

Until the introduction of central control of supplies, the main method of fruit selling was open consignments from growers to brokers for sale by auction. Since the introduction of the new system, selling by private treaty has increased and auction selling has decreased. Both systems have warm advocates, but it is highly probable that orderly marketing through centralized control will tend to encourage private-treaty selling. One of the dangers experienced in fruit-control organizations throughout many other countries has been the strong temptation to adopt a system of rigid price-fixation, and where this policy has been adopted it has always led to disaster. In the Division's operations no firm attitude in favour of any particular mode of selling was adopted, but rather the Division utilized each of these three levels and carefully guided the general operations to avoid the pitfalls experienced by other countries, at the same time aiming to deliver the fruit to the public with a minimum of delay. It was early recognized that it would only be possible to dispose of the heavy quantities of fruit by maintaining the public demand and that this would only be possible through the supply of fruit in a fresh, crisp condition.

Judging from the general results of this season it appears that the normal consuming capacity at reasonable prices ranges around 50,000 to 55,000 bushel cases per week for the Dominion. It also appeared that even at low prices it was difficult for the Dominion to consume more than 85,000 cases per week. At the height of the season it was on occasions necessary to put on the market more than 85,000 cases, and it seemed fairly evident that this excess clogged both retail and wholesale channels.

During the season no less than one hundred and fifty different varieties of apples and fifty-five varieties of pears were received. The greater number of both fruits were small in quantity and were so much out of favour with buyers that they could only be disposed of at very low prices. If growers concentrated on the production of twenty or twenty-five of the best varieties of apples and not more than twenty of the best varieties of pears, it would cheapen costs in several directions as well as give to the public a better-quality article.

The following table gives the quantities of apples and pears marketed each month throughout the season:—

Monthly Sales, 1940.

	Bushels.		Bushels.
February	66,700	September	134,200
March	424,800	October	140,900
April	229,900	November	141,700
May	132,400	December	46,900
June	154,300		
July	220,100		1,870,300
August	178,400		

ADVERTISING.

In order to stimulate sales, advertising was employed through the medium of newspapers, radio, hoardings, and retail shops. Each avenue carried its own special appeal. The visual impression of newspapers carried its story of creating a special need and how that need could be supplied at a bargain price. Through the radio medium much valuable information was given to the public on the nutritional and medicinal values of fruit, but it was found that unless pure advertising was linked up with some form of entertainment it was not as effective as when this was included—then it was one of the most valuable selling aids. The advertising by street hoardings and streamers and price-tickets in shops had a very beneficial effect in selling case lots to the public. The total cost of the complete advertising scheme did not exceed 1d. per case.

FINANCE.

Basis of Purchase.

The central aim was to give the growers an average of 5s. per case for all packed fruit received at the assembly depot. It was assumed that within this average the growers would receive an overall average of approximately 2s. 6d. for the fruit—2s. 4d. for the local-market pack, and 2s. 8d. for the export pack. To give effect to this overall average a schedule of prices was compiled to give recognition of comparative value to the many varieties and the several grades of apples and pears. The complete schedule was published in *Gazette* form under date of the 22nd February, 1940. In addition to the prices therein mentioned, special premiums were granted for the storage of fruit held in orchards and for special packs or wraps authorized by the Division.

The method of payment to growers was to make an advance payment of 4s. per case on fruit received each week, and further adjustments were completed to enable final payments during June and July.

When assessing the overall average of 5s. per case it was then assumed that 50 per cent. of the crop under normal circumstances would be exported, but as the Division was only able to export approximately 24 per cent. this automatically tended to reduce the overall payment. On the other hand, as mentioned previously, the grading percentages during 1940 were definitely higher than those of a normal crop, and this more than offset the reduction in overall average that arose through smaller exports. The average payment for fruit was 2s. 7-37d. per case, and for packing 2s. 5-21d., giving an overall average for the packed case at the assembly depot of 5s. 0-58d. In addition to this, the premiums to cover orchard storage and special wraps averaged approximately 3d. per case.