

purchase and collection of fat stock on the basis of a weekly schedule which is fixed in consultation with the Farmers' and Butchers' Co-operative Society and having regard to current prices at auction and in the field. The Farmers' and Butchers' Co-operative Society arranges for the killing and distribution and acts as a wholesaler to the individual butchers.

No evidence was advanced to indicate that any significant steps had been taken in other areas to set up some such organization, which, the Commission considers, is an essential part of the set up of a domestic schedule.

In the absence of such organizations the Commission is of the opinion that the institution of a domestic schedule would create serious difficulties and would be largely ineffectual.

- (3) It should be remembered that the functions of breeding and fattening are often carried out by separate individuals. The fattener is in most cases unaware of the price he will have to pay for his store cattle and this will vary according to the season. Under these circumstances the difficulties of fixing a schedule price well ahead would appear to be considerable. It should be pointed out that unless such schedule were fixed well ahead no advantage would accrue.
- (4) It should be remembered that the fattening of stock for export is carried out at the favourable season of the year and that in the normal course of events the great majority of farmers have to have their stock killed when they are fat. In fattening for the local trade in the off season of the year it is a matter of providing an inducement for the farmer to make provision for winter feed, and unless the exact price were arrived at the position set out in (2) above would obtain. An export schedule works mainly because it does not have to make provision for special circumstances. A schedule for locally-consumed meat would have to make such provision and would have to apply to widely varying circumstances which arise under our very considerable range of climate in the Dominion.
- (5) A compulsory schedule for fat stock means the elimination of fat-stock auctions. The evidence of the stock and station agents was that this would be seriously detrimental to the system of store-stock auctions. Moreover, farmers' organizations unanimously and emphatically expressed their desire for the retention of fat-stock auctions. It will be realized that the auction of store sheep must be allowed to continue. It would be impossible to do without the auction system for this purpose. The difficulties of having the auction system for store stock and of forbidding it for fat stock will be obvious.
- (6) Under any schedule system there would be considerable difficulties in the allocating of the highest qualities of meat amongst individual butchers as these supplies are strictly limited.
- (7) There is not unanimity amongst butchers in the desire for a change from the auction system. A number of the most successful butchers in the Dominion are strongly of the opinion that the auction system should be retained. It must be reiterated, however, that the New Zealand Master Butchers' Federation officially advocates a compulsory domestic schedule.
- (8) If the domestic schedule were instituted on a compulsory basis we consider that there would be an implied guarantee that a producer would be able to sell his stock at any time at the appropriate schedule price. The difficulty which would arise in any period of oversupply, such as occurred in Canterbury in 1946, is obvious and is one which would not be easy of solution.

In addition to the above, suggestions were made that the domestic schedule could be operated by having an auction with a ceiling price. This system has been tried in the case of pigs and has been found to be unsatisfactory, and therefore the Commission does not recommend it.