at world parity. For over twenty years the New Zealand Forest Service, in conjunction with English consultants, had planned the development of such a unit and had established the forests necessary for its operation at Murupara, on the Rangitaiki River, thirty-three miles south-east of Rotorua. As the economic size of pulp and paper plants had increased meantime, and unit capital investment costs had actually doubled, the Government rightly felt that the departmental proposals should be critically examined by independent authoritative consultants.

INDEPENDENT REPORTS BY CONSULTANTS

(2) Arrangements were made accordingly for the Rust Engineering Co., of Pittsburgh, Pennsylvania, and Mr. W. H. Rambo, Industrial Consultant, of Portland, Oregon, to report respectively on the pulp and paper and sawmill sections of the proposed plant. The Rust Engineering Co. was selected on the advice of other world-famous consultants in the pulp and paper industry because of its experience not only in construction, but in the economic planning and designing of important pulp plants in the southern States of the United States of America. Many of the mills planned, designed, and built by this firm are using young second-growth pine timber very similar in character to the insignis and other pines which must be used in the New Zealand plant. Similarly, Mr. W. H. Rambo was selected as the foremost designer of log yards and sawmills in the Pacific North-west. The reports by the two independent investigating authorities were received this year. Both confirmed the soundness of the departmental proposals, and the Government accordingly arrived at a decision in principle to proceed with the establishment of an integrated sawmill and pulp and paper mill at Murupara.