

Soviet-Japanese Venture Causes Drop in Domestic Lumber Prices

The first Soviet-Japanese joint venture in our industry, "Igirma - Tairiku" - is gathering momentum. Shipments to Japan of prepared prime quality lumber from choice Angara pine, specially processed to Japanese specifications, are increasing in volume. On the market it is being noted that, thanks to the unique quality of the raw material being used in this enterprise, the product is even superior to that of the Japanese sawmills.

This has alarmed many Japanese firms, which have long been engaged in the production of lumber from pine saw timber purchased in the USSR. Here is what is written on this subject in the August 20 edition of the newspaper "Japan Lumber Journal": "The excellent lumber being produced at a Japanese-Soviet joint enterprise has appeared on the market in large quantities and is being sold at extra low prices." And subsequently: "If the superb lumber from the joint enterprise is going to be delivered at the low prices currently obtaining, as is the plan, then the sawmills in the valley of the Tenryu River (Sidzuoka Prefecture, where there are firms specializing in production of lumber from Soviet pine saw timber) will have no alternative but to cease production and dismantle the equipment." In the Japanese press it is being noted that the growth in the shipments of merchandise from "Igirma - Tairiku" has already led to a drop in the domestic prices in Japan for prime quality pine lumber from 180 to 144 thousand yen per cubic metre (that is, from approximately 840 to 670 roubles' worth of foreign currency).

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