

Another contributing factor in the reduction of imports was the increased supply of butter-boxes and cheese-crates obtained from local sources. The following figures indicate the substantial decreases of imports that have resulted from purchases of the above containers locally :—

				1930.		1931.	
				Quantity.	Value.	Quantity.	Value.
				Sup. ft.	£	Sup. ft.	£
Butter boxes	..	..	..	4,970,214	63,617	2,878,512	38,158
Cheese crates	..	..	..	1,892,792	18,241	732,052	6,831
Fruit cases	..	..	..	4,344,324	35,268	520,366	4,397
				11,207,330	117,126	4,130,930	49,386

Decrease in quantity, 7,076,400 sup. ft.; decrease in value, £67,740.

The abnormal decline in building activity is, of course, responsible for the serious decline in timber-production. The only branch of the industry that has been kept fairly busy and shown an increase in production is the case-making section. In addition to butter, cheese, fruit, and packing-cases, an increased demand for benzine, kerosene, and lubricating-oil cases has materially assisted that portion of the industry catering for this class of trade.

WHEAT, FLOUR, BREAD.

During the 1930-31 season the area sown in wheat in the Dominion was 249,014 acres, and the yield 7,579,153 bushels, an average of 30·44 bushels per acre. This quantity was not sufficient for the requirements of the Dominion, but the yield with the carry-over from the previous season was adequate without abnormal importations. The quantity of wheat imported into New Zealand during the year 1931 was 188,794 bushels, valued at £33,507.

The quantity of flour imported during the same period was 11,821 tons, valued at £123,267. Together the imports during the year 1931 of wheat and flour represent 756,202 bushels of wheat, which is equivalent approximately to one month's requirements for the Dominion.

The New Zealand Wheatgrowers' Co-operative Association, Ltd. (commonly known as the "Wheat Pool"), functioned last year and controlled the sale of a large quantity of the wheat grown in Canterbury and Otago.

To carry out the provisions of an agreement made between millers and growers, a new company, the Wheat Marketing Agency Co., Ltd., was formed early in 1932. This company provides the organization which ensures a joint control in the interests of both millers and growers of the sale and purchase of New Zealand wheat under such conditions that purchases by mills are recorded and must be made at a minimum price. Arrangements are also made for the accumulation of a reserve to meet the loss which would be involved in the sale of surplus wheat-production for export.

The area sown in wheat for harvesting in 1932 was approximately 276,000 acres, and with a satisfactory or average yield per acre the production would have been at least sufficient for national requirements. Dry weather during the growing-period and unfortunate flood conditions in South Canterbury during harvesting-period had a serious effect on the yield and a national shortage has developed.

By agreement of growers and at the urgent request of millers, arrangements were made for the importation from the available supplies in Australia of 850,000 bushels of wheat for milling. This was required not only to increase the total available for milling in the Dominion, but also for mixing purposes to increase the general quality of the flour, which in some cases was causing difficulty through the abnormal and troublesome "constitution" of the local wheat.

It was urged that mills could not (except to a limited extent) import the wheat required and pay the full duty. At the same time, it was evident that some mills were relatively much more "short" of stocks than others, while the differing levels of prices of flour throughout the Dominion made it difficult to adjust the cost of imported supplies to the different mills unless some one organization acting virtually for the Government should import and deliver at appropriate prices at the different ports. This was done by the Wheat Marketing Agency Co., Ltd., without any cost to the Government, which receives, virtually as Customs revenue, the difference between the cost of purchase and importation on the one hand, and the revenue from sale to mills on the other. This importation of milling-wheat is now proceeding.

On the 1st March of this year an alteration in the sliding scale of Customs duties on wheat and flour took effect. A reduction of £3 Os. 6d. per ton in the price of flour was made, with a consequent reduction in the selling-prices for bread.

In the main centres there is keen competition in the bread trade. The advent of the chain stores has caused cut-rate prices to be the rule.

The Department has received complaints of excessive prices being charged in a number of the smaller towns, when careful inquiries were made into all the circumstances, and adjustment of prices insisted upon where necessary,