

ask the industry to provide further separators if the imported ones do not arrive in time for the new plants.

The drying of butterfat is in its infancy in New Zealand and future possibilities are great. Nevertheless, much caution must be exercised in making marketing advances, and the problem of reconstituting the fat at destination is a long way from solved, even if it is considered a worthwhile investigation.

The Division expresses its thanks for splendid co-operation and assistance from the Dairy Research Institute (Professor Riddet and Dr. McDowall), the New Zealand Dairy Board (Mr. C. H. Courtney), and other Government Departments.

BOBBY CALVES.

The pool operations connected with bobby-calf marketing continued successfully through last season, over one hundred pools operating all over the North Island and one or two in the South.

In order to avoid use of benzine and time, previous Committees retained office without further election, except where the consent of the Minister of Marketing was obtained to hold a further election on account of exceptional circumstances.

A Government subsidy of 2s. per calf was given to all suppliers, in order to ensure that sufficient vells were available for the cheese industry, and this amount, together with the excellent hide-prices, made the final return for calves very favourable under the circumstances of restricted meat export.

Standardized balance-sheets are providing a means of comparison which will prove very useful to the industry in investigating general bobby-calf marketing conditions.

EGG MARKETING SECTION.

Standardization was the keynote in regard to procedures operated by individual distributors throughout the Dominion.

The demand for eggs increased considerably, due to increased spending-power and armed forces' requirements. In order to meet the position and provide for the establishment of priorities and equitable distribution generally, further regulations were brought down under the title of the Egg Marketing Emergency Regulations 1942. These regulations gave the Minister of Marketing power to regulate, control, or prohibit the sale or purchase of eggs in any particular locality, thus enabling a ration to be fixed in relation to the quantity of eggs available at any time.

The Emergency Regulations have already been applied to Wellington and Auckland, and proposals at the time of this report are under way to include New Plymouth, Stratford, Hawera, Masterton, Hawke's Bay, Rotorua, Dunedin, Wanganui, Christchurch, and other areas where it is demonstrated that local conditions cannot provide the service required by these regulations.

In all cases it has been found that producers have been anxious to assist, as it has been realized by all that these regulations are only an emergency measure for the duration of the war period. In the past, country districts have enjoyed more than adequate supplies, while main marketing areas have been forced to contribute large quantities of eggs to armed forces out of their normal supplies. The object of the regulations is to bring the greater proportion of the eggs produced in New Zealand through some controlling channel so that, if necessary, rationing can be applied to all areas in order that the whole of New Zealand and not only part can share the burden of meeting the armed forces' requirements. In Wellington, during the period of egg shortage, a scheme was set up so that all children under the age of five years and all nursing mothers could obtain a supply of eggs on the basis of three eggs each per week.

The industry has gone through a very difficult period, the labour question being most pronounced, as labour was drawn from the farms to other positions offering more attractive remuneration in other walks of life. This had the effect of producers being forced to offer more in the way of wages, thus adding to production costs, and the industry agitated for a removal of eggs from the list of stabilized commodities. Throughout the year the Division worked in close co-operation with the Price Tribunal and, in general, prices were maintained in conformity with stabilization. It was demonstrated, however, that with greater elasticity, consuming areas could have been in a position to have attracted eggs from the country districts, thereby ensuring a more continuous supply of eggs to the main marketing areas. The Government quickly realized during the year's operations that the remuneration to the poultry-farmer under stabilization was insufficient to encourage increased production, and was fairly indicative that the present production would be lessened, unless some inducement was offered. An announcement was made that this year's basic price would be increased by 2d. per dozen for the four months of flush production. The announcement was made in sufficient time to enable the industry to go ahead with the chick-raising season, and it is pleasing to note that, in every instance, reports are coming to hand advising of increases in custom hatching. It is anticipated, therefore, that the production of eggs next year will be greater than the present year's figures.

The Division, after two years of operations under the Egg Marketing Regulations, has compiled a good deal of statistical information, and some interesting figures in regard to the receipts through the main marketing areas for twelve months are as follows:—

Auckland	..	..	..	..	2,448,808 dozen.
Wellington	..	..	..	..	2,197,505 dozen.
Christchurch	..	..	..	..	1,787,011 dozen.
Dunedin	..	..	..	..	1,056,493 dozen.

The carry over of pulp, 1940-41 season, was very small, and the manufacture of pulp for 1941-42 season was short of total requirements by approximately 4,000 tins. Again, owing to the increased demands, it was obvious that sufficient locally manufactured pulp for this year could not be made, and arrangements were made with Australia for importations of Australian pulp to supplement the local manufacture. It is hoped that sufficient quantities of pulp will be made available from these sources for New Zealand requirements. In order to relieve the demand on eggs in shell by armed forces, small quantities of dried egg-powder were also purchased from Australia. The results were very encouraging, and it was decided to import greater quantities to relieve the whole supply position. This decision was very wisely made, as the present demands for egg-powder by Army and Navy requirements have risen to quantities which were not at any time visualized. It is possible under post-war conditions that some investigation into the possibilities of manufacturing egg-powder in New Zealand can be made, and the Division is accumulating data to this end.