

Permits were granted to shippers to various overseas countries from 1st August, 1941, to 31st July, 1942, as under :—

						Tons.
United States of America	..	..	..	..	..	856
India	..	..	..	..	..	566
Total	..	..	..	..	..	1,422

ACCOUNTS.

The tallow accounts are shown in the accounts section at the end of this report, page 25. The accounts cover purchases and sales of tallow by the Department for the year ended 31st July, 1942, and they comprise Purchase and Sale Account and Revenue Account. After provision of the allowance to the Department for administration and general expenses, the surplus on tallow, £125,520, representing the difference between purchase and sale prices, is transferred to credit of the Meat Pool Account (see page 24). The Tallow Account shows a surplus of £8,488, representing the difference between the Department's allowance for handling of tallow and the administration and other charges.

HIDES.

The report for the 1939-40 season gave details of the action taken by the Government in regard to control of export of hides and stabilization of prices of hides for local requirements, and equalization of value of hides for local use and for export, by a levy on exports to even up the difference between local "standard domestic values" fixed at 1st September, 1939, prices, plus 25 per cent., and export values. This procedure is embodied in the Hides Emergency Regulations 1940, and the administration of the regulations is entrusted to a Hides Committee, which operates under authority conferred on it by the Minister of Marketing.

SALE OF HIDES TO AUSTRALIA.

In October, 1941, arrangements were made between the New Zealand and the Australian Governments for sale to the Australian Hide Board, for military manufacturing purposes, of all ox hides 48 lb. and up and cow hides 50 lb. and up which were surplus to New Zealand requirements. The arrangement (which covered the period November, 1941, to June, 1942) provided for purchase by the Marketing Department of these hides on the terms set out in the report of the Hides Committee which follows, and for sale to the Australian Hide Board at New Zealand standard domestic values. The number of hides shipped to Australia up to 31st July, 1942, in terms of this arrangement was 53,513.

ACCOUNTS.

The accounts covering the foregoing transactions are shown in the accounts section at the end of this report, page 25. It will be seen that the deficit at 31st July, 1942, was £23,827.

REPORT OF HIDES COMMITTEE ON OPERATIONS FOR YEAR ENDED 31st MARCH, 1942.

The following report has been submitted to the Hon. the Minister of Marketing on behalf of the Hides Committee by the Chairman, Mr. A. P. O'Shea :—

"I have pleasure in submitting the Second Annual Report and Statement of Equalization Fund for the year ending 31st March, 1942. There were no major problems during the year, and the work of the Committee continued smoothly.

"*Export Levy*—The following table sets out the particulars of the various changes in the rate of levy during the year :—

Dates of Changes : Effective on and after	Rates of Levy.				
	Ox Hides.	Cow Hides.	Bull Hides.	Yearlings.	Calf-skins (other than Freezer).
1941.	d.	d.	d.	d.	d.
4th April	3	3	3	3	3
30th July	3	4	1	4	3
13th September ..	8	8	8	4	3
23rd October ..	1 $\frac{1}{4}$	1 $\frac{1}{4}$	1	3	3
	2	2	8	4	6
1942.					
7th January ..	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1	3	6
9th February ..	1	1	8	4	6

"The amount of levy payable is calculated on the weights invoiced to oversea buyers, and such weights are declared, on the Customs Department export entries.

"Owing to the heavy claiming of hides by tanners during the period September to December, 1941, and the corresponding reduction in the numbers freed for export, it became necessary to make the substantial increase in the rates of export levy shown in the above table.

"*Sale of Hides to Australia.*—In accordance with arrangements made between the Governments of New Zealand and Australia, the New Zealand Government undertook to sell to the Australian Government all ox hides 48 lb. and up, and cow hides 50 lb. and up which are surplus to New Zealand requirements and are free for export in accordance with the Hides Emergency Regulations 1940 (No. 2). The arrangement provided for purchase by the Marketing Department from the regular exporting houses at the points of f.o.b. Australian steamer, the purchase-price to be export f.o.b. parity prices as fixed from time to time by the Hides Committee, there being no actual free sale of these weights to fix the prices.