

sales account for 300 cases of oranges returned as selling in Auckland at 10s. 0½d. per case, the charges work out as follows :—

300 cases oranges at 10s. 0½d.	..	..	..	..	..	£	s.	d.	
						150	12	6	
New Zealand charges—						£	s.	d.	
Commission	..	..	..	..	..	15	1	3	
Receiving and delivering	..	..	..	..	..	1	5	0	
Freight, wharfage, and cartage	..	..	..	..	..	54	7	6	
Levy	..	..	..	..	..	0	6	3	
							71	0	0
Net return to Rarotongan trader	..	..	..	..	..	79	12	6	
Rarotonga charges—									
Cost of 300 shoos (fruit-cases) at 2s.	..	..	..	..	..	30	0	0	
300 wrapping-papers at 4½d.	..	..	..	..	..	5	12	6	
Inspection fee	..	..	..	..	..	5	0	0	
Shed fees and packing	..	..	..	..	..	3	15	0	
Manure levy	..	..	..	..	..	3	15	0	
							48	2	6
							31	10	0
Rarotongan traders' commission on sales return (5 per cent. on £79 12s. 6d.)	..	..	..	..	..	3	19	7	
							£27	10	5
Balance	..	..	..	..	..				

This amount of £27 10s. 5d. is equivalent to 1s. 10d. per case, to cover cost of growing, harvesting, and carting to packing-shed, Rarotonga.

The above example, although an actual one, is not put forward as representing the average price which oranges fetch in the New Zealand market, as a reference to “Average Prices” on page 5 will show that the price received by the grower in this instance is well below the average of four years. It illustrates, however, the charges borne by the fruit from the time it is delivered by the grower in Rarotonga till it reaches the New Zealand market.

FINANCE AND TRADING METHODS.

The ordinary methods of finance and banking are not practised in the Islands, and the trading firms virtually become bankers for the Native growers.

At Rarotonga most Native growers approach their trading store and obtain cash advances to enable them to plant; additional advances by way of goods are also made by the firms until the crop is harvested, when the fruit is handed over to the trading firm at the ruling price in liquidation of the debt previously incurred.

Where the amount due to the Native exceeds the amount of debt, the balance may be paid in cash or left to the credit of the grower; but it not infrequently happens that the advances aggregate an amount equal to or exceeding the value of the fruit harvested. So the process of debt continues. The non-receipt of cash in payment for fruit in such instances has caused a good deal of dissatisfaction among Native growers.

During the period prior to the depression advances were made, and, when the depression made its presence felt and prices receded to lower levels, the Native growers found themselves loaded with a debt burden which has not been, and cannot be, liquidated at present fruit prices. The pressure of debt was further accentuated by the effect of last year's hurricane.

The trading firms agree that a substantial proportion of these outstanding amounts are not collectable, and a proposal for dealing with the situation appears later in this report.

A very unsatisfactory feature of the present method is the injustice done in many instances to those growers who have not committed themselves to debt. When there is a shortage of space in the ships, the traders, who guarantee the filling of shipping-space and consequently have the right to allocate space to whomsoever they please, naturally are inclined to see to it that those growers who owe them money are given space to enable them to liquidate—at least in part—their debt, while those growers not in debt to the traders have complained of their difficulty in securing sufficient space.

The whole situation has been closely investigated, and, while it cannot be said that the charge has been proven, there is sufficient evidence available to justify the statement that growers in debt receive preference.

PRICE OF GOODS, ETC.

Investigations into the question of profits of traders of Rarotonga have been made, and there are no grounds for statements that local traders make unreasonable profits.

Prices of goods generally in the stores are quite reasonable, and almost anything reasonably required can be purchased.

Traders stated that in the Outer Islands an additional charge of 12½ per cent. was made to compensate for the cost of repacking, transhipment, and freights. No further investigation by the Delegation into the retail prices of goods at Outer Islands was possible.