WOOLPACKS.

In the last annual report reference was made to assistance given to a company engaged in the manufacture of woolpacks from *Phormium tenax* at Foxton. Owing to complaints that had been received from the British Wool Federation, a member of the company was sent to England to meet the Federation and discuss the nature of the complaints and receive suggestions for their elimination in the future manufacture of packs. Discussions took place at Bradford at which the liaison officer of the Department of Scientific and Industrial Research attached to the High Commissioner's Office was present. Certain defects were pointed out, and an assurance was given that these would be rectified in the 1935–36 season's pack.

It became apparent soon after the present Government assumed office that if the company were to carry on, additional assistance would have to be provided. One of the main difficulties facing the company at the commencement of the season was the low price of jute packs due to fierce internal competition in Calcutta from the smaller mills. The Government was therefore faced with the position of either allowing the works to close and dismiss 180 employees and the consequential labour provided in flax areas and flax-mills to the extent of 100 men or providing an outlet for the company's products.

The Hon. the Minister of Industries and Commerce therefore convened a meeting of representatives of stock and station agents on the 24th March, 1936, and invited their co-operation and suggestions whereby the output of flax packs from the Foxton works could be absorbed during the current season. As a result of this conference a committee was appointed to co-operate with the Department in putting into effect the following plan:—

- (1) The Government to gazette an Order in Council prohibiting the importation of jute packs except under license.
- (2) The price of all packs to be fixed by Order in Council.
- (3) All importers of jute packs to purchase one flax pack to every two jute packs imported, and distribute the flax packs on a margin of ½d. per pack.

These arrangements have been duly carried out, and the Department appreciates the helpful co-operation of this Committee, the whole scheme working very smoothly. As a result of these arrangements the company will produce and sell approximately three hundred thousand packs by the end of December, 1936.

The future of the works is a matter that is now engaging the attention of the Department, as it appears very obvious that, if the company is to continue to supply woolpacks, additional plant will have to be installed to cater for a greater proportion of New Zealand's requirements of woolpacks.

FISHING INDUSTRY.

In last year's departmental report it was pointed out that the Fisheries Sub-committee of the now defunct Development of Industries Committee was directing special attention to the ways and means which might be adopted to promote the welfare of the fishing industry generally. To this end the Department undertook a commercial survey of the activities of the industry, and, with the object in view of developing the export trade as the first step, made arrangements for calling a conference with the Fisheries Sub-committee of all exporters in the trade.

It was agreed by the majority of delegates present at this conference that there was a need for the introduction of a greater measure of co-ordination and general efficiency in the industry, and that some central authority should be set up to regulate the export trade in particular, and it was recommended, *inter alia*, that all exporters should be licensed, a study should be made of overseas markets with a view to better adapting the quality and packing of fishing products to the consumers requirements, the Australian market in particular should be given special attention, and that full information should be obtained relative to handling and freezing.

Upon the abandonment of the Development of Industries Committee these and other proposals for the development of the industry were temporarily held over, but, now that the Bureau of Industry is established and a Fisheries Committee again set up under it, close attention is again being given to those matters which were previously under consideration.

The industry is an important one: the value of the catch of salt-water fish for the twelve months ended 31st March, 1935, is estimated at £334,000. The fishing industry gives employment to approximately two thousand whole-time and one thousand part-time fishermen.

In all matters relating to the welfare of the fishing industry a close liaison has at all times been maintained with the Marine Department and the Department of Scientific and Industrial Research.

EXPORT OF HIDES.

For some time past it has become evident that the classification and grading of New Zealand hides exported to certain countries has not by any means been all that might have been desired, and accordingly steps have been taken to devise ways and means by which overseas buyers, particularly in Canada, might be assured of the quality of the product which they are ordering.

Definite standards in respect of grading apply to cattle-hides exported from the main exporting countries—e.g., the Argentine—and consideration has been given to the introduction of some similar system in so far as New Zealand is concerned.