

fruit produced has had to be transported from one district to another, and the following table shows the transfers actually effected during the past season :—

	In.	Out.		In.	Out.
Auckland	488,882	400	Nelson	..	588,544
Poverty Bay ..	3,042	7,476	Canterbury ..	187,568	12,695
Hawke's Bay ..	1,682	540,188	Otago	127,107	79,644
Wairarapa	..	28,613	Southland ..	77,783	..
Wellington ..	434,358	7,906			
Marlborough ..	..	54,956		1,320,422	1,320,422

Under present conditions this transportation schedule constitutes an acute problem. Coastal shipping is much below normal, the railway has many extra tasks, while the national need to conserve benzine and tires results in a general shortage of motor transport. While it is the Division's general policy to eliminate all unnecessary transport, the prevailing conditions made it imperative to give special attention to this matter, and the Division is able to record that, despite increases in transport rates, the per-case cost of this service was reduced from 2s. 0.47d. in 1941 to 1s. 9.52d. for 1942.

FINANCIAL

An examination of the apple and pear accounts and a comparison with the accounts published in the last report will indicate that savings have been effected in many directions. The administrative costs of the Internal Marketing Division are but a fraction of the total amount of money which is involved in the purchase and distribution of the huge crops, and against these costs must be measured the benefits accruing not only to the industry, but also to consumers, who are able, under the present system, to purchase apples in the most remote corners of the Dominion.

GENERAL

In September, Mr. W. Benzies, Officer in Charge of the Apple and Pear Section, visited Australia for the purpose of investigating the Australian apple and pear acquisition scheme. This scheme was introduced on an entirely different basis from the New Zealand purchase, inasmuch as a fairly large proportion of the fruit, though purchased by the Government, was never put into consumption. Therefore, without a change of policy in New Zealand, much that was of interest in the Australian effort was incapable of adoption here.

The Division desires to pay tribute to the members of the National Fruit-marketing Advisory Committee for their assistance throughout the year. The service given by this Committee of working fruitgrowers is given willingly and without compensation in the interests of the industry and the Division.

HONEY

The year 1942-43 gave better production than 1941-42, but still short of an average season. This was mainly through the Waikato, which is the largest single production district, giving little better than the previous season's half crop. Since, owing to restricted use of other sweetstuffs, New Zealand's normal 3 lb. per head average demand for honey is much increased, and since hospitals, Armed Services, merchant shipping, and patriotic and prisoner-of-war parcels require priority treatment, the amount of honey available is still far short of that called for.

Increased demand has so greatly increased direct buying from apiaries that insufficient honey has been left for the above priority needs and for city consumers dependent upon retailers. To supply these needs the Honey, 1942-43 Season, Emergency Regulations 1942 were promulgated requiring keepers of more than twenty hives to sell no more than 30 per cent. of their honey other than to or to the order of the Internal Marketing Division—it being assumed that the 30 per cent. would fairly supply country customers. Under this arrangement receipts to date indicate that the Division will receive this season about 800 tons (approximately 1 lb. per person per year) to provide for all priorities and for the limited issue to city consumers.

Payment for honey-supplies to the Division will be 7d. per pound *pro rata* according to grade, with a further payment should the quantity handled be sufficient to ensure it. The Honey Section is now operating in the Division's new Auckland premises and is equipped to meet all probable honey-packing requirements for some years to come. It is too early to tell whether the effects of reduced top-dressing on clover growth and nectar secretion have any share, as has been suggested, in accounting for the paucity of the past two seasons' production.

POTATOES

The area planted for 1941-42 was only 15,201 acres, the smallest for many years. The average yield per acre was 5.89 tons, as against 5.54 tons the previous year.

This crop proved insufficient to meet our civilian and military requirements, increased as they were by the demands of Allied Forces in the Pacific. Therefore, in August the Food Controller took control of all seed and table potatoes remaining in New Zealand, in order to ensure equitable distribution to both civilians and Armed Forces through the customary channels, and to provide for next season's planting. Supplies were imported from America to meet military needs until the new crop became available, and some of these were distributed to civilians also. Every effort was made to increase the area for 1943, and despite shortage of seed, 21,700 acres were planted—sufficient, it is anticipated, for all needs.