

1938.
NEW ZEALAND.

GUARANTEED PRICES ADVISORY COMMITTEE, 1938.

(REPORT OF THE).

Laid on the Table of the House of Representatives by Leave.

The Hon. the MINISTER OF MARKETING, Wellington.

SIR,—

We have the honour to submit the report of the Committee that was set up to advise the Government regarding the prices to be paid for butter and cheese manufactured from cream and milk supplied to dairy factories from 1st August, 1938, to 31st July, 1939, and placed on board ship for export with the concurrence of the Primary Products Marketing Department.

The personnel of the Committee was :—

Hon. Sir Francis Frazer (Chairman), Deputy-Chairman, Executive Commission of Agriculture :

Mr. C. P. Agar, Managing-Director, Tai Tapu Co-operative Dairy Co., Ltd. :

Mr. H. M. Caselberg, Supervising Valuer, State Advances Corporation of New Zealand :

Mr. G. A. Duncan, Director, Dairy-produce Export Division, Primary Products Marketing Department :

Mr. W. Marshall, Acting-Chairman, New Zealand Co-operative Dairy Co., Ltd. :

Mr. N. H. Moss, Barrister and Solicitor, Stratford :

Professor A. H. Tocker, Professor of Economics, Canterbury University College.

Messrs. Caselberg, Duncan, and Moss were appointed directly by the Government, and Messrs. Agar and Marshall and Professor Tocker were appointed by the Government on the nomination of a committee representing the dairying-industry organizations. The Hon. Sir Francis Frazer was appointed as Chairman after the Government had conferred with the industry organizations and had ascertained that his appointment would be acceptable to the industry. Mr. G. M. Pottinger, Secretary of the Dairy-produce Export Division of the Primary Products Marketing Department, was appointed as Secretary of the Committee.

The Committee met the Hon. the Minister of Marketing on 27th July, 1938, when the Minister outlined the order of reference and the general lines of the procedure to be adopted. The order of reference was contained in subsections (4) and (5) of section 20 of the Primary Products Marketing Act, 1936. Regarding procedure, the Hon. the Minister stated that the proceedings of the Committee would be confidential until released by the Government, that the Committee might at its discretion call as witnesses any persons who in its opinion were competent to give evidence that might assist it in its deliberations, and that any information available from Government sources would be placed at the disposal of the Committee as required. The Hon. the Minister indicated that the Committee, in interpreting the order of reference, was at liberty to consider any matters that it deemed to be relevant to the issues before it, and to attach to them such weight as it deemed proper.

PROCEEDINGS OF COMMITTEE.

The Committee sat continuously from 27th July, 1938, until it had completed its deliberations. It circularized dairy-industry organizations and dairy-factory companies, inviting them to submit evidence regarding costs and other matters, and heard the evidence of the following witnesses :—

- (1) Messrs. W. W. Mulholland and A. P. O'Shea, representing the New Zealand Farmers' Union ;
- (2) Messrs. G. R. Herron, G. H. Smith, F. Paul, and B. Clearwater, representing the dairying interests of Southland ;
- (3) Messrs. W. E. Hale, Chairman, and T. C. Brash, Secretary, representing the New Zealand Dairy Board ;