

An area of 300,000 acres at the average yield of 32 bushels is required to produce a full year's requirements, and a campaign was launched in February of this year to promote the sowing of such an area. The work was organized through the Dominion Council of Primary Production and the District Councils, who were assisted throughout by officers of the Department of Agriculture.

In so far as breadmaking is concerned, this industry is subject to the Breadmaking Industry Control Notice 1941, under the provisions of which no new unit can be opened for production and no existing unit can be sold, transferred, or otherwise disposed of without the consent of the Minister. Amalgamations and regrouping of interests in pursuit of greater efficiency have resulted in approximately one hundred bakehouses being closed down, and there have been resultant economies effected in the trade. The outstanding feature of the industry, however, has been the zoning of deliveries.

*Rationing Control.*—The institution of rationing, other than that relating to petrol, necessitated the appointment of a Rationing Controller, and Mr. J. E. Thomas, the present Food Controller, was appointed. Rationing has been introduced to cover sugar, silk stockings, clothing, and, lastly, tea, the ration being at this stage adequate to meet normal household needs.

*Shipping Control.*—Under the Shipping Supply Emergency Regulations 1942 provision is made for the appointment of a Shipping Controller the regulations applying to ships registered in New Zealand and also to ships not registered in New Zealand which are for the time being home-trade ships within the meaning of the Shipping and Seamen Act, 1908. This latter provision is subject to any Imperial Act and to any order or other instrument made under such Act. Under the regulations, and without the previous written consent of the Controller, it shall not be lawful for any ship registered in New Zealand which on the 2nd day of September, 1939, was engaged in trading in or with New Zealand to be diverted from that trade, whether permanently or temporarily. The Controller has powers to give directions with respect to the trades and voyages which may be undertaken by any ship, cargo which may be carried, hire of any ship, order of priority to be accorded to specified goods or classes of goods to or between any ports in New Zealand, ports at which cargo is to be loaded or discharged, ports at which consignees are to take delivery, and the form of bills of lading. Under these regulations Mr. J. H. Gilbert, Traffic Manager, Union Steam Ship Co., has been appointed Shipping Controller.

*Construction of Naval Vessels.*—The construction in New Zealand of mine-sweepers has been pushed ahead, and a number of vessels have already been handed over to the Navy.

*Overseas Representatives and Purchasing.*—As a result of the visit of the Hon. F. Langstone and the Right Hon. J. G. Coates to the United States for the purpose of investigating matters related to supplies and lease-lend administration, as they applied to New Zealand, the Washington Office was strengthened, and Mr. R. M. Firth, late Trade and Tourist Commissioner in Canada, was appointed as senior Supply Officer. The Los Angeles and Toronto Offices were closed, and offices were opened in New York and Ottawa, while an honorary representative to handle matters of shipping, forwarding, &c., on the west coast was appointed in San Francisco.

Various changes have also been made in the New Zealand organization to administer North American purchasing, a Lease-lend and an Indent Section being set up within the Ministry of Supply to handle purchases made by the Government as either under lease-lend or for cash.

A bulk-purchasing scheme has also been inaugurated. This covers co-ordination of orders which would normally be placed by a number of importing houses, and instead of numerous small orders going forward for important commodities the Government sponsors a major order covering New Zealand's requirements for a forward period of from six to twelve months. Tinplate, steel, industrial chemicals, and medical supplies are some of the items concerned. This method of purchase has been adopted following requests received from North America and the United Kingdom, and represents practically the only method of obtaining these much-needed supplies for New Zealand.

A system of priorities has been evolved covering both supply—that is, manufacture—and shipping. Importers have been asked to submit requests for priorities to the Department for transmission to the Supply Mission in Washington.

During the year a visit was paid to Australia by the Hon. Mr. Sullivan, Minister of Supply and Munitions, and the Right Hon. J. G. Coates. As a result of the visit considerable improvement has been effected in the supply of much-needed raw materials for production of the major munitions items in New Zealand.

Developments in the Pacific had the effect of limiting to some extent the work of the Eastern Group Supply Council, on which the Dominion was represented by Mr. F. R. Picot. As it was desired to strengthen New Zealand's representation in Australia, Mr. Picot was recalled and has been appointed New Zealand Supply Commissioner in Australia. Orders have been received from the Eastern Group Supply Council covering a varied assortment of articles for different theatres of war within the Eastern Group, including such items as Universal carriers, hand grenades, mortars, blankets, uniforms, hats and caps, shirts, jerseys, and boots.

*New Zealand Supply Council.*—The changed circumstances in the Pacific and the tremendous calls being made upon industry for war purposes necessitated expansion of the functions of the New Zealand Supply Council, and War Cabinet has now decided that "the Supply Council shall control the executive organizations necessary to ensure the most efficient, economic, and expeditious production of all supplies."

In an endeavour to meet more adequately the complex needs of the community, including the armed Services, Mr. G. H. Jackson, a member of the Supply Council, has been appointed Director of Production and Supply. His general functions are to direct and co-ordinate the work of Controllers and to organize and promote within New Zealand the manufacture and production of all supplies