

239. The tendency to mechanize the industry wherever possible is more evident than ever. Each season sees additional planting-machines and mechanical hoers coming into the district, and there is a marked swing towards the use of oil fuel for heating kilns. There are two main motives behind this—to make the work easier, and to make more efficient use of the limited labour available.

(c) PRICES

240. The basic average prices fixed for growers for the 1946 harvest were 2s. 2d. per pound for flue-cured and 1s. 11d. per pound for air-dried leaf. These prices were given effect to by the issue of a Price Order by the Price Tribunal and were 1½d. per pound in excess of those which operated during the preceding year.

241. The minimum price below which leaf cannot be sold—namely, 1s. 2d. per pound—has remained unaltered for eight years. This minimum price is fixed by regulations under the Board of Trade Act, 1919.

(d) PROPORTION OF NEW ZEALAND LEAF

242. During the year under review the minimum percentage of domestic leaf which all factories were required to use in their total manufacture was 30 per cent., and it was decided to retain this percentage for the period 1st August, 1946, until 31st July, 1947. The reason that no increase was effected was to enable manufacturers to mature sufficient leaf to comply with the present requirements as well as future increases.

(e) RESEARCH

243. Contributions totalling £8,076 have been made by the Board towards the cost of maintaining the Tobacco Research Station. The amount contributed during the year covered by this report was £1,228 6s. 7d.

(f) INSURANCE

244. The previous annual report recorded the establishment of the Tobacco-growers' Crop Insurance Reserve for the purpose of compensating tobacco-growers for loss of leaf occasioned by the incidence of frost, hail, and flood. After meeting claims to the extent of £1,251 6s. 5d. in respect of the 1945 harvest, and after transferring a further £1,500 from the General Fund, the Reserve stood at £2,748 on the 31st July, 1946, with a number of outstanding claims to be settled at the close of the season.

245. A total of nineteen claims was received from growers during 1946, the second season the fund was in operation. Of these claims, fourteen qualified in terms of the regulations. The poundage covered by compensation was 16,249 lb. and the aggregate payout was £355 8s. 10d. Of the total amount compensated for, 15,943 lb. was on account of frost and 306 lb. was destroyed by hail.

(g) MEMBERS OF THE TOBACCO BOARD

246. The Industry is controlled by the Tobacco Board, the members of which are:—

Chairman and Government representative: Mr. L. J. Schmitt.

Representative of manufacturers: Mr. E. M. Hunt, Mr. T. P. Husheer, Mr. W. R. Olliver, and Mr. C. M. Paynter.

Representative of growers: Mr. F. A. Hamilton, Mr. N. Rowling, Mr. R. W. S. Stevens, and Mr. M. H. Thorn.

Mr. E. J. Fawcett, Director-General of Agriculture, represents that Department in an advisory capacity at meetings of the Board.

Secretary: Mr. H. L. Wise.

Assistant Secretary: Mr. L. G. Rimmer.