The export of wool from New Zealand to any destination, "save with the consent of the Minister of Customs," was prohibited by Order in Council of the 18th November, 1916, and all wool of the 1916–17 clip in New Zealand was requisitioned by Proclamation on the 21st December following. Steps were also taken to secure freezing companies' slipe wool, and scoured and slipe wool after treatment by fellmongers.

Established firms of wool-brokers were appointed Government wool-brokers in respect to the wool so requisitioned. All owners of wool were required to deliver their wool at the wool-stores of the Government brokers at specified ports. There the wool was examined before shipment by two expert valuers, one being appointed by the Government and one by the Government's broker. Supervising valuers were also appointed by the Government, to whom any difference between the Government valuer and Government brokers' valuer as to classification and valuation of wool could be referred. Provision was also made for the appointment of umpires as a means of settling any disputes which arose in respect to valuation.

Wool received in store and accepted was paid for on the following scale of qualities and values, plus 55 per cent.:—

Description of Wool.	Range of Values per Pound according to Quality.	
Superior merino combings	From 12d.	to 14½d.
Medium to good merino	,, 9¾d.	,, 11½d.
Inferior merino	,, 8½d.	,, 9½d.
Superior half-bred	,, 12d.	,, 14d.
Medium to good half-bred	,, 9¾d.	,, 12d.
Inferior half-bred	,, 9d.	,, 10d.
Superior crossbred	,, 10½d.	,, 12d.
Medium to good crossbred	,, 9d.	,, 11d.
Inferior crossbred	,, 7¾d.	,, 9d.
Lincoln and Leicester	,, 8¾d.	,, 10½d.
Lambs, good	,, 11d.	,, 13d.
Lambs, medium	,, 9d.	,, 10¾d.

The above were taken as the average returns for wool sold in the salerooms of the Dominion during the season 1913–14.

Payment was made for the wool to the broker as agent for the owner, and on receipt of such payment the broker took possession of the wool on behalf of the Government, and such wool thereupon became the property of the Government. Payments were made to owners of the wool free of exchange fourteen days after valuation, through the broker acting as his agent. Prior to such payment the wool remained the property of and was at the risk of the owner, but was insured against fire to its full insurable value on his behalf while in the possession of the broker and until paid for. The broker was not allowed to charge the owner of the wool for any services rendered except for repacking when such was required, the intention being that the amount payable by the Government to the owner for his wool should be the net return for it, such amount being based on the foregoing scale of prices.

Wool already shipped for export under permit of the Minister of Customs, together with all other wool theretofore shipped by or on behalf of the same owner upon the same ship, was purchased by the Government on terms equivalent, as regards the seller, to those on which the wool requisitioned was paid for and in accordance with valuations to be made in the United Kingdom.

The brokers appointed as Government brokers were required to do all that was required as to the receipt, weighing, stacking, cataloguing, displaying, counter-marking, &c., as in accordance with the Government instructions. Their remuneration for these services was $\frac{9}{16}$d. per pound of wool for all wool purchased by the Government through the agency of the brokers in pursuance of the scheme, plus 6d. per bale to cover cost of preparation of shipping