

RAROTONGAN FRUIT INQUIRY.

Following an inquiry into the marketing and handling of Cook Islands fruit which was undertaken by the Industries and Commerce Committee of the House last year, a special parliamentary delegation visited Rarotonga during July and August, 1936.

On their return the delegation presented a report on the Cook Islands fruit industry, and as a result of their recommendations the Government has taken steps to control the marketing of Cook Islands oranges. In addition to oranges, powers have also been taken to take over any other class of fruit exported from the Islands at any time and also to control its sale and distribution within the Dominion.

WOOLPACKS.

During the past year the Government has again maintained its interest in the activities of the company at Foxton engaged in the manufacture of woolpacks from *Phormium tenax*, and has in a practical manner afforded assistance to the company to enable it to continue in operation. It was considered that it was in the national interest to ensure that the Foxton works should be kept in operation, in view of the outlet for employment (the company at present employs upwards of two hundred workers in the factory and consequential labour is provided in flax areas and flaxmills of approximately one hundred men) and in view of the capacity of the works to absorb as a raw material New Zealand *Phormium* fibre. In this connection, too, it was felt that the present works offer scope for the extension of its operations to include in future the manufacture of bags, sacks, &c., while at no distant date it is probable that a greater quantity of New Zealand's requirements of woolpacks may be manufactured.

At the commencement of the season it was ascertained that a very real difficulty presented itself which would have had the effect of causing the company to discontinue operations were preventative measures not taken. Owing to fierce internal competition prevailing in the jute trade in Calcutta, the price of jute-packs became extremely low on the New Zealand market and sales could have been effected at levels which would have automatically resulted in the closing-down of the Foxton works. The Government therefore again sought the co-operation of stock and station agents at the commencement of the season, and the following arrangement was made to assist the marketing of New-Zealand-made woolpacks:—

- (1) The importation of jute-packs was prohibited, except under license.
- (2) Prices of both imported jute-packs and New-Zealand-made flax-packs were fixed by Order in Council under a pooling arrangement with stock and station agents.
- (3) All importers of jute-packs were required to purchase two New-Zealand-made flax-packs to every five jute-packs imported.

The Department wishes to place on record its appreciation of the help received from all sections in the successful carrying-out of the scheme outlined above.

During the year provision was made for the purchase of certain additional machinery from the United Kingdom which will have the effect of enabling manufacturing operations to be carried on with greater efficiency. A portion of this plant is now to hand and further machines are to arrive within the next two months, but these will not be installed in time to effect any appreciable economy in production on the current season's pack; the manufacturers of the various machines, however, have given a written guarantee that the new plant will produce wool-packs at substantially lower operating costs. Very favourable reports have been received in regard to the quality of the Dominion-made pack, and it appears that any defects which may have been observed before are now entirely eliminated.

The Government is represented on the directorate of the Foxton company by two representatives, one of whom is an officer of this Department.

SEA FISHERIES.

Arising out of an accumulation of evidence in the hands of the Departments of Industries and Commerce and Marine, as to the difficulties under which the sea-fishing industry was operating and as to apparent lack of co-operation amongst the various units engaged in the industry, there was set up by the Government a Committee of inquiry to investigate and report upon the conditions existing, the order of reference reading as follows:—

The Committee shall inquire into and report upon—

- (1) The condition and prospect of the sea-fishing industry of New Zealand, including investigations into any matter relating to the exploitation and conservation of our sea fisheries; the catching, landing, treatment, preservation, storage, transport, internal and external marketing and distribution (both wholesale and retail) of sea fish, shell-fish, and other marketable marine products.
- (2) The scientific evaluation, control, and administration of the sea fisheries.

This Sea Fisheries Investigation Committee comprises as members Mr. James Thorn, M.P. (Chairman); Mr. E. Sheed, of the Department of Industries and Commerce; and Mr. M. W. Young, Assistant Chief Inspector of Fisheries. The Committee commenced its investigations at the Bluff and Stewart Island in the middle of March, and at the end of June had visited all the fishing-ports in the South Island and on the east coast of the North Island up to Thames. Altogether approximately two hundred witnesses have been examined and valuable evidence on all aspects of the industry has been placed in the hands of the Committee.

Soon after the completion of its investigations the Committee will place before the Government its recommendations as to what it considers ought to be done to place the industry upon a more uniform and economic basis, consistent with the conservation and continuity of supplies in all fishing-grounds.