

AUCKLAND BRANCH.

After three and a half year's operations in Auckland the Division is proving its value to producers and consumers in that area. Neither war nor difficult economic conditions have held back consolidation. The war, indeed, has given impetus, for, as European markets shrink, the activities of the Division in organizing the disposal of surplus agricultural products off the farms and into the homes of the New Zealand consumers tend to expand. The establishment of a new marketing building in Auckland will greatly assist the more efficient handling of foodstuffs and the efforts of the Government towards orderly food distribution.

Continuous contact has been kept with the dairy factories throughout the Auckland Province and their efforts co-ordinated in the matter of marketing; whilst in Auckland City the Division continues to operate a local patting depot and makes distribution to the city population by means of licensed distributors. The total number of boxes marketed in Auckland City was 199,573 boxes, of which the Division processed 94,935 boxes.

Further consolidation of the marketing of butter in Auckland City and Auckland Province is now under consideration by the Government. On the completion of the new marketing building the Division will be possessed of one of the finest floors for handling butter in the Southern Hemisphere. The floor is not only economic in layout, but embodies the most hygienic methods of handling butter.

KAURI-GUM.

General supervision of the production and marketing of kauri-gum has been maintained throughout the year, and accumulations of stocks, either on the fields or in the merchants' stores, have been avoided. At the moment there appears to be a falling away in production, owing to some diggers on the field obtaining more remunerative work and others joining the war Services.

CHRISTCHURCH BRANCH.

Through the Christchurch Branch of the Division the South Island distribution of imported fruits, as well as apples and pears, has been facilitated, while the branch has been of great assistance in maintaining the Division's service in other directions. The heavy additional work involved in the apple and pear-marketing scheme necessitated the stationing of a special officer at Dunedin to co-operate with the Christchurch Manager on all matters affecting assembly and distribution of the fruit.

The Division's South Island operations in regard to dairy-produce, egg marketing, and internal marketing generally have proceeded satisfactorily, and as many local contracts as possible have been made to ensure adequate attention to the needs of various southern districts.

THORNDON TRADING BRANCH.

The financial year 1940-41 has again shown a marked increase in the volume of business handled through the Thorndon Trading Branch and a resultant increase in net profit. The turnover for the year amounted to £884,256, an increase of £80,369 on last year's figures, and the following is a comparison of net-profit figures for the period this business has been under Government control: 1937-38, £5,832; 1938-39, £7,234; 1939-40, £9,420; 1940-41, £14,159. The first financial period covered fourteen months, and the net-profit figure has been adjusted proportionately for the purpose of comparison.

The past year has been a difficult one through shortage of staff, together with the increased turnover figures and the resultant inadequacy of storage space.

The Butter-patting Department has worked to full capacity, and letters of appreciation for the Department's handling of their produce on the local market have been received from a number of factories.

The Division has been very successful through its trading branch in tendering for the supply of primary products to the Army, Navy, and Air Force in New Zealand, also for supplies overseas, the Division's one aim being to give the most economical service.

The Division has continued to give a high standard of supply service, both to wholesale and retail, and the measure of success can be gauged by the increased turnover figures.

J. G. BARCLAY, Minister of Marketing.