It would therefore appear that the proposals of the master butchers must be viewed, as they are probably intended, in the light of a long-term policy and could not be affected until such time as—

(1) Abattoirs are modernized and brought up to such state of efficiency as will permit the complete processing of meat, wholesaling operations, and processing of by-products.
(2) Butcher organizations are established which could implement the conditions contingent upon the introduction of a schedule by regulation.

Evidence showed that no significant and widespread steps have as yet been taken by the butchers to form such co-operative wholesale organizations as would be essential to the implementation of a domestic schedule on a Dominion basis.

Under such circumstances as obviously prevail I would therefore recommend as preferable to either a voluntary schedule or schedule by regulation a Meat Wholesale Price Order as the only alternative practical method which could be adopted at the present time to have the effect of establishing a basic buying-price to which the retail price of meat could be adjusted with equity to the retail trade.

Such a measure would establish a basic buying-price which, as mentioned in a preceding paragraph, seems to be the primary concern of the master butchers, and at the same time would not interfere with the varied buying and selling practices at present favoured by the majority of interested parties.

The auction sales would continue, as would sales by private treaty, but the establishment of the Wholesale (Carcass) Price Order would have a steadying influence on auction prices, also on prices paid in the field by export wholesalers, as recovery from the retailer in the form of carcass-prices in excess of the Wholesale Price Order would no longer be possible.

It is assumed that such Wholesale Price Order would be based on the export schedule, as is the Retail Order.

The wholesalers would then be obliged to purchase live-stock at values closely related to the export schedule during the season, and in the winter period at export schedule plus such additional seasonal increases as might be permitted under the price-structure, or absorb any loss occasioned by the difference in price-levels due to excessive live-stock payments being made.

The alternative to carrying such loss caused by payment of excessive live-stock prices would be to reduce the prices paid for stock in both field and auction.

The adoption of this method of control over the basic price of carcass meat would establish trading margins for the meat-retailer and would in all probability bring back the excessive prices paid for live-stock to a closer proximity to the Retail Price Order levels.

Summarized briefly, the main features of the above paragraphs are—

(1) A Wholesale Price Order would partially govern, or influence to a great degree, the purchase-price of live-stock.
(2) Auction sales and sales by private treaty would continue.
(3) The individual trader would be free to purchase supplies by either method, live-stock or carcass meat.
(4) Any purchases made by the trade at auction in excess of values calculated from the wholesale carcass-price would be his individual responsibility, when alternative markets for the purchase of supplies at a basic cost-price are available.