

The balance-sheets already received this season disclose in some cases an increase of 1s. per head as compared with prices received for the previous year.

It has been necessary in some instances to redefine certain pool boundaries. This procedure was adopted mainly with the object of conserving petrol. In this connection the Division received full support and assistance from the Pool Committees concerned.

Owing to bobby-calf pools extending over the major portion of the North and South Islands, certain difficulties have arisen from time to time, but have been minimized by the co-operative attitude of the various Pool Committees. This assistance has been appreciated by the officers of the Division.

The extra demand for vells, due to the change over by dairy companies from butter to cheese making, will considerably help the position occasioned by the difficulty in exporting bobby-calf meat. This increased demand for vells is an indication of the ever-growing importance of the bobby-calf industry. It is anticipated that the returns for the vell, together with the returns for the skin and offal, should realize to the producer somewhere in the vicinity of 5s. per calf.

From a review of the whole year's operations it can be said that the Division has been watching the development of the industry very closely, and although the Division is now faced with many problems for the coming season, it is felt that with the organization already in effect that these difficulties will be considerably minimized.

EGG MARKETING SECTION.

On the 1st August, 1940, the Egg Marketing Regulations 1940 were gazetted, and it has since been the responsibility of the Division to administer these regulations in the interests of the poultry industry and the consuming public. These regulations were introduced primarily as a result of a request from the poultry industry to the Government for some form of orderly marketing.

Early in August, officers of the Division, together with local members of the Poultry Board, attended meetings of poultry-producers throughout the Dominion to explain the regulations. At all these meetings producers expressed their appreciation for the introduction of the regulations, and at the same time it was gratifying to notice the confidence which was placed in the Department by producers. As the Egg Marketing Regulations refer only to the four main metropolitan areas, the Department immediately investigated applications for licenses from wholesale distributors in these areas. A number of licenses in each marketing area were granted after a complete investigation had been made as to the previous business carried on by the distributor and also as to what facilities were available in regard to grading-floors, pulping premises, economic retail distribution, &c. Committees composed of representatives of licensed distributors and representatives of the Department were then set up in each marketing area to consider prices and other matters relative to egg marketing in the area affected by their licenses. In order to enable the Department to survey the whole Dominion position in regard to price, transfer of surpluses, and other marketing problems, each licensed distributor was required to furnish returns showing supplies, sales, stocks, financial figures, and other general information. These figures during the flush and short periods of egg-supplies have enabled the Department to quickly iron out many difficulties which otherwise would have caused no little unrest in the minds of the producer and wholesale distributor. At this point the Department, following requests from the Ministry of Food, London, made arrangements with the egg-merchants in Christchurch to export to Great Britain 2,000 crates of eggs. This quantity was later reduced, owing to the difficulty of obtaining shipping space, to 1,100 crates, or 33,000 dozen eggs. It is interesting to note that out of this quantity 1,909 dozen were contributed free of charge by members of the Women's Institute and the New Zealand Women's Farmers' Union in the North Island to be distributed among hospitals in England. Every effort was made by the Department to export pulp in place of eggs in the shell, but this suggestion at the time was not acceptable by the Home Authorities.

Under the Egg Marketing Regulations, producers may be permitted to forward eggs to an area other than to their nearest marketing area, providing authority is obtained from the Division. Producers outside a marketing area may also market their own eggs in their nearest marketing area, subject to the granting of a producer's license. Applications for permits and producers' licenses have been received by the Division, and after complete investigation as to their *bona fides* it has now been decided to issue a number of these permits and licenses. The National Egg Marketing Advisory Committee, which is set up within the framework of the Egg Marketing Regulations, comprises the present members of the New Zealand Poultry Board. The functions of the Committee are to work in conjunction with the Division in an advisory capacity in all phases of egg marketing and of other matters relative thereto.

Pulping operations for the 1940 season were carried out successfully. After prices for egg-pulp had been arranged, the manufacturers were enabled to contract for supplies, and, as in 1939, the carry over for this season will be comparatively small. Pulping, together with export, had the effect of stabilizing the price of eggs in the flush when local consumption was unable to absorb all the supplies arriving on the market.

In December, 1939, the New Zealand Poultry Board, together with officers of the Division, met the Price Tribunal and discussed the matter of price variation. The outcome of this discussion resulted in the Tribunal approving of the price of eggs following the normal seasonal trend, having regard to supply and demand, and as far as possible following the trend of the 1939 season's prices, the Tribunal being given to understand that generally the 1939 season's average price was satisfactory to the poultry-producer. The aim was a maximum price for the season approximately equal to the 1939 season and also a price for any particular period approximately equal to that which operated for the corresponding period of the previous season. In carrying out this arrangement the Tribunal