

changes were favoured along the lines our country has taken. Yet it will be noted that this Section of the Conference's recommendations includes also ample material that calls for attention in New Zealand no less than elsewhere.

One particular issue may be specified, if only because its more detailed formulation still awaits action as a matter, it seems to us, of some urgency. "International Commodity Arrangements"—sometimes discussed under the perhaps inadequate headings of "Buffer Stocks" or "Primary Products Price Regulation"—are given guarded commendation as a possible means of achieving desirable ends (Recommendation XXV); "but further study is necessary to establish the precise forms which these arrangements should take and whether and to what extent regulation of production may be needed."

The last words quoted give a hint of the considerable issues which the topic raises, issues that must undoubtedly be faced in any realistic approach and that in a preliminary way were before our Conference, and are now remitted to our Governments. Unanimously it is agreed that the constant aim must be the expansion of consumption and production, not the limiting of output and still less the destruction of the fruits of man's labour—"the timid regime of scarcity which characterized the 1930's." And it is agreed that "resort should be had to quantitative controls only in exceptional cases after all other expedients had been tried."

In the recommendation No. XXV some important principles that should govern any commodity regulation plan are suggested. And in the realm of prices the following are defined as basic requirements:—

"(1) National and international action to eliminate deflationary influences on agricultural income, in order to maintain an equitable balance between the purchasing power of agriculture and industry:

"(2) Action to restrain monopolistic practices, the effect of which is to restrict production:

"(3) Machinery for taking care of the temporary gluts and shortages that are so typical of agriculture."

It is unquestioned that different times and different commodities call for different measures. All of this, and more, is readily enough agreed. Yet we are left with the detailed job of ensuring that, in respect to this and that specific commodity, the vision of expanding production and expanding consumption is realized. The problem, as will be seen, is treated at some length in both report and recommendations; the upshot of the latter is to commend it for further study—but not specifically by the permanent organization to which this letter and the accompanying documents constantly refer.

The distinction just made is not, we think, unimportant. It is perhaps a recognition of the fact that the task is complex enough to call for separate treatment—mainly, perhaps, in the first place between the governments of the United Kingdom and the United States. It also brings the proceedings of the Food Conference into direct relationship to the problems of finance, which, though outside our scope, inevitably impinged upon much of our work.

One final point we make, needlessly no doubt, in favour of pressing with some urgency for more detailed arrangements, of longer-term duration, in the interests of the New Zealand primary producers and the Dominion. It is the danger lest the matter be postponed on the ground that "during the transition period there will be no urgent need for either buffer stocks or quantitative control." That may well be the case, and none of us wishes to become involved in quantitative control (though we can still reasonably insist that this may, and ought to, mean "regulated expansion"). Yet we cannot ignore the fact that if we favour or acquiesce in maintaining controls after hostilities cease, we are for the most part accepting measures which in the immediate short run tend to restrain the prices of our produce from rising. That is not argued to be contrary to New Zealand's real interest, as experience after the end of the last war testifies well enough. But if we are a party to restraining our prices from rising just after the war, we can reasonably ask that as a part of the present undertaking we shall be protected against disastrous price collapses in the period after.

7. *Permanent Organization:* The final recommendation, to which earlier proceedings had led up, is that a permanent international organization be established in the field of food and agriculture. Its functions are still to be formulated for the consideration of Governments. To this end, and to carry forward the work of the Conference meantime, it was resolved to establish an Interim Commission. Governments are entitled to designate one representative each on the Commission, and it is to be installed in Washington, D.C., not later than 15th July, 1943.*

8. The other recommendations, &c., do not seem to us to call for further reference in this report. We are submitting them, as are other representatives to their respective Governments, for your consideration. It is well understood that they are but recommendations, for we had, of course, no power to make commitments. We do, however, commend them to your most favourable attention.

9. It remains to add that we have had the most helpful co-operation of the New Zealand Legation in the United States under the *Chargé d'Affaires*, Mr. Geoffrey Cox. Two of the staff, Mr. B. R. Turner and Miss M. Oddy, have helped us most competently throughout the Conference.

We are, Sir,

Yours obediently,

R. M. CAMPBELL.

G. A. DUNCAN.

E. J. FAWCETT.

* On 15th June, 1943, the Government of the United States invited the Government of New Zealand to nominate a representative on the United Nations Interim Commission on Food and Agriculture recommended in Resolution II of the Final Act of the Conference. The Government of New Zealand nominated the New Zealand Minister in Washington or, in his absence, the *Chargé d'Affaires* of the New Zealand Legation.

Meetings of the Interim Commission have since been held at which draft regulations were adopted and three Committees appointed. These Committees, dealing respectively with the draft declaration of agreement for submission to Governments, a draft constitution for a permanent organization, and the promotion of interim studies and activities, are now working.