

effective control of production, distribution, and administration costs. In view of the importance of these considerations and the facility and assistance the Code will thus afford to commercial and industrial executives in connection therewith, the committee has persevered with the project, despite the onerous and exacting nature of the work involved.

Produce Sacks.—At the request of the Price Tribunal a Standard Specification for second-hand sacks has been issued. This specification classifies the sacks into classes and grades according to their type and condition, in a way that will permit the selection of sacks according to the purposes for which they are required at prices that are easily comparable according to their condition, and so greatly facilitate commercial transactions in this connection. Good progress has also been made with the preparation of a Standard Specification for new produce sacks.

DOMESTIC COMMODITY STANDARDIZATION

Considerable progress has been made in the preparation of Standard Specifications for general household commodities. The primary object of this phase of standardization is to relate quality and utility to price and quantity in order to interpret value, render price-control effective, and eliminate the waste of resources which results from the production and distribution of needlessly diversified types of commodities.

Standard Grades for Meat.—The grading of meat was commenced in the Wellington district in November, 1943. The basis for the grading is the New Zealand Emergency Standard Specification for Grades of Meat for Sale on the Local Market and Definitions of Joints and Cuts, while the Board of Trade (Meat Grading) Regulations 1943 provide the machinery for the operation of the scheme. The citation of the Specification in the relevant Price Order ensures that consumers will obtain meat in accordance with the price fixed for the respective quality grades. Without such grading there is no effective means of ensuring that the consumer will not pay first-grade price for second- or even third-grade meat, which would amount to a charge of 25 per cent. or 56 per cent. respectively in excess of the proper price.

With the introduction of meat rationing on a value basis, the grading also ensures that consumers will obtain the full quantity of meat to which their coupon value entitles them, according to the grade they purchase. For example, taking the average price of first-grade meat at 8d. per pound, the weekly coupon value of 1s. 9d. entitles the customer to 2½ lb. of first-grade meat, compared with over 3¼ lb. of second-grade, or over 4 lb. of third-grade.

Vegetable Grades.—During the year seven Standard Specifications were issued establishing grades for table swedes, table carrots, table parsnips, kumaras, pumpkin, cabbages, and silver beet. These Standard grades are available for use in contract purchasing by the Government and other public authorities and institutions. It is hoped that later it will be found possible to relate Standard grades to the marketing of these and other vegetables in a way that will provide a basis for their sale and purchase between grower and wholesale merchant, wholesaler and retailer, and retailer and ultimate consumer.

The use of Standard grades for fruit and vegetables in this way to facilitate the orderly distribution of these commodities was strongly recommended by the United Nations Food Conference which met at Hot Springs, Virginia, U.S.A., in May and June, 1943. The Conference recommended, *inter alia*, that—

“ The governments and authorities here represented take steps to ensure that producers and consumers are adequately protected against trade malpractices and against exploitation in the purchase and sale of food and other products of agricultural or marine origin and commend general and specific measures to prevent confusion as to quality and country of origin : and that the permanent organization above mentioned assist, if requested, governments and authorities to this end, and, if appropriate, formulate international codes of trade practices . . . ”

The advantages of Standard grades as set out by the Conference are as follows :—

“ The primary purpose of grade standards is to improve the quality and permit the purchase and sale of commodities by description rather than by inspection of each lot by buyers and sellers. Such standards (1) supply the basis for a common language for describing the product marketed ; (2) facilitate trading by minimizing misunderstandings concerning the quality of the products ; (3) reduce losses from rejections and costs of arbitration ; (4) facilitate price quotations and other market information on the basis of quality ; (5) reduce or eliminate the costs of resampling or inspection in various stages of marketing ; (6) improve the collateral value of warehouse receipts and thus reduce financing costs ; (7) help buyers to obtain the qualities of products they need ; (8) permit the distribution of the various qualities on the basis of their most advantageous outlets ; and (9) facilitate payments to producers on the basis of quality, which, in turn, would encourage adjustments in the qualities produced on the basis of consumer demand.”

Other Foodstuffs.—The Standards organization has maintained full collaboration with the Price Tribunal in making investigations in respect of other foodstuffs with the object of having suitable provisions relating to quality and utility included in the appropriate Price Orders when no regular Standard Specifications have been available for this purpose. The items of food to which attention has been given in this way include New-Zealand-grown citrus fruits, other fresh fruits, canned vegetables, rice, New Zealand wines, mineral waters, cordials, New-Zealand-grown walnuts and light meads.