H.—44.

being sold at that date under any particular mode of distributing, whether it was cash over counter, cash delivered, &c., or wholesale. These stabilized or standard prices could be varied only with the consent of the Minister of Industries and Commerce, and any increase or decrease would only be made when circumstances altered in respect of the price of flour and other ingredients or in relation to an alteration in the rates of wages or in the conditions of the bread-baking industry.

In so far as the bread-baking industry is concerned, the scheme which the Government has now put into operation has eliminated that disturbing element which has always been the bugbear of the baker—the indiscriminate price-cutter, who has, in many instances, brought prices down to uneconomic levels, and brought confusion to the trade. In other words, bread was used as a "decoy" in many trades. With the elimination of the "cutter" the bakers will benefit materially and will be rid of the ever-present fear that uneconomic price wars may be forced upon them at any time. This is of great value to the baking industry.

Mention must be made of the fact that under the rationalization scheme representatives of the bread-baking industry are now appointed to the Wheat Committee in order that their interests may be

properly safeguarded and understood fully by the wheat-growers and the flour-millers.

Appreciation is expressed of the manner in which the changed conditions have been received by the majority of the bakers throughout the country, and also by the wheat-growers and the great majority of flour-millers.

The Minister of Industries and Commerce is Chairman of the Wheat Committee, with the Secretary of his Department as Deputy Chairman, the industries concerned being represented by four wheat-growers, three flour-millers, and two bakers.

MOTION-PICTURE INDUSTRY.

The Department has carried out investigations under the Board of Trade (Cinematograph Films) Regulations, 1935, into some twenty-four applications for exhibitors' licenses in various centres during the past year. Each investigation involves a personal visit by an officer of the Department to the district in which it is proposed to open the additional theatre. A thorough examination of the whole theatre situation in the particular locality under review is carried out, and the report invariably submitted to a Magistrate, who gives all interested parties an opportunity of supporting or opposing the application. The Magistrate then sets out his recommendation in accordance with the facts disclosed by the investigation and his interpretation of the regulations as they affect the particular application under consideration.

Of the twenty-four applications submitted to the Department last year, eleven were granted and thirteen declined.

MOTION-PICTURE INDUSTRY ADVISORY COMMITTEE.

The Hon. the Minister of Internal Affairs, acting under authority given by section 41 of the Cinematograph Films Act, 1928, has appointed an advisory committee consisting of Mr. W. F. Stilwell, S.M., as Chairman, and representatives of the Film Exchanges, Motion Pictures Exhibitors Association, Department of Industries and Commerce, and the Chief Inspector under the Cinematograph Films Act to advise him on the following matters:—

(a) As to what amendments of the Board of Trade (Cinematograph Films) Regulations, 1935, are necessary or desirable;

(b) As to whether or not the compliance already made with section 7 of the Cinematograph
 Films Amendment Act, 1934, is all that can reasonably be required of licensed film
 renters, and, if not, what amendments, if any, of the said section 7 are necessary to
 secure proper compliance; and
(c) What amendments, if any, of section 12 of the Cinematograph Films Amendment Act,

c) What amendments, if any, of section 12 of the Unematograph Films Amendment Act, 1934, are necessary or desirable to fully carry out the intention of that section.

The Committee has met on several occasions, and considerable progress has been made in formulating a report arising out of the Order of Reference. Discussion has been held up temporarily owing to the absence of Mr. J. Robertson, M.P., who was appointed a member of the deputation to visit Cook Islands in connection with the fruit investigation.

PETROL.

The passing of the Motor-spirits (Regulation of Prices) Act, 1931, gave power to fix the maximum and minimum prices for the sale of motor-spirits, and, due to the disruption of the reselling trade in the Wellington city and suburban district through indiscriminate price-cutting, regulations were gazetted in February last fixing the wholesale and retail prices in what was known as the Wellington free-delivery area.

The regulations were framed to stabilize as much as possible existing trading conditions and to return to the reseller a fair margin of profit. The margin was fixed at 3d. per gallon, which the majority of resellers had endeavoured to maintain in spite of the price-cutting tactics of certain of their competitors. The price of motor-spirit supplied to bona fide farmers was fixed at the same level as previously, and large commercial user accounts taking 4,800 gallons a year continued to buy at the concessional rate previously enjoyed by them. In return for the fixed margin of profit, the proprietors of both garages and service-stations agreed to raise substantially the wages of their employees and reduce working-hours.