Enforcement of Regulations.—In April, 1946, the Rationing Regulations were further amended to give more power for enforcement. The amendment took the form of a clause requiring traders and other users of rationed goods to account for all the goods coming into their possession. With this amendment the enforcement of the regulations has been intensified, with the result that numerous prosecutions have since been taken.

During the year ending 31st March, 1946, numerous breaches of the Rationing Regulations were reported, but it would appear that publicity given to earlier prosecutions had had a salutary effect and very little evidence of what could rightly be termed "black marketing" has been detected. One hundred and eight prosecutions were briefed against traders, principally against butchers; 19 cases were withdrawn before coming before the Court; 5 cases were dismissed by Magistrates. The total number of convictions entered was 84, involving the offenders in fines totalling £1,716.

FOOD CONTROL

Local Purchasing.—During the year the Purchasing Section of this Office continued to function as the foodstuffs-purchasing authority for New Zealand Government Departments, including the Defence Services, and as the ordering authority for all foodstuffs purchased on behalf of the United States Joint Purchasing Board.

The purchase of foodstuffs to the value of £1,200,000 was arranged for the New Zealand Government Departments, including the Services and the New Zealand Forces Club at Cairo.

Orders to the value of £13,000,000 were placed on behalf of the United States Joint Purchasing Board (see Appendix A following for particulars of the goods supplied).

Disposal of Surplus Stocks: other Government Departments.—Following the cessation of hostilities, it was necessary to dispose of considerable surplus stocks of goods held by the Service Departments. Goods which could not be transferred to other Government Departments were either returned to the manufacturers or sold to the New Zealand Wholesale Merchants' Federation.

This Office has operated also as the selling agent of the War Assets Realization Board for the disposal of surplus foodstuffs taken over from the United States Joint Purchasing Board.

United States Joint Purchasing Board Procurement Programme.—The cessation of the war against Japan during 1945 resulted in the termination of all United States Joint Purchasing Board food contracts covering supplies from New Zealand to American Forces in the South Pacific area. Primary products, including such items as frozen and canned meat, butter and cheese, bacon and ham, were held in cool store on account of the United States Joint Purchasing Board and were diverted to the United Kingdom.

Contracts.—Contracts were arranged for most Government institutions, Air Force stations, and Army camps for commodities such as meat, bread, milk, and fish. The main Army camps and Air Force stations continued to draw supplies of meat from freezing-works at the export f.o.b. schedule rates. Fresh meat was supplied during the killing season and frozen meat during the off season. In all cases contracts were arranged for first-grade meat, and it is significant to record that since meat grading has been in operation not one complaint has been received from institutions, &c., where graded meat has been supplied regarding the quality of the meat delivered.

Imported Foods.—Although the past year has been a difficult one from the point of view of supplies of imported foodstuffs, we have been fortunate in being able to obtain reasonably satisfactory quantities. The London Food Committee, when allocating supplies, has given every consideration to New Zealand's requirements.

It has been the policy to revert to pre-war distribution, and, where possible, recommendations are made to the Customs Department that import licenses be issued to the trade to cover the quantities of the various items allocated to New Zealand.

Allocations, 1946.—The allocations in respect of most commodities for 1946 have been fixed, and it appears that our imported food position for the next twelve months